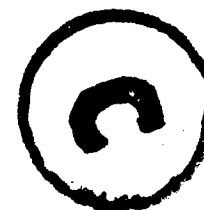


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The madras Journal of operation

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THE *228* Madras Journal of Co-operation

EACH FOR ALL AND ALL FOR EACH

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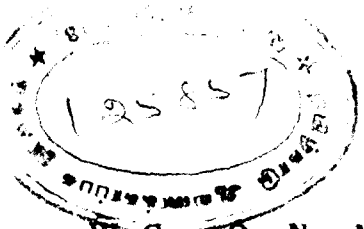
Thought for the Month

In the light of the result of the General Election it must be apparent to every Co-operator that now is the time to examine the whole Movement and plan for future developments. We are all aware that Co-operative progress is not automatic and saturation point is a long way off, and that planning is necessary. There are many persons who dislike the word intensely and all that it stands for; to-day it is a question what we shall plan for, when, how and by whom will it be undertaken.

We dare not leave its consideration to those who are hostile, or lukewarm to the Movement, and it would be equally disastrous to delay its consideration. Now is the time to consider future Co-operative developments and avoid the possibility of theorists and doctrinaires outlining schemes into which the Co-operative Movement must be placed.

We know from experience that the hour does not produce the plan. It is highly probable that some of the schemes and particularly some of the nationalised industries introduced during the past few years were not examined in sufficient detail with the result that certain shortcomings existed especially in the realm of administration. The Co-operative Movement with its multitudinous interests and its hosts of efficient administrators was in a unique position to give guidance, and it is certain that if the Movement had been consulted more frequently and more detailed examination given to proposals, some of the administrative pitfalls would not have taken place.

*Future Co-operative Development,
—Co-operators' Year Book 1952*



Editorial Notes

We Greet Our New Ministers:

Co-operators in the Madras State will note with satisfaction that following the General Elections in the State held in January-February 1952, the new Cabinet of Ministers has now been sworn in. The present Cabinet is composed of men who have distinguished themselves by public work, social service and administrative experience and is headed by Sri Rajaji who has already attained to offices of the highest political and administrative importance in the country. On behalf of the co operators and co-operative institutions in Madras State, we offer our hearty felicitations to the new Madras Ministry.

We of the Co-operative movement in Madras have in particular a special cause to be proud on this occasion; for our Movement has contributed four of its experienced members to the Cabinet.

The Hon'ble Sri Dr. R. Naganna Gowd has to his credit not only foreign education of a high order but rich experience in agriculture and rural co-operation in our country. He has been connected for long time with the Hospet Sugarcane Growers' Co-operative and has been also on the Executive Committee of the Madras State Co-operative Bank. His interest in agriculture and co-operation is very keen.

The Hon'ble Sri S. B. P. Pattabhirama Rao is also a very keen co-operator. Though he comes of a noble Zamindari family, he has always taken a keen interest in rural welfare, cottage industries and rural co-operation. He has also been intimately connected with the Madras State Co-operative Bank and has been on the Executive Committee of the Bank for many years.

The Hon'ble Sri K. Venkataswami Naidu is also one of our enthusiastic Co-operators. He has been the President of the Madras Co-operative House Construction Society. His zeal and enthusiasm in co-operative housing can clearly be seen from the Gandhi Nagar Colony in Adyar and Venkatesapuram in Ayana-varam.

The Hon'ble Sri V. C. Palaniswamy Gounder is a well-known co-operator of Tamil Nad. He has been closely connected with

EDITORIAL NOTES

the Movement in the Salem district where he held numerous honorary offices in various co-operative institutions.

This inclusion of four of its worthy members in the Cabinet is a matter of great credit to the Co-operative Movement. It also augurs good for the Movement that they hold portfolios in which their experience as co-operators would stand in good stead.

We take this opportunity to welcome the present Minister for Co-operation and Housing—the Hon'ble Sri D. Sanjeevayya. The Madras State Co-operative Union and its medium the Journal, during the past several years have always received the sympathetic consideration and generous help of the Government. We earnestly hope that the same co-ordiality and benevolence will be maintained by the Government during his period of administration also. We, on behalf of the Co-operative Movement in the State, offer and assure our most sincere co-operation to the Government in their nation-building activities.

We have pleasure to announce that two more of our co operators have now been nominated by His Excellency the Governor of Madras to the Madras Legislative Council—Sri N. Satyanarayana and Sri P. N. Marthandam Pillai.

Sri N. Satyanarayana is no stranger to the Co-operative Movement not only of Madras but other States in India. He has been enthusiastic worker for over three decades and has to his credit the organisation first Multipurpose Co-operative Society in the country. He is also keenly interested in the Panchayat Movement and richly deserves this distinction conferred on him.

Sri P. N. Marthandam Pillai is also a Co-operator of repute in Madras. He has been connected with some local co-operatives in the City, particularly the T.U.C.S. of which he is now the President. He was a legislator for some years. His experience in both the fields—Co-operation and Legislation—will, we are sure, benefit greatly the Co-operative Movement.

Long-Term Credit in Madras State :

We publish elsewhere in this issue the proceedings of the 22nd Conference of Land Mortgage Banks, held in Madras last month. His Excellency the Governor of Madras inaugurated the Conference and Sri Bhogaraju Venkataratnam, President of the Bank presided. After much useful discussion and deliberation a

number of resolutions were passed by the Conference for the better working of the long-term credit movement in the State.

This Conference was unique in as much as it was the first occasion for a Governor of the State to inaugurate a Land Mortgage Banks Conference in the State.

It is indeed gratifying to note that the long-term credit movement in the State has been steadily showing appreciable progress. There are five Central Land Mortgage Banks in the country with a working capital of Rs. 686.94 lakhs, out of which the Central Land Mortgage Bank of Madras alone possesses Rs. 511.45 lakhs or 74 per cent of the total working capital of the five banks in the country. The Madras Central Land Mortgage Bank with its 129 primaries has thus a leading position in the country. Another satisfactory feature of the Movement is that though credit on the security of land is more complicated than other forms of banking, yet during all these years of the Bank's working there has not been a single case in which the Bank has been put to loss on account of defective title to land or inadequate security.

The working of the Land Mortgage Banks during recent years has disclosed one important feature which deserves appreciation. The long-term credit movement for several years past has been mainly concerning itself with the repayment of the prior debts of the agriculturists in the State. Credit was made available to the members at cheap rates of interest for the purpose of repaying prior debts. But during recent years with the growing recognition of the urgent need for increased production for the purpose of making the country self-supporting to a very large extent, there has been a need for shifting the emphasis from other nation-building activities to the need for increased production. The Land Mortgage Bank has appreciated this need and has endeavoured to contribute its quota by shifting the emphasis from the repayment of prior debts to the issue of loans for productive purposes. The institution has since been concerning itself largely with financing for productive purposes only. It is eager to see that credit is made available for bettering the economic status of members and not for unproductive purposes. It is also eager to see that the credit given is not utilised for trade and business purposes which object is outside the scope of long-term land

credit. We appreciate this stand taken by the Land Mortgage Bank to help the country to increase its production.

In this connection, however, we perceive that the Land Mortgage Bank is somewhat handicapped in its pursuit of this objective of providing credit for land improvement and other productive purposes. As the President of the Bank has mentioned in his Address, the agriculturists borrow for "family necessity" which may include land improvement and also the upkeep of the agriculturists' family. The loan document does not clearly indicate whether the real purpose is productive or unproductive since at times the agriculturist spends away income for land improvement and other productive purposes and seeks for a loan for the upkeep of his family. These circumstances make it difficult for the Bank to draw a clear line between the productive loans and unproductive loans. The Bank's endeavours to help increased production may suffer from this handicap. It is therefore necessary that the Bank should have Statistical and Research Section attached to it so that there may be a regular or periodical conduct of the investigation and research into the needs of the agriculturists and the manner of employment of the loans given. In course of time this will help the agriculturists to indicate their needs properly and the Bank to assess the needs of the borrowers properly. We therefore strongly recommend to the Bank the institution of a Statistical and Research Department as a part of its machinery.

While we appreciate the lead which the long-term credit movement in Madras has in the all-India sphere we also notice that in relation to the needs of the agriculturists in the State, the land mortgage banking movement has yet to cover an immense ground. The offer of two special concessions to Land Mortgage Banks will, we feel, help a more rapid development of the Movement in Madras: First the provision of a concessional rate of interest for long-term finance.

The Reserve Bank of India in spite of a rise in the bank rate is providing short-term finance to State Co-operative Banks at the concessional rate of $1\frac{1}{2}$ per cent. The President of the Conference has pleaded in his Address that long-term finance rehabilitates agriculture and that therefore the land mortgage banks are entitled to concessions. Such a low rate as the Reserve Bank has offered for short-term finance may be out of the question for Land Mortgage Banks because they derive funds from debentures.

We, however, feel that finance should be made available to the Land Mortgage Banks at as low a rate of interest as possible. The Gadgil Committee on Agricultural Indebtedness has recommended 4 per cent. It is desirable that the Government consider this matter very carefully and see if they could subsidise the Central Land Mortgage Bank to a larger extent so that the Bank may be able to advance money at a fairly low rate of interest. This concession, we hope, will go a long way towards popularising long-term credit and also making it more useful to the poor agriculturists. We may mention here that the Conference has resolved to request the Government to subsidise Land Mortgage Banks so that land improvement loans could be had at 3 per cent interest.

The second concession necessary relates to the creation of a Revolving Fund. The Central Land Mortgage Bank has been requesting the Government since 1949 to institute the Fund in view of the great relief it would give to the agriculturists and to the Land Mortgage Bank itself during very bad years. The Government have, however, rejected the request. But the conditions in the State which have now gone from bad to worse have rendered the need for such a Fund all the keener; for not only the Rayalaseema but also most of the districts in the Tamil Nad are drought-stricken. Many of these affected areas are making repeated requests for the postponement of the instalments due from the agriculturists to the Land Mortgage Banks. It might be that when conditions are so bad the instalments due cannot be easily recovered. This situation could be avoided by an early creation of the Fund as suggested by the Central Land Mortgage Bank. The Conference has renewed its request for the Fund with a definite suggestion that the amount might be Rs. 5 lakhs. This amount is not much for the Government to contribute even as a famine relief measure. We strongly recommend that the request of the Conference may be favourably considered by the Government.

The First Indian Co-operative Congress :

Our readers will find published elsewhere in this issue some notes on the proceedings of the First Indian Co-operative Congress which was held in Bombay in February 1952. The Hon'ble Sri K. M. Munshi, Food Minister, Government of India, inaugurated the Conference and Sri J. A. Madan, President of the Bombay Co-operative Institute welcomed the delegates. Prof. H. L. Kaji

presided on the occasion. Some four hundred delegates including officials and non-officials from all parts of the country attended. There were fraternal delegates from the International Co-operative Alliance, International Labour Office, F. A. O., the State of Israel and Malaya.

Prior to the Congress a number of Auxiliary Conferences were held for discussing important subjects like Co-operative Housing, Insurance, Marketing, Education and Training, Small industries, and Administration. All the delegates—both official and non-official—evinced a good deal of interest in the proceedings of the Auxiliary Conferences.

The main Congress was interesting and useful on account of the great enthusiasm evinced by the delegates and the high level of the discussions on vital questions.

That apart, this Congress was unique in at least two respects: First it was the first session of the Indian Co-operative Congress where co-operators, both of the official and non-official sectors assembled at a common platform for discussing co-operative problems. Formerly conferences used to be held separately by the non-officials and the Registrars. These Conferences resulted in a duplication of work. The All-India Co-operative Conference held in 1949 suggested the amalgamation of the non-official and official gatherings so that the discussions on a common platform might be comprehensive and really useful for both sections. Thanks to the Government of India, a directive has been issued by Government that an amalgamated Conference be held under the auspices of the Indian Co-operative Union. This is the first Congress held in pursuance of this new policy and has thus served as a common platform both for the officials and non-officials. There was noticeable throughout the proceedings of Auxiliary Conferences and the main Congress a happy harmony among the official and non-official sectors. This is indeed a happy augury and we earnestly hope that this will be the beginning of an identity of interest of both the officials and non-officials in the Movement. We need not mention that without this identity of interest the Co-operative Movement cannot progress on sound lines.

The second feature which makes the event unique is its being held at the right time. The Government of India have pledged themselves to the establishment of a Co-operative Commonwealth.

National activity has hitherto moved mainly on capitalistic lines and therefore a necessity has arisen to create a proper atmosphere for the proper functioning of the Co-operative Commonwealth. By a Co-operative Commonwealth should not be meant that the whole country would be covered with Co-operative Institutions indiscriminately and that there is no place for other types of economic enterprise. As the Co-operative Advisory Council of New South Wales in Australia stated, we must mean by Co-operative Commonwealth, "a community of many varied forms of the association but with an over-all objective of mutual effort." In such a State there must be a harmonious adjustment of State, private and co-operative enterprise; and the co-operative agency must be capable of being employed for the benefit of the community in all possible ways. The adoption of this objective entails a re-orientation of the Co-operative policy and enterprise. The Co-operative Movement must be capable of imparting its best principles to other forms of enterprise for national benefit. As Prof. Kaji mentioned in the course of his Address, the two basic principles of co-operation, namely "one man and one vote" and "the limitation of dividends" must form the basis of the endeavours of all forms of association in the Co-operative Commonwealth. It has been given to this First Co-operative Congress to consider how best the Movement could be made to fit in the prospective Co-operative Commonwealth and influence the various other agencies which compose the Commonwealth so that there might be a Co-operative reconstruction of society. It must be said to the credit of the Congress that an earnest endeavour was made to evolve these co-operation-tinted socio-economic principles. It is hoped that the future Congress will give definite shape to the work that has been well begun by this Congress.

The Addresses of the Hon'ble Sri K.M. Munshi and Prof. Kaji were really thought-provoking. In the course of his Address, Sri Munshi put up a strong plea for organising a National Union of Farmers "away from the politics and forswearing controversies." He called upon the co-operators to take a bold step towards creating "a dynamic will to produce" by organising such a Union. He said that increased production of food in particular is the most urgent need of the country and that it could be done only by a Co-operative Movement duly orientated and concentrated on farming. The Union should consist of all types of persons connected with agricultural production.

Prof. Kaji in his Address pleaded for the creation of a strong Co-operative State, the organisation of trade through Co-operative agency and the creation of separate Ministries for Co-operation and a Central Co-operative Council. He favoured strongly de-officialisation of the Movement and remuneration to honorary office-bearers. He was disappointed at the meagre importance given to Co-operation in the first Five-Year-Plan when the Government are pledged to the establishment of a Co-operative Commonwealth.

The resolutions which are published elsewhere in this issue relate to the place of Co-operation in the Five-Year-Plan, the adoption of the Co-operative Movement as a declared policy of the State and the promotion of Co-operative farming in all States. The resolutions are suggestive of the lines of development of the Movement at the Centre and in the States. It must however be said that the failure of the organisers to draft resolutions at Auxiliary Conferences and to place them before the main Session for adoption has reduced the comprehensive nature of the proceedings of the Congress which is expected to deal with the various aspects of the Movement and to suggest constructive methods.

It is hoped that this first experience of a common conference of official and non-official co-operators will be followed up by a series of useful sessions of co-operators where comprehensive discussions will be made and constructive suggestions will be offered for adoption so that the Co-operative Commonwealth may not be an Utopia but a reality.

Plain Speaking :

The celebration of the 48th Annual Day of the T. U. C. S. on 9th April 1952 was really significant in as much as it was an occasion for a good deal of plain speaking on the part of two persons who have to their credit rich experience in the Co-operative field. On that occasion Sri J. C. Ryan, Registrar of Co-operative Societies addressed the gathering and Dr. B. Pattabhi Sitaramayya, a former President of the Indian National Congress and one of our old co-operators presided.

In the course of their Addresses both of them have endeavoured to draw pointed attention of the co-operators to four important defects in the Co-operative Movement particularly in the relation to the consumers, without rectifying which the Movement cannot lay any claim to sound progress.

The first relates to the audit of co-operative institutions. The Co-operative Movement is a peoples' movement where the small savings of the small man are pooled together. Some of the depositors are poor widows and minors. Yet the total amount of funds handled by the Movement is larger than the revenue of the Government itself. The greatest care should therefore be taken in handling these funds. The unscrupulous and indiscriminate spending of these precious moneys will mean a great loss to and the suffering of the numerous small investors and will ultimately result in undermining the Movement itself. The proper handling of the funds can be ensured only when there is a proper audit.

If Audit done even by the department should be efficient it must be separated from the Administration. The Madras State Co-operative Union has time and again pressed for this separation. We hope that the Government will now take up without delay the separation of Audit from Administration and place it under a separate Joint Registrar as agreed upon previously in a joint conference of official and non-official co-operators.

Another important point which the Registrar has endeavoured to impress upon the co-operators is that while the Co-operative Movement has striven to drive away the traditional middlemen through the door, there are jumping in through the window a new class of middlemen who have taken their rise from within the movement. They are the staff of co-operative societies themselves. Some of the members of the staff use fraud in measuring and weighing, so that they may have some excess stock which they could use for private trade and profit. This new class of middlemen are more dangerous than the traditional ones since they have lodged themselves within the movement and are able to spread corruption un-noticed.

Thirdly there is noticeable a deplorable lack of salesmanship among the trading co-operatives. There is not only a lack of honesty in many cases, but also a lack of personal attention on the part of the salesmen towards their customers. It has been said that co-operative stores movement in England and elsewhere has been suffering considerably for want of this personal attention which a customer receives from a private dealer. Dr. Pattabhi Sitaramayya, President of the meeting drew the attention of the co-operators in this lack of salesmanship.

The fourth and most important point which probably is the root cause of the above defects is the lack of development of human personality in the Co-operative Movement. The chief object of the movement as the speaker said is to develop personality. The President has declared that he is dis-appointed to hear even at the present day the same complaint that he was making thirty years ago. Both the speakers have emphasised that co-operative societies aimed at service and that their emphasis is on the individual. It is essential that the main interest of co-operatives and co-operators should be in the development of the personality of the member and not merely in building up business.

We are here reminded of the observations made by Prof. H. L. Kaji, in his Presidential Address at the recent Indian Co-operative Congress: He said: "the Triplicane Co-operative Urban Society of Madras appears almost like an oasis in a desert—a brilliant example of real success achieved. It is particularly creditable that generally speaking the South Indians favour the store movement. In Madras, Mysore and even in cities where there are large populations of South Indians, co-operative stores have come into being and are run quite successfully. It is indeed a pity that the rest of India has not been able to imbibe the benefits and influence of a well developed store movement.

Consumers co-operation in Madras State has received a tribute from the President of the Indian Co-operative Congress. Even figures show the important place of the stores in Madras in all-India; for out of about 9,000 co-operative consumers' stores with an annual turnover of Rs. 70 crores in India, Madras has nearly 1,800 stores with an annual business of about Rs. 26 crores. This quantitative progress indeed is an achievement of the consumers' movement in our State. Yet it is sad to note that the halo round the Movement, however large, is rendered dim by lack of quality which alone can impart lustre to it. For in respect of quality—the interest of the members, the efficiency of salesmanship, and the honesty of the staff—the progress during the past three decades has not been considered impressive and appreciable.

The fundamental cause of this defect is the policy of enrolling members indiscriminately. The qualitative success of a society depends on the enthusiasm and loyal interest of its members and

not in swelling the membership and the volume of business. These virtues should be inculcated in the members. The institutions should adopt a policy of discriminative admission of members and should also watch their interest in its working. We learn that at Chandrasekharapuram in Tanjore District, the rural store has been following this policy of discriminative enrollment and that its present position as the largest and the most successful rural store in India on the qualitative and quantitative sides, is largely due to the keen interest which every member takes in its working. We commend its example to the co-operatives which are in distress.

As Prof. Kaji said, "the success of a society depends on the loyalty of its members and this loyalty comes with sentiments, facility or advantage." We therefore appeal to all societies in the State to reorientate their policy whereby they might try to develop the personality of their members and to make them loyal and solid constituents of their respective institutions.

The New President of the Madras State Co-operative Bank :

We have pleasure to announce that at a Meeting of the Board of Directors of the Madras State Co-operative Bank, Ltd., held on 29th March 1952 **Sri B. Venkataratnam Choudary** who was the Vice-President has been unanimously elected President.

Sri B. Venkataratnam Choudary is an old and experienced co-operator connected with numerous institutions at district and State levels. We congratulate him on his unanimous election.

He is now the President of the State Co-operative Bank and the State Co-operative Union. We are sure that under his wise guidance the Co-op. Movement in the State will grow from strength to strength.



SRI B. VENKATARATNAM CHOUDARY,
(Elected President of Madras State Co-op. Bank, Ltd.,
on 29th March '52.)

THE XXII LAND MORTGAGE BANKS' CONFERENCE
Madras, 22nd March - 1952



Photo shows H. E. the Governor of Madras,
Sri B Venkataratnam (President of the Conference) and other Reception
Committee Members

OUR NEW MINISTERS

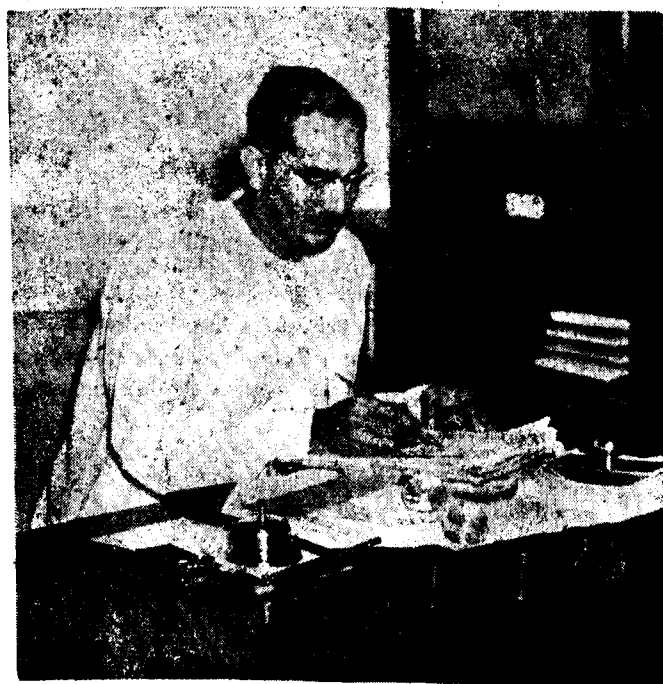


The Hon'ble Sri C. Rajagopalachari, Chief Minister



The Hon'ble
Sri D. Sanjeevayya,
Minister for Co-operation

The Hon'ble
Sri S. B. P. Pattabhi Rama Rao,
Minister for Rural Welfare



(Left)—The Hon'ble Dr. R. Naganna Gowd,
Minister for Agriculture



The Hon'ble Sri K. Venkataswami Naidu,
Minister for Religious Endowments



SPECIAL ARTICLE

Economic Development of the Rural Community

SRI VISWANATHAN TEKUMALLA

India is a vast country extending over 12.21 lakhs of square miles and dotted with no less than 6 lakhs of villages and inhabited by over 36 crores of persons comprising roughly a sixth of the human race. She is at present virtually the leader of South-East Asia; and as such is morally bound to assist the various countries in South-East Asia in their socio-economic development.

Though occupying a predominant position in South-East Asia, India itself is still under-developed. She has an economy which has been described as "static and backward." It is therefore of the utmost importance that she should endeavour vigorously to build up her own economy rapidly and systematically, if really she is to play a vital role in the socio-economic development of a very large part of the Asian continent.

The Statistical Office of the United Nations estimated the *per capita* incomes of seventy countries and placed India in the second group, namely \$ 50—100 income group (1949) while countries like the United Kingdom, Canada and U.S.A. stood in the seventh and eight groups representing a *per capita* income of over \$ 600. The National Income Committee set up by the Government of India in 1949 estimated the net national income of India at Rs. 8,710 crores in 1948-49, the *per capita* income being Rs. 255. It has also been estimated that 48 per cent of the national income was accounted for by agriculture, animal husbandry and ancillary activities and that the net output per engaged person in agriculture was Rs. 500. Out of a total "working force" of 13.27 crores of persons as principal earners *plus* working dependants, as many as 9.05 crores of earners *plus* working dependants constituting 68.2 per cent of the population are engaged in "exploitation of animals and vegetation." Out of our total national income, as much as 53 per cent, amounting to Rs. 4,600 crores, is being utilised as consumer expenditure on food. India's economy is therefore still, predominantly agricultural, while the high proportion of the income spent on food "shows in a general way the under-developed character of our economy." Evidently, the standard of living and the buying power of the people are low.

The building up of our national economy consists essentially in planned action towards raising the standard of living and the buying power of our rural community who constitute about 90 per cent of the population. In our nation-building programme, agriculture must have

primary importance. In several countries of the world, agriculture consists in the production of food and raw materials mainly for export. But in our country, production for export occupies a tertiary place. Food production for India's teeming millions has primary importance, followed by the production of some commercial crops for providing raw materials for indigenous industries and for helping the agriculturist to augment his income to some extent.

India is one of the world's largest agricultural producers. Indian agriculture has been compared to a "Colossus, with visible feet of clay." Beneath the crust of its vastness, it is still "weak in economic incentives and in the structure of its production and the standard of its technique. The vital element of animal husbandry has not been assimilated into the co-operative structure of the country while the level of power and equipment of the agriculturist is very low.

Food and industrial crops are the two main sectors of Indian agriculture. Due to the separation of Burma and Pakistan, the food problem has become specially difficult for the people. There is a gap of from 0.8 to 2 million tons annually in the country's grain supply, particularly rice. In addition to the 40 million tons of domestic food production, there is need to import 1.5 to 4.0 million tons every year. The population is growing at least by 1.0 per cent every year and hence the shortage of food may in course of time be keener still. As for the industrial crops, there is an increasing demand for them. For instance, Indian agriculture can at present produce 85 lakhs bales of jute and 30 lakhs bales of cotton. It has been estimated that an additional production of 10 lakhs bales in each of these crops is urgently needed to meet the country's growing needs. In respect of her requirements, the country at present is trying to be "self-sufficient." It is essential that she should try to be "self-supporting" rather than self-sufficient. Speaking at Madras during his visit in 1950, Prof. Ashby of Oxford pointed out that in the last century, only those countries that were usually described as "self-sufficient" countries, suffered from food shortage.

Another important point to be noted is the close relationship between food supply and the percentage of the people engaged in agriculture. It is this proportion that very largely sets the standards of living of any nation: The less the number of people needed to produce food grains and raw materials for the nation, the more people are set free for the supply of other necessities and some luxuries of life. The position of our country in this respect is far from satisfactory: It has been estimated that 68.2 per cent of the population were engaged in agriculture and animal husbandry as against only 13.6 per cent engaged in industry during 1948-49. To add to this present surplus human

labour in the agricultural sector, there is the problem of finding new employment for about a million persons every year. The two-fold economic problem of our countryside is therefore to produce more so as to make the nation self-supporting rather than self-sufficient and to find full and gainful employment for all by means of re-organisation of rural economic life and activity. This problem can be solved only by progressive action on the following lines:

- (a) Spatial re-organisation;
- (b) Employing the results of scientific and technical research in production;
- (c) Provision of full employment and remuneration to agricultural and other rural classes;
- (d) Provision of transport and marketing facilities; and
- (e) Rural education and propaganda on socio-economic life and activity.

(a) Spatial re-organisation:

The chief features of land distribution at present in the country are the existence of uneconomic holdings in scattered fragments and the availability of large tracts of culturable waste. The wasteful methods of cultivation by individual owners in these fragments have reduced agriculture to the position of subsistence farming. Consolidation of holdings and the prevention of excessive sub-division by legislation, if necessary are probably the first step in spatial re-organisation. Till now little progress has been in evidence in this direction except in the Punjab and Madhya Pradesh largely due to sentiment. The present food crisis has, however, opened the eyes of the people and Government and it may be hoped that beneficial results will follow.

Large scale farming is another desirable line of development. This system, while retaining individual ownership, will enable the small plots constituting a large farm to have the benefit of improved and expensive agricultural equipment at nominal cost per unit.

Regarding culturable waste, there is for instance as much as 79.77 lakhs acres of such land in Madras State alone. This vast acreage could be profitably used by schemes of colonisation for landless labourers, ex-servicemen and ex-tappers where they exist. This method would change the desolate country-side into smiling villages peopled by active workers.

This spatial re-organisation would facilitate a proper redistribution of rural population and labour in the country-side so that the surplus may be relieved and made available for other productive occupations like industries.

(b) Utilisation of the results of Scientific and Technical Research in Production :

Under this heading come irrigation facilities animal husbandry and mechanisation of agriculture. Other countries have made rapid strides in these fields and benefited. India is yet to take the full benefit of such knowledge and technique.

Regarding irrigation, our country is using at present only 5.5 per cent of the total water run off for irrigation while some other countries have used upto 40 per cent. Out of an estimated 1,855,86 million acre feet of water, we are using only 73.92 million acre feet for irrigating 46.89 million acres of land as against a total cultivated area of 293.84 million acres. There are vast tracts of rain-fed land where cultivation is a gamble. The value of irrigation to such regions is inestimable. Thanks to the food crisis, some irrigation projects have now been taken up by the Government in various States. But much more is yet to be done to cover the entire land with a net-work of water channels for the hungry fields.

Now the matter of mechanisation of agriculture. There is a cry for mechanisation of agriculture at present. Some enthusiasts have sought to show that mechanisation would not displace human labour. The Government of India also gave some impetus to mechanisation by importing tractors and bull-dozer even as early as 1947. But in a country like ours, this system has a limited scope. So far as land reclamation is concerned mechanisation has considerable scope of employment. But in actual cultivation it has no place unless eventually large-scale farming may make it possible to some extent.

The bulk of our agricultural activity must be carried on as at present by means of human and cattle power. We have 162 million heads of cattle but they are as emaciated as our hungry millions of men and women. Veterinary research has advanced but its results have not yet attracted our rural dwellers to an appreciable extent. We are yet to learn that more cattle and better cattle mean more manure, better farming and more food.

(c) Provision of Full Employment and Remuneration to Agricultural and other rural classes :

Agriculture cannot be a paying proposition unless those engaged in it have scope of full employment in fairly remunerative work. It is well known that the agriculturists are idle for some 6 months in a year. This enforced idleness is sure to have unhealthy effects on their financial position and social life. It has therefore been suggested that they would do well to pursue some subsidiary occupations like spinning or rope-making or basket-making during their spare hours. Poultry-keeping, bee-keeping, and dairying also provide useful and remunerative occupations to the rural dwellers.

It has been estimated that about a third of the rural population are agricultural workers who have nothing but their limbs to depend on for their livelihood. Their wages being unenviably low and employment uncertain the Government have come to their succour by legislation. Minimum agricultural wages have been fixed and Government have sought to enforce their adoption. There are, however, a number of practical difficulties in their adoption. There are varying periods of employment—seasonal and casual. There are numerous categories of workers like those on small farms and on large ones. The Central Labour Ministry's investigations have not yet taken shape to offer at least tentative conclusions. In the absence of proper data, this measure cannot help workers, except in the case of large farms.

(d) Provision of Transport and Marketing Facilities :

Transport is one of the bottle necks of India's economic development. India has roughly 382,580 kilometres of road of which only 36 per cent is metalled and about 25 per cent not motorable at all. It is estimated that for every one lakh of population, India has 142 road mileage as against 2,853 in U.S.A. and 684 in Japan. India's railway line is only 66,755 kilometres as against 3,84,260 kilometres in U.S.A. Indian canals are important for transport but they too do not reach the interior. Consequently agricultural marketing is a problem to India. There are a few regulated markets in cotton, ground-nut, etc. but their part is relatively small. Storage facilities also are inadequate. Disorganised buying and selling are the common features of rural marketing throughout the country at the present day.

(e) Rural Education and Propaganda on Socio-Economic Life and Activity :

The villagers are utterly ignorant and indifferent to their own needs. They must be educated and enlightened by propaganda on various matters relating to economic progress and its essential conditions. Agriculturists should be more expressive and responsive. Referring to the technical and economic revolution in agriculture in Russia, Prof. Ashby of Oxford said that if it were possible to build up confidence between the cultivators on the one side and those engaged in agricultural research, education and administration on the other, it would be possible to achieve a reasonable rate of progress, technical and economic in Indian agriculture.

Thanks to the Co-operative Movement, considerable progress in the economic development of the country-side is in evidence. There is a net work of co-operative rural credit societies and land mortgage banks to meet the financial needs of the villagers and numerous agricultural sale societies to help in co-operative sale. Consolidation of holdings and farming on co-operative basis as well as land colonisation

have now begun to show some measure of progress. Efforts are being made to organise transport co-operatives. Subsidiary occupations are being found for the villagers through numerous cottage industries societies in all States. And above all an earnest effort is being made to develop the thrift habit and encourage rural savings so as to have considerable accumulation of capital.

Now that our country is independent, we may be pretty sure that the economic development of the rural community will receive adequate attention. The Planning Commission has prepared a Five-year Plan which involves an expenditure of Rs. 1,793 crores and envisages rapid expansion in all sectors. The principal emphasis in the Plan is on agriculture and irrigation. Due importance is given to cottage and small scale industries, transport and communications, rural health and sanitation so that development may take place on a comprehensive scale. The Plan also purports to give preference to co-operative activity in its various lines of socio-economic development. The Commission has recommended co-operative village management as the ultimate objective of reorganisation of agriculture. Recommending the establishment of Village Production Councils, Registered Farms and Farming Co-operatives, the Commission has stated: "In the last analysis, it is the peasant on whom hopes of increasing production have to be based. The Plan will succeed in the measure in which Government's machinery is able to reach the individual peasant in his home and on the farm to extend a helping hand to him, and to evoke from him a degree of co-operation and enthusiasm in building his own and nation's prosperity."

Let us earnestly hope that this execution of the Plan will systematically progress and that the rural community will have a new phase of economic prosperity in a few years.

THE TINNEVELLY DISTRICT CO-OPERATIVE CENTRAL BANK, LTD.,
VANNARPET : TINNEVELLY
 (Estd. 1918)

Authorised Capital	Rs. 4,50,000
Working Capital Exceeds	Rs. 50,00,000
Reserve Fund	Rs. 2,75,000

ALL KINDS OF DEPOSITS ACCEPTED

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President.

The Role of Co-ops. in the Present Economic Set up*

HIS EXCELLENCY SHRI SRI PRAKASA,

Governor of Madras

Friends,

It is a matter of great gratification to me to be asked to inaugurate your Conference today so soon after the assumption of my office. I deem it an honour that you should have invited me to do so for I thus happily find myself associated with you in your attempt to tackle a most important problem of our land—the problem of liquidating rural indebtedness and promoting the production of food. From the President's speech I gathered that I happen to be the first Governor to inaugurate an Annual Conference of yours. If that is so, I regard myself particularly fortunate, and specially appreciate the privilege extended to me.

2. Mahatma Gandhi pointed out to us long ago—in fact he made this the very basis of his demand for Swaraj—that villages should no more be neglected and that the welfare of the village folk should be our first concern. Under Mahatmaji's inspiration, large numbers of us, dwellers of towns and cities, began vaguely to evince some interest in the countryside; but the fact remains that because of the hiatus that has unfortunately come to exist due to a variety of reasons, between the denizens of the towns and the dwellers of the villages, urban folk have not been able exactly to know despite the best of intentions, as to what they could do to help their brethren in the rural areas. Therefore when an institution like yours comes forward with clear-cut ideas and definite practical methods of studying, understanding and meeting the difficulties of the poor and unfortunate people who are condemned to endless toil without hope of betterment and without sympathy from any one, and who though producers of food, happen to be themselves depressed in every way;—we have then indeed every reason to be grateful; and I should like to take this opportunity of felicitating you on the success that you have so rightly achieved in your endeavours, and thanking you for the work you have done.

3. The speech of your President gives us the history of the institution and also tells us of its methods of working to overcome the difficulties that surround us. It is indeed a matter of great significance that this Conference consisting of the representatives of 129 Primary Land Mortgage banks and of the Central Land Mortgage Bank, represents an organisation which is the strongest in India. According to the figures published by the Reserve Bank of India, the Central Land Mortgage Bank of Madras possesses Rs. 511.45 lakhs or 74 per cent of the total working capital of Rs. 686.94 lakhs available with the five Central Land Mortgage Banks in the country.

*Inaugural Address delivered at the XXII Conference of Land Mortgage Banks, in Madras on 22-3-1952

I take it that this precedence is indicative of the general leadership of our State in the co-operative movement.

4. Originally, co-operative land mortgage banks were intended to discharge agricultural debts. Naturally therefore, your Central Land Mortgage Bank addressed itself to this task for many years. But the principle behind liquidating rural debts was to disencumber agricultural production from conditions crippling its efficiency. This aspect of increasing agricultural production is naturally emphasised by the food shortage in our country for the last 12 years or so. I am therefore naturally glad to find that your Central Land Mortgage Bank has been advancing money for land improvement. I find it advanced Rs. 5.36 lakhs in 1948-49 and Rs. 6.75 lakhs in 1950-51. The scope for such loans, however, is unlimited in the circumstances of neglect in which agriculture finds itself today. I hope it will be possible for your institutions to divert an even greater share of its loans to productive purposes.

5. In this connection, the rate of interest is an important factor. Agriculture all the world over yields lower returns than industrial or commercial undertakings. It is therefore necessary that the rate of interest for land improvement should be less and not more than the rates at which other enterprises can command money from commercial banks. Accordingly the Gadgil Committee on Agricultural Indebtedness recommended that long term loans for agriculturists should be provided at 4 per cent. The Land Mortgage Corporation of the United Kingdom charges only 4 per cent. I note that your lending rate to the agriculturist borrower in a Primary Land Mortgage Bank, was $5\frac{1}{2}$ per cent till recently; and that it has been raised to $5\frac{1}{2}$ per cent only after the bank rate in the country was enhanced to $8\frac{1}{2}$ per cent. In the economically backward Ceded Districts, Government subsidise the Central Mortgage Bank to enable it to reach the ultimate borrower with loans at 4 per cent first and later at $4\frac{1}{2}$ per cent. The question before us is as to how money can be found for advancing loans at these rates of interest.

6. I am aware that you raised Rs. 70 lakhs during 1950-51 as debentures at 3 per cent interest. The Reserve Bank helped you by contributing 20 per cent of the total issue. It is apparent that the public has very rightly confidence in your debentures which are not only secured on the lands mortgaged, but also on the guarantees given by the Government. I shall be happy to see still greater and wider response to your debenture loans.

7. The ultimate economic strength and stability of a nation must depend upon the savings of the common people. Debentures of the Central Land Mortgage Bank are a method of promoting these savings. I note that at the end of last year the Co-operative Central Banks of our state instituted a rural savings drive, and collected within less than 3 months,

the handsome amount of Rs. 106 lakhs. I hope that such efforts are sustained and increased in the co-operative movement, so that agriculturists of this State may satisfy their credit needs at the hands of the co-operative movement, at easy rates of interest.

8. I have no doubt that the co-operative movement is much concerned at present with the changes occurring in the economic structure of society as a whole. There has been a rapid and sizable decline in prices, which has enhanced the value of money and reduced the value of stocks. No one can reasonably maintain that prices which had, from adventitious circumstances, increased out of all proportion, should not now be reduced. The fall will not only mitigate the hardship of consumers, but may also offer easier and quicker prospects for development plans. To the extent easy money facilitated hoarding of essential commodities, the new financial conditions may ensure a quicker turnover, and larger supplies. In a way, the law of supply and demand, which should govern any sound economy will no longer be obstructed by the pressure of surplus money. No doubt, the suddenness of the fall may have affected stockists adversely; but they have in the past shown adequate capacity to adjust themselves both to good and bad fortune; and I have no doubt they will be able to do so now as well. After this period, they may find conditions of normal trade more to their advantage. We have, therefore, to wait and see how a long overdue change, which has now been induced by the force of natural circumstances will benefit the economy of our country.

9. As lending institutions, co-operative banks stand to gain by the increased value of their capital in cash. They may stand to lose by the reduced value of their securities. The real test here is whether co-operative loans have been used for productive purposes. In that case, they will carry their own means of repayment, even if the weight of loans increases in terms of real value. By the reason that co-operative credit is, by its very purpose, related to productive purposes, co-operative banks may be in a better position than others. I have therefore every reason to hope that any effect the slump may have, will only be temporary; and in the long run it will enhance the status of co-operative institutions.

10. The lesson, however, should not be lost. In India, the great problem today is to solve the unemployment and under-employment of human power and the exploitation of natural resources. The whole strategy of the Five year Plan is to maintain and increase employment. It is, therefore, very desirable that the co-operative movement is more definitely orientated to increase production. The Planning Commission envisages co-operative land management as the most scientific approach to increasing returns from agriculture. It also considers that all credit to agriculture should be channelled through co-operative institutions. A great future is therefore open to the co-operative movement which will, I doubt not, receive your earnest and increased consideration as the days go by. Much, no doubt, has been done in our State by the co-operative movement; and this also proves that it is capable of doing more. The task before us is essentially one of discovering the potentials of the country and converting them in a manner that our rich earth sustains our millions in health and happiness of mind and body alike.

Problems of Long-Term Credit in Madras*

SRI BHOGARAJU VENKATARATNAM,

President, Madras Co-op. Cent. Land Mort. Bank, Ltd.

Your Excellency, Ladies and Gentlemen,

On behalf of the Board of Directors of the Central Land Mortgage Bank and the representatives of Primary Land Mortgage Banks assembled here, I extend a hearty welcome to His Excellency and thank him for honouring us by coming here to inaugurate our 22nd Conference of Land Mortgage Banks. It has all along been the practice for a Member of the Government to inaugurate these Conferences. This is the first time when the head of the State has graced the occasion and given us encouragement. We are all grateful to His Excellency for being present in our midst to day.

Land Mortgage Banks have been started in our State over 25 years ago with a view to making credit available to the agriculturists at cheap rates of interest. But the movement received its momentum with the organisation of the Central Land Mortgage Bank in Madras in December 1929 with a view to centralising the issue of debentures. Ever since the starting of this Bank, the Governments of the day have been helpful and did all they could to foster its growth and helped in its service to the agriculturists. The Madras Co-operative Land Mortgage Banks Act was passed in 1934 enabling the Government to guarantee the debentures issued by this Bank and under this provision the Government have from time to time enhanced the amount of their guarantee of the debentures both in respect of principal and interest. In December last, the Government enhanced the maximum amount of their guarantee of the debentures with the approval of both the houses of the State Legislature. Besides guaranteeing the debentures, the Government have been meeting half the cost of appraising Officers of the Co-operative Department and have in several other ways helped the Bank to enable it to dispense credit cheap to the agriculturist. We are grateful to the Government for all the help they have been rendering to the Bank.

With the establishment of National Governments at the Centre and in the States a new fillip was given to the movement and the Reserve Bank of India which till then had confined its activity in the sphere of Agricultural Credit to advice and guidance, began taking practical interest and helped by subscribing to the debentures of the Bank in an increasing measure. Our thanks are, therefore, due to the Reserve Bank of India for their help in tackling the problem of indebtedness of the agriculturist and increasing his productive capacity.

*Presidential Address delivered at the XXII Conference of Land Mortgage Banks in Madras on 22-3-1952.

Credit on the security of land is more complicated than other forms of banking and in the very nature of things, it necessarily takes time to investigate the security both from the point of view of valuation as well as acceptability of title. The personal laws prevailing in the State make it obligatory on the institutions dispensing long-term credit to be cautious and thorough so that at a later stage there may be no rival claimants to the property hypothecated to the Bank. It is a significant and gratifying feature that in all these years of the Bank's working there has not been a single case in which the Bank has been put to loss on account of defective title or inadequate security.

When the Bank was started, the country was passing through the effects of a world economic depression and agriculture was the worst hit among the several sectors of national economy. The urgent need of the hour was to relieve the agriculturist of the heavy burden of debt and the high rate of interest he had to pay on the debt. Land Mortgage Banks therefore, concentrated all their attention on making credit available to him at a cheap rate of interest repayable in easy instalments spread over a period of twenty years. The war and the postwar conditions have demonstrated the urgent need for increased production in agriculture and Land Mortgage Banks have been assisting in an ever increasing measure improved production. The structure and the working of the system is such that it will take necessarily some time for an agriculturist to secure a loan from the Land Mortgage Bank. If there was a system of land records, by a reference to which, the title to a piece of land could be established finally and which is legally binding on all concerned, a good deal of time now taken by the applicants in furnishing necessary documents of title to establish their ownership, can be saved and loans made available for land improvement purposes much quicker. In the absence of such facilities the agriculturists are now driven to the necessity of borrowing elsewhere to effect land improvement and thereafter approach the land mortgage banks for refinancing purposes.

In the present stage of our undeveloped economy and the limited credit facilities available to the agriculturist, it is difficult to come to definite conclusions as to whether in a particular instance the debt originally incurred was for a productive purpose. For example there is the simple but often recurring case of a family which utilises its income for the year on improvement of land and later borrows for the upkeep of the family. Naturally, when the loan document shows the debt as having been incurred for "family necessity," which is a term generally used in pronotes in this State, it is put down as an item of unproductive debt. But if the family used its income for its upkeep and borrowed the funds required for improvement of land and mentioned that fact in the pronote which is to be cleared from the loans obtained from a land mortgage bank, it would naturally come under the head "productive debt." I mention this to

emphasise the fact that not all the debts shown as incurred for apparently non-productive purposes are really such and that it requires a closer study of the affairs of a family to understand what percentage of income as well as the loan funds is used for productive or un-productive purposes.

However, in the recent past, the Central Land Mortgage Bank and the primary banks have been laying greater emphasis on loans for productive purposes. With a view to checking too facile borrowing, we have introduced a rule that an application from a borrower who has taken a loan once and cleared it, should not be entertained until after the lapse of one year. If, however, the loan is required for a productive purpose or for repayment of a debt incurred for productive purpose, he is allowed to take a second or even a third loan. Emphasis has thus been shifted from repayment of prior debts, to loans for productive purposes. As a co-operative institution we are endeavouring to help only the small farmers. With this end in view, the maximum borrowing power in most banks has been fixed at Rs. 10,000 though in a few banks in areas with established irrigation facilities the maximum has been put up at Rs. 15,000. In respect of these latter areas it has also been laid down that loans for over Rs. 10,000 would be issued only if the excess over Rs. 10,000 is utilised for land improvement purposes or for repayment of debts incurred for such purposes. I have dilated at some length on this aspect of the matter as I understand that in certain quarters there is a feeling that it is time Land Mortgage Banks stopped issuing loans for repayment of prior debts and financed only for productive purposes. There is also a feeling in the countryside that the Central Land Mortgage Bank, in laying down such policies, is only denying the credit needs of the agriculturists especially at a time when there is a great shrinkage of credit on all sides and the need for expanding institutional credit to agriculturists is all the greater. It is true that credit needs are large. But it is also necessary that State-sponsored institutions like ours should see that credit is made available for bettering the economic status of the members and not for un-productive purposes. It is also necessary to see that credit from Land Mortgage Banks is not utilised for trade and business purposes as it is not the object of land credit institutions to cater for such purposes.

Long term finance for agriculture all the world over receives State-aid in several ways as otherwise credit will reach the agriculturists at a high rate of interest. The Gadgil Committee on Agricultural Finance has recommended that long term loans issued by Land Mortgage Banks should be made available at a rate not exceeding 4 per cent and if necessary, the State should subsidise for the purpose. We have been trying all along to keep down the lending rate as low as possible, consistently with the financial stability of our institutions. Government have recognised this need and have agreed to subsidise the Central Land Mortgage Bank to the extent of 1½ percent interest in respect of loans issued in the Rayalaseema

districts. When the lending rate of the Bank was 5½ per cent, the Rayalaseema ryot was getting his loan from the Land Mortgage Bank at 4 per cent. Recently the lending rate has been raised to 5½ per cent and consequently loans in Rayalaseema are being issued at 4½ per cent. Since the raising of the bank rate by the Reserve Bank of India on 15th November 1951, the interest rates have gone up. Indeed conditions in the money market are deteriorating from day to day. The Bank has, therefore, no option but to raise its lending rate still further which will adversely affect the interests of agriculture. The Reserve Bank of India, have recognised the need for cheap finance for agricultural production and marketing and are making advances to co-operative banks for the purpose at a concessional rate of 1½ per cent. Long term finance rehabilitates agriculture and helps increased production. The need for concessional finance is therefore, all the greater in this behalf. It is for Government and the Reserve Bank to consider whether agriculturist members of Land Mortgage Banks cannot be helped with long-term finance at concessional rates. This may be made applicable in particular to land improvement loans and for re-payment of debts incurred for that purpose, as these will promote the objects of the Grow More Food Campaign. I trust that this request will receive the earnest consideration of Your Excellency's Government.

Agriculture in our country has been described as a gamble in monsoon. The Madras State seems to have become a special victim of Nature's vagaries in the last five years. In some of the districts there has been a failure of the monsoon for the last four years in succession. There was in addition a cyclone in some of the districts causing considerable damage to the crops and lands. On the top of these misfortunes the Rayalaseema districts are now in the grip of a severe famine which is described by some as one of the worst in the last half-a-century. The agriculturist borrowers of these areas are naturally unable to meet their obligations to the Land Mortgage Banks and have been appealing to this Bank to postpone the demand for payment of instalments. As business institutions, we have to fulfil our obligations to our debenture holders and therefore have to collect instalments regularly. It was in March 1949 that I urged on the Government to constitute a Revolving Fund so that the instalments which fell into arrears due to conditions over which the agriculturist borrower has no control, could be drawn there from in times of distress to be repaid into the Fund in prosperous years. This suggestion was rejected. Our appeal for reconsideration has been under the consideration of Government for some time now. Having regard to the continuous drought conditions, the problem has become acute and requires to be tackled urgently. It will be a great help to the drought stricken areas, if Government could constitute the Fund immediately and give relief to the hard hit agriculturist of

these areas at this juncture. I take this opportunity to reiterate the request to Government and solicit their very early attention to the matter.

Land Mortgage Banks in our State have been issuing loans to pattadars who have a saleable interest in land. If Land Mortgage Banking has progressed in the State to the extent it has done, it is not a little due to the fact that no restrictions have been placed on the free transferability of land. Thus land has been made a bankable asset. Any restriction placed on its free transferability is bound to affect adversely its acceptability by Land Mortgage Banks as security and will curtail credit to agriculturists. I consider that it will be in the interests of the agriculturists as well as the State as a whole, not to disturb this basic character of land ownership. It is not, however, my plea that no land reform should be introduced. But I do wish to emphasise that changes in ownership and rights in land should not introduce any complicated machinery and rights should be acquired by payment and not otherwise. If it is intended that ownership of land should vest in the tiller, it would be in the best interests of all concerned that he should be helped to acquire the land by payment so that all concerned including the erstwhile owner would not be put to serious loss.

I am grateful to His Excellency for acceding to our request to inaugurate the Conference. I now request His Excellency to declare the Conference open.

IF ANY ONE FEELS ANY DOUBT ABOUT
THE SUCCESS OF CO-OPERATIVE
ENTERPRISE IN RURAL AREA
LET HIM VISIT

The Chandrasekarapuram Co-operative Stores, Ltd.,
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Acclaimed as the Best Rural Stores
in India Today

Annual Turnover Exceeds 10 Lakhs

Financed Entirely by members without outside help.

Resolutions of the XXII Conference of L. M. Banks

The following resolutions were passed at the 22nd Conference of Land Mortgage Banks held on 22-3-1952.

1. In view of the famine conditions prevailing in the Rayalaseema districts and drought in parts of the Guntur, Nellore, Chingleput, North Arcot, South Arcot, Coimbatore, Ramnad and other districts and their periodic recurrence in one part of the State or other and the need to give relief to ryots who, due to failure of crops, are not in a position to pay their instalments to Land Mortgage Banks, this Conference strongly urges on the Government, the need for immediately constituting a Revolving Fund with an amount of Rs. 5 lakhs to begin with from which Banks could draw their instalments when authorised to do so by a competent authority.

2. Government be requested to instruct the Registration Officers to charge a single fee for the encumbrance certificates irrespective of the number of persons dealing with the property in respect of applications for loans above Rs. 5,000/- also.

3. The concessions granted in G.O. 5035 Dev. dated 8-2-1950 to the primary banks in the Rayalaseema regarding fees payable under the law of registration be extended for a further period of three years from 7-6-1952.

4. Government be requested to instruct the Sub-registrars to issue encumbrance certificates to primary banks within a fortnight from the date of receipt of the applications for the encumbrance certificates.

5. Further reduction in the amount of loan recommended by Co-op. Sub-Registrar may be effected by the Central Land Mortgage Bank if found necessary only after a test inspection by a Director of Central Land Mortgage Bank.

6. *Title*:—Instructions to *Karnams* be issued by Government to prepare promptly the Potti list and Enjoyment list regarding transfer of pattas of agriculturists and sketches.

7. *Security*:—Loans be issued on dry lands when they are clubbed with wet lands though they are not "systematically cultivated for five years"—referred to the Board.

8. Dry lands may be treated as "Systematically cultivated" if cultivated for three years in five years.—Referred to the Board.

9. *Loans may be issued on the security of*:—

- (a) Casuarina topes.
- (b) Tamarind and Kanuga topes.
- (c) Padugai lands.

—Referred to the Board.

10. 25% of the value of hypotheca be advanced as second loan for purchase of electric motor etc., provided the disbursement is made against bills and the motor etc., are offered as security and the additional income consequent on installation of the motor etc., is sufficient for the payment of the instalment of the 2nd loan.

11. Margin of interest to primary banks be raised from 1% to 1½% to make them self-sufficient.

12. Rate of interest on Land Improvement Loans be reduced to 3% to serve as an incentive to agriculturists to improve their lands and grow more food and for this purpose Government be requested to subsidise land mortgage banks.

13. *Staff*.

Rule No. XVIII-A of the Madras Co-operative Societies Act.

A proviso to Rule XVIII-A be added that nothing in the Rules will prevent the employees of the Primary Land Mortgage Banks and the Central Land Mortgage Bank from becoming or continuing to be members of primary banks when the object of membership is to obtain loans from primary banks. —“Await Registrar's reply.”

14. By-laws of primary banks be amended to collect compulsory savings deposits from members annually along with loan instalments for investment in Central Land Mortgage Bank debentures.

15. Section 29 (a) of Land Mortgage Banks Act be amended to make existing provisions effective.

16. *By-law 56 be amended:—*

(a) to constitute a Dividend Equalisation Fund.

(b) to fix the rate of dividend at 4% instead of at 5%.

17. By-law 11 be amended providing for refund of share capital to a member after two years after the discharge of his loan instead of after a period of five years. —“Registrar be requested to withdraw his Circular.”

18. By-law 17 of Primary banks be amended that the total borrowings of primary Land Mortgage Banks shall not exceed $12\frac{1}{2}$ times the share capital plus reserve fund (instead of 20 times) —“The Conference is not in favour of reducing the borrowing limit from 20 times the share capital as at present.”

19. *Bonus to staff:—*

Conditions of G. O. Ms. 85 Dev. dated 8-1-1947 relating to payment of bonus to employees of Primary Land Mortgage Banks be relaxed or arrangements for payment of bonus be made from out of the profits of the Central Land Mortgage Bank. “Government be requested to relax the conditions regarding payment of bonus in P. L. M. Bs and allow Banks to pay bonus where they worked at profit.”

20. The rate of interest paid by Central Land Mortgage Bank on Employees Provident Fund and security deposits of employees of primary banks be raised to 5%.

21. The recommendation of Madras Provincial Co-op. Union as recommended by the Registrar in his circular No. 14289/A. 46 dated 6-5-1948 with reference to gratuity, medical relief and employees' reserve, be adopted in Primary Land Mortgage Banks.

22. Some posts of Co-operative Sub Registrars be filled up from out of the paid Secretaries and Supervisors of Primary banks.

23. Conferences of Supervisors in each circle be held annually.

24. This conference thanks the Government for approving the scheme of the Registrar to subsidise the Central Land Mortgage Bank so that long term loans are now made available to the agriculturists of Rayalaseema districts at $1\frac{1}{2}$ per cent lower than the general lending rate. This conference is of opinion that conditions in the dry belts in the other districts like Guntur, Chingleput, North Arcot, Ramnad and Tinnevely are similar to those prevailing in the Rayalaseema districts and requests the Registrar and the Government to come to the relief of the agriculturists of such areas also by similar subsidies and make it possible for the Central Land Mortgage Bank to issue loans at a concessional rate of interest.

STORES

The T. U. C. S. Day

9th April 1952

The important role played by co-operative societies in the development of social consciousness among members was stressed by Sri J. C. Ryan, Registrar of Co-operative Societies, on the occasion of the 48th annual day of the Triplicane Urban Co-operative Society at its premises in Triplicane on 9-4-'52. Dr. Pattabhi Sitaramayya presided.

Sri P. N. Marthandam Pillai, President of the T.U.C.S., welcomed the gathering.

Sri T. V. Venkatachari, Managing Director, T.U.C.S., presenting the annual report, said that the Society maintained steady progress during the year. The number of members increased from 19,152 to 20,256 and branches and depots from 63 to 64. The amount of sales came to Rs. 1.57 crore as against Rs. 1.53 crores during the previous year. Direct import of rice, from Nellore, Tadepalligudem and Tanjore continued during the year. The total quantity thus transported during the year amounted to 34,700 bags of raw rice and 57,800 bags of boiled rice against 33,600 bags of raw rice and 82,700 bags of boiled rice, in the previous year. Due to scarcity conditions in the producing districts they had to get stocks from the Government godowns in the City for their requirements, over and above the quota allowed from the producing areas. As regards mill cloth quota, he said that it was unfortunate that the co-operatives were denied the privilege of serving the consumers in regard to their requirements in the popular varieties. With the revival of the quota to the co-operatives, the prices of textiles had fallen considerably in respect of Bombay and Ahmedabad varieties and were quoted very much below the ex-mill rates.

Last month, the speaker said, there was a sudden fall in the prices of most of the commodities varying from 20 to 40 per cent and the consumers as a whole welcomed this fall in prices whole-heartedly. “We presume,” he said “the Government are yielding to the pressure of merchants, backed up by commercial interest, to permit export of some of these essential commodities.” This had resulted in checking the fall in prices and in many cases, prices threatened to go even above the high pre-slump levels, particularly, on account of the transport difficulties reported from all sides.

Audit of Co-op. Societies

Sri J. C. Ryan in his speech referred to the question of audit of co-operative societies by private auditors and said that the decision of the Government to have the audit by the Co-operative Department was an irrevocable decision taken in the best interests of the public. There was a class of people, he said, who were more interested in private audit than the T.U.C.S. even, and that was the private auditors themselves. Huge sums of public money were in the hands of the Co-operative Department in the shape of deposits. Public funds, deposits of local bodies, religious institutions, and deposits of poor widows and so on had come into the co-operative movement largely for the reason that there was the Government audit behind. Government felt that they ought to preserve the great confidence of the public interested in the co-operative movement. And the best way was to retain the audit in the Co-operative Department,

Sri Ryan said that the co-operative movement was much stronger than the Government of Madras since the money handled by co-operative movement far exceeded the amount handled by the Government. Referring to the success of the weavers' co-operatives, Sri Ryan said that a co-operative spinning mill was blooming and growing in Guntakal and another was likely to be started in the South. He added that in the co-operative movement they looked to the development of human personality. While the capitalist organisations were after profit, the co-operative societies aimed at service and the emphasis was on the individual. It was therefore essential that they should get back to the fundamental principle of co-operation, namely, that their main interest should be in the development of the personality of the member, and not merely in building up their business.

Elimination of the Middle Man

Another principle of co-operation, Sri Ryan said was that it was intended to eliminate the middle man. But, unfortunately a new class of middle men was growing in the co-operative societies, and he was afraid it was very largely the staff of the societies themselves. "I am very sorry to have to say it. But I say it." Citing some instances he said that if a consumer went to a co-operative store and asked for a viss of sugar, he would find on reaching home that it was only $\frac{3}{4}$ of a viss. "This is happening. In some cases, the Civil Supplies authorities have caught them. But, what does it signify? It signifies that the staff are developing themselves into a new class of middle men, living at the expense of the members of the societies and the general public. This is a thing which we should very sternly put down".

Enrolment of members

Stressing the need for the true co-operative spirit in the members of the co-operative societies, the speaker said that in the olden days membership of the societies was the privilege of a few. But now it was being claimed as a right of every man. A co-operative society was an institution intended for mutual help to be rendered to the members. Men of character possessing a co-operative spirit alone should be admitted as members. Hence they must exercise great caution in the enrolment of good members. Their objective must be the development of human personality.

Dr. Pattabhi Sitaramayya said that the object of the co-operative movement was to develop human personality. But, he was disappointed to hear the same complaints that he was making nearly 30 years ago. After all, human nature could not be remedied and amended. He referred to malpractices prevalent in provision stores. He said that the co-operative movement suffered from want of trained sales men. The art of selling did not lie in making people buy what they wanted, but in selling what they did not want. The great defect of their stores lay in their assistants not being trained in the art of salesmanship. In spite of these defects, the time had come when they must extend the field of co-operative movement.

Referring to the malpractices of merchants, Dr. Pattabhi mentioned some methods adopted by some merchants to increase the weight of their commodities. The ration rice given in some shops was so bad that people had to purchase rice in the blackmarket, where good rice was available. Controls were good; but controls might not work, where the people were dishonest. The sooner controls were abolished, the better it would be for the nation, he added.

HOUSING

Letter to the Editor

Sir,

The Co-op. House Building Societies—Semi Urban and Rural areas— Suggestions for Development and Prosperity

I am induced by the humble experiences gained with in a short period, to suggest the following, for the betterment and early expansion of the Co-operative Building Societies and the Provincial Housing Scheme, in general.

The present system adopted in the individual construction of a building by a member, under by-law 37 of the Society, and the raising of a Co-op. Housing Colony, is hampering the early expansion of the Housing Scheme and in deriving the utmost benefits by the homeless common man. The conditions stipulated in the Provincial Housing Scheme and the Model By-laws of the Building Society, demanding 1/5 of the loan amount applied for as the Share Capital advance, inclusive of site value, would go against many an average or common man. This could be evidenced by the following instance: Now a days to raise a modest and decent house to suit a middle class family of limited members, 10 cents of land and Rs. 10,000 are required, at the least. The minimum cost of 10 cents in a semi-urban area would be Rs. 1,500. The needy member applying for a loan should be ready with Rs. 800 cash, after adjusting Rs. 1,200 as 4/5 of the site value, to make up the borrowing capacity of Rs. 2,000 under the head 'share capital,' to enable him to obtain the required loan amount. In addition to this, the member under individual construction has to spend Rs. 200 or so, towards technical fees, encumbrances and the registration of indentures. Eventually the purpose with which the Housing Scheme was sponsored is being frustrated as it is actually helping in practice the rich in becoming richer leaving the needy and homeless poor in suffering and mere expectation. Hence several people who are in dire need of a residential house are getting nervous to take shelter, purely due to their inability for lump sum advance payments, mentioned *supra*.

Whether there is any alternative to solve the problem is the question to be considered. The only method within the easy reach of every section of people without distinction—a method observed in foreign countries and in certain States of India, is to collect nominal share capital of Rs. 50 and site value from each member, the society entering into a bond with him, leave him in charge of the building constructed out of the State Loan sanctioned, and to realise the same through monthly rentals to be cleared in 20 years; and thereafter, reverting the ownership of the said building to the member, on and after such satisfactory clearance. This is neither loss to the institution nor a hardship to the member. This lend-lease system would certainly go a long way towards relieving the distress of all types of needy persons and in solving the housing problem sponsored by the State. When we think of co-operatives, we are tracing our origin from *Denmark*,

etc; and as such, why not the system which is in vogue in foreign countries be implemented in our State, if found feasible and adaptable to the existing conditions?

Secondly for the brisk progress of the Housing Scheme, the semi-urban and rural areas, the Revenue Authorities should come to the rescue of the Co-operatives in expediting alienation proceedings, soon after the receipt of reports from the Housing Committees. As the matter stands inordinate delay is noticeable in getting the alienation of sites in favour of Societies.

Thirdly the local departmental authorities of the movement should be advised to readily grant instalments of the State Loan sanctioned to each member, under individual construction; and to facilitate this, the technical people in the grade of Sub-Divisional Officers, have to be allotted to the department, at least one for each district, for supervision and furnishing certificates of progress of the buildings etc.

Last but not least, the sanction of a Departmental Inspector at concessional terms for each house building society, specially in its infant stage, is imperative for the growth of the Institutions.

Co-op. House Bldg. Society,
Dharmavaram,
28-3-1952.

Y. H. SANJIVA RAO,
President.

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G.Os. & CIRCULARS

G.Os. and Circulars

Copy of the Development Department Memorandum No. 127506
BI/51-2 dated 28th December, 1951.

Sub: Audit Co-operative Societies—Fees—Rates revised.

Ref: G.O. Ms. No. 4371 Dev, dated 31-10-50, From the Registrar of Co-operative Societies letter No. 168265/50 L dated 20-11-51.

In paragraph 2 of the G. O. cited the following note shall be added:

"In computing working capital, the Reserve Fund of societies invested outside their business should be excluded."

S. ARULDOSS,
Deputy Secretary to Government.
(True Copy.)

OFFICE OF THE REGISTRAR OF
CO-OPERATIVE SOCIETIES,
Madras, dated 4-2-1952.

Endt. D. 112998/51 L.

Copy communicated.

K. MUTHUKRISHNAN,
for Registrar.

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

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

R.C. No, 160884/51-S.I.

Dated, 7-2-1952.

Sub: Wholesale and Primary Co-operative Stores—Security from paid employees—Scale fixation of.

- Read: 1. Registrar's proceedings R. C. 83404/49 S.I. dated 25-5-50.
2. Resolution of the conference of Co-operative Wholesale Stores held on 1-11-1951.
3. Registrar's circular R.C. No. 160884/51 S.I. dated 24-1-52

ORDER:

The conference of representatives of Co-operative Wholesale Stores and the Triplicane Urban Co-operative Society held on 1-11-1951 resolved as follows:—

"Resolved that fidelity guarantee bonds be accepted as security under Rule XXVII-B in the place of personal security or security on the mortgage of immovable properties from employees of Co-operative stores."

The Registrar accepts the principle behind the resolution; but he considers the fidelity guarantee bonds might be accepted only in lieu of personal security and that too only upto 50 per cent of the value of the personal security prescribed.

The Registrar therefore directs under Rule XXVII-B of the rules framed under the Madras Co-operative Societies Act VI of 1932, that where the paid employees of Co-operative Wholesale Stores and Primary Co-operative Stores now in employ or to be employed hereafter under the various categories furnish fidelity guarantee bonds, such bonds would be accepted only upto 50 per cent of the total security and that the balance of the security should be in the shape of cash security or personal security for double the balance of the security prescribed.

THE MADRAS JOURNAL OF CO-OPERATION

Copy of G. O. (MS) No. 85 dated 8th January 1952.

DEVELOPMENT DEPARTMENT.

Public Services—Madras Co-operative Subordinate Service Recruitment—Junior Inspectors of Co-operative Societies, optional subjects for examination—Inclusion of Commercial subjects under Group III standard examination prescribed in G. O. No. 751 Public (Service) dated 24-8-48—Orders passed.

Read the following:—

From Sri V. Radhakrishnan and other Supervisors of Co-operative Societies, Tiruchirapalli District dated 6-9-1951.

From the Registrar of Co-operative Societies letter No. 129446/51 G2 dated 18-10-1951.

From the Secretary, Madras Public Service Commission, letter No. 8119 G2/51-1 dated 3-12-1951.

ORDER:

His Excellency the Governor of Madras directs that the subjects of (1) Commerce and Accountancy and (2) Economics and Banking (both Intermediate Standards) be included in the list of optional subjects prescribed for the written part of the competitive examination for Group III Services (Intermediate Standard) in the scheme of examination referred to in Annexure I to G. O. No. 751 Public (Services) dated 24-3-1948. Consequential amendments to the G. O. referred to above will be issued in the Public (Services) department.

2. Pending issue of the amendments the Government approve the Commission's proposal to include the subjects referred to above among the optional subjects in its notification relating to Group III Service which is to be published shortly and the suggestion that the amendments be given effect to from the next examination for Group III Services.

(True copy.)

Endorsement R.C. 129446/51 G2

OFFICE OF THE REGISTRAR,
OF CO-OPERATIVE SOCIETIES,
Madras, dated 29-1-1952.

Copy of G. O. Ms. 85 Development dated 8-1-52, is communicated to all Deputy Registrars, Special Development Officers in continuance of Registrar's Endorsement No. 72538/50 G2 dated 7-9-50.

J. C. RYAN,
Registrar.

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

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

R.C. No. 20525/52-U.

Dated: 5-8-1952.

Sub—Books and Publications—The Madras Co-operative Manual Volumes I and III—availability for sale—intimated.

The revised Madras Co-operative Manual has been just published in three volumes. Volume I contains general information about the Co-operative Movement in the Madras State. Volume III contains model bylaws of the various types of societies and forms and registers to be maintained by them.

G. OS. AND CIRCULARS

Copies of Volumes I and III are available for sale with the Superintendent Government Press, Madras at Rs. 4/- and Rs. 8/- a copy respectively. As a limited number of copies have been printed, the Central Banks and Co-operative Wholesale Stores are requested to bring the publication to the notice of all their affiliated societies, so that they may purchase the copies before the stock is exhausted.

G. VISWANATHAM,
Joint Registrar.

OFFICE OF THE REGISTRAR OF
CO-OPERATIVE SOCIETIES, MADRAS,
Dated, 7-3-1952.

R.C. No. 1049/52-B. 1.

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

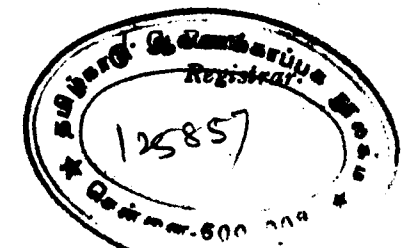
CIRCULAR.

Sub:—Madras State Co-operative Union appeal for membership.
Ref:—Registrar's Circular R.C. 510/41 B. dated 21-1-1941.

It has been brought to the notice of the Registrar that some of the Deputy Registrars are objecting to the Weavers Societies becoming members of the State Co-operative Union. One of the Deputy Registrars for Land Mortgage Banks has also objected to a Land Mortgage Bank making its annual contributions to the Union. Obviously the concerned Officers have not understood the Registrar's Circulars on the subject correctly. Registrar's instructions in Circular R. C. 36709/49 K. 2. dated 17-8-1949 are clear that it is not the intention of the Registrar that weavers societies should not be members of the State Co-operative Union or other similar organisations like the Andhra Desa Co-operative Union and the Tamilnad Co-operative Federation. Land Mortgage Banks too are not prevented from becoming or continuing to be members of the State Union (Vide Registrar's Circular R.C. 19685/49 J dated 15-3-1949.) Deputy Registrars were only informed in Registrar's R.C. 19640/50 J. dated 6.6-1950 that these institutions should not incur expenditure by way of Travelling Allowance for their delegates attending General Body Meetings of Co-operative Institutions other than those mentioned in bylaw No. 3 of their bylaws.

2. All Deputy Registrars are requested to note the above instructions. They are requested to persuade all societies eligible for membership in the Madras State Co-operative Union to join it and see that their tours that as many of them as possible become its members.

JL
XMM 21/10/54
NS2.43.10



R.C. No. 2872/52-Q.

OFFICE OF THE REGISTRAR OF
CO-OPERATIVE SOCIETIES, MADRAS.
Dated, 28-3-1952.

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

CIRCULAR.

*Sub :—*Planning Commission—Five Year Plan—Public Co-operation—Village Co-operatives undertaking excavation of small channels—Provision in the bylaws—Instructions.

*Ref :—*G.O.Ms. No. 6012, Development dated 4th December 1951.

The Planning Commission suggested that canals and small channels could be excavated by mobilising the labour in the village in the areas through which they pass and that co-operatives might undertake this work. Government accepted the proposal. The Registrar considers that the existing rural credit societies can undertake the work by adopting suitable amendments to their bylaws. Borrowings from the Central Bank will not be necessary for the purpose as the villagers will contribute labour, and as bills for work done can be passed for payment in instalments as and when the work progresses and claims are made.

2. The existing village credit societies can undertake the work wherever such work is offered to them after making suitable provision in their bylaws for the purpose. In the case of multipurpose co-operative societies the following may be added as clause (b) of bylaw No. 52, the succeeding clauses being relettered suitably.

"It shall be competent to the panchayatdars to take up the excavation of channels passing through the area of operations of the society, wages being paid on a piece work basis. For this purpose it will be obligatory on the part of the members benefited by the Canals and channels to provide labour, in proportion to the benefit derived from them.

2. In the case of Multipurpose rural credit societies, the bylaws require amendment as below :—

(i) Add the following as bylaw No. 2 (7) and renumber the existing clause 2 (7) as 2 (8).

"To undertake the making of roads, sinking of wells, construction and repairs of buildings, tanks, canals, irrigation works, etc. within the area of operations of the society by entering into contracts with the Government, local bodies, or individuals and by executing the contract through or with the help of members ;"

(ii) Add the following as bylaw No. 61 and renumber the existing bylaws 61 to 71 as 62 to 72.

Construction Work.

By-law No. 61 :—(a) The Panchayat may undertake within its area of operations the making of roads, sinking of wells, construction and repairs of buildings, tanks, canals, etc., from Government, local bodies or individuals. It shall be competent to them to enter into contracts and to undertake piece or job work on behalf of the society. These works shall be executed through or with the help of members. Work may be executed either by giving sub-contracts to groups of members or by employing them on daily wages or on piece work basis. The Panchayat can enter into agreement with members for the due performance of the work entrusted to them and may enforce the fulfilment of the agreement in accordance with the provisions of the Workmen's Breach of Contract Act XIII of 1949.

(b) It shall also be competent to the panchayatdars to take up the excavation of canals and channels passing through the area of operations of the society, wages being paid on a piece work basis. For this purpose it will be obligatory on the part of the members benefited by the channels to provide labour, in proportion to the benefit derived from them.

(c) When sufficient number of members are not available, the panchayat may employ persons other than members to such extent as may be necessary to complete any work the society has on hand, and pay them such remunerations as may be reasonable.

(d) Funds required for this purpose shall be obtained in advance from the parties from whom contracts are taken, or as a joint loan under bylaw 59-A by the members to whom the execution of the contract is entrusted.

(e) The panchayat shall frame suitable subsidiary bylaws under bylaw 29, regulating the obtaining of contracts, their execution, payment of wages, etc.

3. All Deputy Registrars are requested to advise the societies to amend the bylaws of multipurpose societies and multipurpose rural credit societies suitably and to undertake this new line of activity wherever necessary and feasible.

J. C. RYAN,
Registrar.

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

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

The First All-India Co-operative Congress

(A BRIEF REVIEW)

SRI T. NARAYANA PILLAI,

Joint Secretary, The Madras State Co-operative Union

Hitherto non-official co-operators used to meet under the auspices of the Indian Co-operative Union, while the Registrars of Co-operative Societies used to meet separately. At the last session of the Co-operative Union held at Bangalore in May 1949, it was arranged to hold the first Co-operative Congress consisting of the non-official and official co-operators.

Accordingly the first Co-operative Congress was held in Bombay in February 1952. Delegates from various States and the Registrars of Co-operative Societies and their deputies in various States, and representatives of the Reserve Bank of India, (Agricultural Credit) participated in the Conference. The Hon'ble Sri K. M. Munshi, Food Minister at the Centre opened the Conference and Prof. H. L. Kaji presided.

Prior to the main Session there were a number of Auxiliary Conferences for Consumers; Marketing; Insurance; Banking; Education and Training; and Cottage and small industries. A number of questions and problems of vital interest to the Movement were discussed at these conferences. The discussions were lively and the various experiments and results achieved in various States were considered and mutual exchange of views was done. Unfortunately everybody felt that the time at the disposal of the Conferences was very limited and that an exhaustive treatment of any subject could not be done.

The main Session of the Congress was unique. A large number of official and non-official Co-operators and public officers were present. Sri J. A. Madan, President of the Bombay Co-operative Institute welcomed the delegates. The Hon'ble Sri K. M. Munshi delivered the Inaugural Address in the course of which he pleaded for the promotion of national economic life and increased production through Co-operative agency. Prof. Kaji, in his Presidential Address appealed for the creation of a proper atmosphere for the establishment of a Co-operative Commonwealth.

Some Sub-Committees were appointed to draft the resolutions for the Congress. The draft resolutions were placed before the Congress and passed after some discussion. One important resolution taken up in accordance with the suggestion of Sri K. M. Munshi for the organisation of a Farmers' Union was much discussed and finally dropped. The main resolutions passed related to the place of Co-operation in the Planning Commission's Report and in the Co-operative Commonwealth. The absence of the late Sri T. A. Ramalingam Chettiar was keenly felt at the Congress.

THE FIRST ALL-INDIA CO-OPERATIVE CONGRESS

On the question of Co-operative farming the Congress felt that it was impossible to prescribe any particular pattern of society. But the societies must adopt the basic principles of voluntary membership, democratic management, and equitable participation in the net surplus by the workers. It was felt that in a planned society the Government's intervention and direction would have to be followed; and for consolidation and better farming, the recalcitrant minorities should be made to come in line with a majority.

Mr. Watkins of the I. C. A. and Mr. Wilson of the F. A. O. addressed the Co-operators.

After the Congress, the General Body meeting of Indian Co-operative Union met and elected the new Office-bearers. Shri R. G. Saraiya and Sri B. J. Patel were elected President, and General Secretary respectively. Sri N. R. Samiappa Mudaliar (Madras state) was elected one of the Vice-Presidents and Sri N. Satyanarayana (Madras state) one of the Joint-Secretaries. Among those elected to the Executive Committee from Madras State were Sri T. Narayana Pillai (Madura), Dr. P. Natesan (Madras) and Sri V. Jaggarju (East Godavari). It was seen that all the States were given proper representation on the Committee.

The Congress was successful. The delegates were comfortably lodged at various hotels and cordially entertained at tea in the evenings by various Co-operative Institutions.

* * *

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

The First Indian Co-operative Congress

25th to 27th February 1952

VISWANATHAN TEKUMALLA,

(*Madras Journal of Co-operation*)

The First Indian Co-operative Congress was held at Sir Cowasjee Jahangir Hall, Bombay from the 25th to 27th February 1952.

For several years past there have been separate Conferences for the non-official Co-operators and Registrars of Co-operative Societies with the result that there has been considerable duplication of work at these sessions and very little contribution for the promotion of the Movement from the various sections of the Movement. The All-India Co-operative Conference held at Bangalore in May 1949 suggested the amalgamation of the non-official and official gatherings so that the discussions at a common platform might be comprehensive and really useful. The Government of India took the suggestion and issued a directive that an amalgamated Conference be held under the auspices of the I.C.U. (Indian Co-operative Union.). The first Congress has now been held, in pursuance of this new policy.

The Congress was well attended. There were some four hundred delegates including officials and non-officials from all parts of the country. There were fraternal delegates from the International Co-operative Alliance, International Labour Office, Food and Agricultural Organisation, the State of Israel and Malaya.

On four days prior to the Congress (from 20th February 1952), there were Auxiliary Conferences on subjects like Co-operative Housing, Insurance, Marketing, Administration, Education and training, Small industries and Banking.

At these Conferences which were held at the Council House, Bombay all the delegates—both official and non-official—evinced a good deal of interest in discussing important questions and narrating their experiences and experiments relating to them in their respective States. It was however unfortunate that though it was originally proposed to draft resolutions at these Auxiliary Conferences and to place them before the main Congress, it was finally decided by the organisers to make these Conferences mere occasions for discussion without any regular framing of resolutions. The lack of conclusiveness to the deliberations was a great disappointment to the delegates who came from far and wide with great expectations. It is however to be hoped that in future the Auxiliary Conferences also will have definiteness in plan and programme.

At the Auxiliary Conference relating to Housing, several suggestions were made in the course of the discussions. For instance it was suggested

that debentures should be floated for attracting funds for housing. Sri J. C. Ryan explained clearly the lack of propriety in treating debenture, issued for housing as similar to those in land mortgage banking. He mentioned that the debentures are not readily saleable and that in order to make them saleable the interest rate must be put up. This increase in interest rate will not make borrowing for housing worthwhile. He however suggested that when the outlook of municipalities towards housing societies changes co-operative housing would have better prospects. Some of the other suggestions of the delegates were the creation of a National Housing Corporation, tapping finances of insurance societies, approaching the Reserve Bank of India for funds for housing, and the creation of a Ministry for Housing.

At the Administration Conference, the question of organisation of co-operative societies through non-official agencies was discussed. It was represented that in States like Rajasthan where the movement is still in infancy, the effort of the officials is more important than that of the non-officials. The need for enthusiastic workers who are co-operative-minded rather than political-minded was emphasised by many members. It was very interesting to hear from a representative of Himachal Pradesh that he was not aware of any sections such as officials and non-officials in the Co-operative Movement. Sri Ryan, Registrar of Madras mentioned how the official and non-official sections worked together for the promotion of the movement in Madras State.

At the Insurance Conference the need for tapping the rural areas was recognised and the difficulties were considered. The need for a greater attention on the part of the agent in the matter of canvassing was felt. It was also felt that conditions were not good enough to introduce crop and cattle insurance. The President suggested that in respect of insurance legislation, the Government of India should consult the Congress without fail.

At the Conference relating to Co-operative Education and Training, subjects like research, text books and publications, training and propaganda introduction of Co-operation in the general educational system and the promotion of inter-state co-ordination for higher training, etc. were considered. More intensive work in the States and at the Centre by the Institutions and Co-operative Department was found necessary. It was also felt that the Reserve Bank should be requested to take a keener interest in research and other matters and that Co-operation should be taught at schools even from the primary stage.

At the Conference of Small scale and Cottage Industries, numerous subjects like handloom-weaving, the scope of the small industries, the assistance which Government should give to small industries, the problems relating to the supply of raw-materials, finance, machine and equipment, internal and external competition, etc. were discussed.

The Conference relating to Marketing and Trading discussed the ways and means of promoting internal, inter-state and international co-operative trade. It was suggested that an All-India Marketing Federation would be necessary. Sri Ryan, Registrar of Madras explained the system of controlled credit in Madras State and also emphasised the fundamental mistake in identifying producers' and consumers' interests. In this world of competitive business the producers should try to get the best price by Co-operative effort. He added that when the producers' and consumers' movements are well developed there will eventually come some agreement between both in the matter of price and profit. Thus there might be some linking between producers and consumers. The Madras State Co-operative Union suggested the starting of an All-India Marketing Intelligence Bureau as a preliminary step for the proposed All-India Marketing Federation.

At the Consumers' Conference the consolidation of the Movement for its proper working even after the controls, was considered. Some members suggested that production and processing should be taken up. Some suggested that the range of commodities supplied by the stores should be as wide as that of the private merchant. The question of credit sales also was considered. The Madras State Co-operative Union presented to the members the results of an inquiry conducted by the Stores Sub-Committee of the State Co-operative Union.

At the Banking Conference the principal topic of discussion was the necessity for increasing the financial resources of the Co-operative Movement. Sri A. Palaniappa Mudaliar, Joint Registrar, Madras, explained the Special Savings Drive launched by the Department in Madras about the end of 1951. Sri K. Sarvottama Rao of the Reserve Bank of India mentioned the willingness of the Bank to assist credit-worthy borrowers regarding long-term finance. The necessity of State Governments assisting the formation of Land Mortgage Banks was stressed. It was also suggested that in-come tax on Co-operative debentures should not be deducted at the source.

The main Congress which was begun on the 25th was very impressive. The Session started with the presentation of a pageant entitled 'The Co-operative Cosmos' written by Prof. Kaji.

Sri J. A. Madan, Chairman of the Bombay Provincial Co-operative Institute welcomed the delegates. He said that he was happy at the amalgamation of the separate official and non-official Co-operative gatherings into one Co-operative Congress. He felt that the Congress would be an all-India forum for thinking out an early implementation of the economic and social principles of the Constitution. He stated that the experiences of the various States could be pooled at the Conference so that they could learn by one another's mistakes and pick up hope and courage from one another's achievements.

The Hon'ble Sri K. M. Munsbi, Food Minister at the Centre inaugurated the Conference. In the course of his Address he mentioned that he realised the urgent need for a closer co-operation between the Co-operative Movement and his Ministry. He felt that there was a rather lop-sided functional development in the Movement and that credit still remained the dominant feature of the Movement. He regretted the relatively little progress made by Co-operation and pleaded for some heart-searching without which the progress would not be rapid and purposive. The main reason for the little progress of the Movement was the smallness and uneconomic nature of the Co-operative Institutions lack of training of the personnel etc. He pleaded for the retention of the link of common interest of the members in the organisation of multi-purpose activities. He also desired a definite step, forward from the banking movement towards a producing movement. He suggested keener attention towards agricultural and other production, irrigation, checking erosion and other agricultural improvements. He pointed out the need for great public effort in the Movement. He also appealed for the creation of "a dynamic will to produce" and suggested the organisation of "a National Union of Farmers away from politics and forswearing controversies." He explained the "cult of the dirty hand" and the part which Co-operation should play in promoting it.

Prof. Kaji delivered the Presidential Address. He expressed his great satisfaction at the realisation of his greatest desire, namely, the amalgamation of the official and non-official elements into one All-India Congress. He pointed out that the Co-operative Movement should evolve new principles so as to suit the new set up which consisted in the establishment of a Co-operative Commonwealth. He earnestly pleaded for the replacement of the present benevolent neutrality of the intelligentsia with active interest by our great leaders and public men. He declared that in the new set up which consisted in a harmonious blending of State, private and Co-operative enterprise, the two cardinal principles of Co-operation must be adopted by all agencies. These principles are—first "one man one vote" and secondly "the limitation of dividend". He favoured private trading or co-operative trading instead of State trading.

He desired the institution of a separate Ministry for Co-operation and a Separate Central Co-operative Advisory Council. He expressed that the old theory of honorary service did not hold good at present and that honorary workers must be remunerated so that they may put forth sustained effort and evince interest. He favoured de-officialisation of the Movement in the sense that the officials are outsiders and as such have no place within the movement. The non-officials are the movement itself and therefore there can be no movement as different from the non-officials.

He was keenly disappointed at the meagre importance given to the Co-operative Movement in the first Five-Year Plan.

He cautioned the Congress against hasty decisions and hoped that with adequate State support the Indian Co-operative Union would eventually develop into National Federation of India.

During the last two days of the Congress there was considerable discussion and deliberation on the various resolutions placed before the Congress. Copies of printed notes prepared by several Co-operators were distributed among the delegates. The subjects related to Co-operative Farming, State trade and Co-operation, the place of Co-operation in the Planning Commission's Report and the adoption of Co-operative principles in a Co-operative Commonwealth. Among the members who participated in the discussions were Prof. Driver, Prof. Karve, Shri Chinmulgund, (Registrar of Bombay), Sri J. C. Ryan (Registrar of Madras), Sri Sarvottama Rao of the Reserve Bank of India and Sri N. Satyanaryana. The discussions were of a high order. After considerable deliberation, some Sub-Committees were constituted for finalising the resolutions for adoption by the Congress. On the last day of the Congress the resolutions were passed unanimously.

After the Congress was over Mr. W.P. Watkins of the I.C.A. and Mr. R. N. Henry of the F. A. O, who attended as fraternal delegates gave their impressions of Congress. They appreciated the interest of the delegates and advised the Co-operators to keep up the interest and put forth greater effort.

The Madras State Co-operative Union exhibited some of its posters at the Congress. It would have been desirable to have a sort of exhibition along with the Congress.

Thanks to the organisers, there were arrangements for the accommodation of the delegates in various hotels. An excursion for sight-seeing was also arranged for the delegates. This refreshed and reinvigorated many of the delegates after strenuous work for some days at the Auxiliary Conferences. The delegates were entertained at Tea by many co-operators of Bombay in the evening everyday. The hospitality of the Co-operators of Bombay evoked the appreciation of all the visitors.

Resolutions of the First Indian Co-operative Congress

The following resolutions have been passed at the Congress:-

Resolution I:

On the Death of Shri T. A. Ramalingam Chettiar

"This Congress puts on record its deep sense of sorrow at the sudden death of Shri T. A. Ramalingam Chettiar and its sense of appreciation of the very good work he has done for the Co-operative Movement, not only in Madras but in India generally, as the Vice-President of the Indian Co-operative Union as also in Parliament, of which he was a distinguished member."

Resolution II:

Place of Co-operation in the "First Five Year Plan"

1. "While appreciating the fact that the use of the Co-operative Movement has been advocated by the Planning Commission in connection with a number of economic activities, particularly those relating to agriculture and rural development, the Congress regrets to find that the Commission has not specifically adopted the principle of giving first preference to co-operative institutions in formulating and implementing its programme of reorganisation and development. Co-operation has a very much wider role to play in the working of the plan than has been specified in the Commission's draft outline.

2. "State assistance to individuals should be made available through co-operative agencies only. The draft outline, while enunciating this principle appears to make this a function of the Village Production Councils also of which the panchayat executives, where they exist, will be the nucleus. In the opinion of the Congress, wherever co-operative societies exist, these should be the exclusive channels of economic contact between the State and the people. It is all the more necessary specifically to emphasise this aspect, as in the past, Government have been neglectful in favouring co-operative channels even to the extent to which governmental declarations of policy have seemed to favour them.

3. "Marketing and Trading as far as possible at all stages should be organised on a co-operative basis.

4. "The Consumers' Co-operative Movement should form an important part of a scheme of planned distribution.

5. "The proposal of the Planning Commission to recognise registered farms without limit of size, opens out a prospect of subsidised capitalistic farming which will prove inimical not only to the progress of co-operative farming, but also to the realisation of the social objectives of the plan. While for increasing the size of the holding, the co-operative

method should be energetically pursued, the immediate need to help the small holder to the maximum possible extent to improve his production should not be overlooked. In any case nothing should be done to favour, or even to acknowledge capitalistic farming as an instrument of agricultural planning.

6. "The prospect of organising processing industries using raw materials locally produced, on a co-operative basis should be fully explored

7. "Cottage and Small-Scale industries must be fitted into the overall plan of industrialisation by creating a defined field for their operation.

8. "An estimate of financial needs of schemes of co-operative expansion and an indication of the resources—private and public—from which they are to be met should form a necessary part of the plan. Unless the entire system of credit operating in the country, including the State, the Reserve Bank, the Imperial Bank and the co-operative banks, is treated on an integrated basis for meeting the requirements of the national plan, both planning and execution are bound to be come diffused, risky and ineffective.

9. "The agency of co-operative institutions should be used on the widest possible scale for the construction and maintenance of public works especially those of local use.

10. "The Congress welcomes the idea of selecting for intensive development along co-operative lines suitable areas in several states and urges that in all those areas co-operative methods of organisation should be used. In areas thus selected for intensive development all legitimate governmental assistance should be made available for the working of the plans of development, and the local bodies and institutions concerned should be given powers to direct the employment of land and labour into defined channels, provided they take this decision by a very large majority. In the permissive legislation that will have to be passed for this purpose suitable safeguards against arbitrary use of this power should be provided.

11. "The Congress requests the Executive Committee, if necessary through a sub-committee with co-opted members, to keep the progress of planning under continuous observation and study, and to convey to the Planning Commission both general and detailed suggestions as occasion may arise."

Resolution III:

Adoption of Co-operative Movement to be the declared State policy for development and considering how far and to what extent Co-operative Movement can help in implementing it.

"This Congress urges upon the State and the Central Governments the necessity of carefully considering the suggestions and views of organised co-operative opinion before finally deciding policies in regard to economic development.

"2 Co-operators and the Co-operative Movement will fully co-operate with the State in conformity with co-operative principles in the implementation of the economic and development policies that may be finally decided upon by the State.

"The Co-operators in each State are requested to prepare a co-operative plan (within the frame-work of the overall State or National Plan) taking into consideration the state of development, resources and the strength of the co-operative movement and the State assistance required in their States, fixing as far as possible priorities for different schemes and items of work so that the co-operative movement can play its appropriate part in the economic development of the Nation adequately, efficiently and without loss of time."

Resolution IV:

Co-operative Farming

1. "This Congress is of opinion that active and vigorous steps should be taken by State and the Co-operative Movement to organise co-operative farming societies, wherever their formation is feasible and desirable.

2. "The Congress feels that it is impossible to prescribe any particular pattern of such societies for the country as a whole, but desires that in forming such societies, the cardinal principles of co-operation, namely, voluntary membership, democratic management and equitable participation in the net surplus by the workers, should be prominently kept in view and implemented in actual practice.

3. "That right from the beginning the promoters of the societies should secure for the farming societies the necessary finance, technical skill and help and guidance from the several departments of Government and non-official agencies interested in the promotion of better farming, better business and better living,

4. "The State and Central Governments are requested to undertake the necessary reclamation of land, to provide irrigation and housing facilities and to give liberal financial and other assistance in order to ensure the success of co-operative farming."

Resolution V:

Central and State Co-operative Councils

"With a view to co-ordinate co-operative activity all over the country and the evolution of Co-operative thought and policy on uniform lines, this Congress urges the Government of India and the State Government to take into early consideration the Report of the Sub-Committee on Co-operation submitted to it in 1949 and in particular to take steps for the establishment of a Central Co-operative Council as well as State Co-operative Councils on the lines recommended in that Report."

Resolution VI:

In Appreciation of the Services of Prof. H.L. Kaji

"This congress places on record its appreciation of the great and valuable services rendered by Shri H.L. Kaji to the Co-operative Movement in general and to India in particular, in more than one capacity. His contribution to the Co-operative Movement will be of immense help to the future progress of the Movement. The Congress hopes that Prof. Kaji will recover very soon from his illness and continue to give the co-operative workers the benefit of his knowledge, experience and guidance.

The Madras State Co-operative Union

ESPLANADE, MADRAS

I Marketing Committee

Members Present: Sri A. Ramachandram Pillai *Chairman*
 „ B. Venkataratnam Choudary
 Dr. P. Natesan
 Sri B. Satyanarayana
 „ Javvadi. Lakshmayya
 „ N. P. Swaminatha Pillai
 „ V. Pasupathi Mudaliar

The following Resolution has been passed:

1. The recent experiments of the Madras State in international co-op. trade in chillies, onions, and potatoes have been found to be very successful both in India and in Ceylon. There are numerous other commodities which can also be profitably taken up for international co-op. trade—for instance pepper, copra, oil seeds and so on. It is necessary that the Government be requested through the Registrar of Co-op. Societies to regulate their control policy in such a way as to facilitate Co-op. Trade in all goods of international importance whose movements are now controlled

“Recommended to the Registrar.”

A. RAMACHANDRAM PILLAI
Chairman of the Meeting

II Producers' Committee

Members Present: Sri M. P. Nachimuthu Mudaliar *Chairman*
 „ B. Venkataratnam Choudary
 Dr. P. Natesan
 Sri M. Somappa
 „ A. J. Arunachala Mudaliar
 „ S. Thirunavukkarasu Mudaliar
 „ K. Nachchinarkinia Sivan

The following Resolutions have been passed:

1. “Payment of bonus to members out of the net profits—increase in percentage from 25 per cent to 40 per cent—letter dated 8-1-52 of the Kollengode Weavers Co-op. Production and Sale Society—consideration of.

“Resolved to request the Registrar to make a provision in the by law relating to distribution of net profits to carry the balance available after the maximum bonus is paid to a bonus equalisation fund which will be available for helping the members during the lean years.”

2. Famine relief for weavers—consideration of.

“Resolved to request the Registrar to re-introduce the relief schemes for weavers as there is a great slump in the market and as the weavers are facing a very severe unemployment.”

M. P. NACHIMUTHU MUDALIAR
Chairman of the Committee.

*Extracts from the Proceedings of various Committee Meetings of the Madras State Co-operative Union held on 30-3-1952

PROCEEDINGS OF THE MEETINGS OF THE M. S. C. UNION

III

Education Committee

Members Present: Sri N. Satyanarayana *Chairman*
 „ B. Venkataratnam Choudary
 Dr. P. Natesan
 Sri M. S. Palaniappa Mudaliar
 „ V. V. Ramaswamy Nadar
 „ T. Narayana Pillai

The following Resolutions have been passed:

1 Co-op. Training and Education—syllabus prescribed for the Supervisors Course in Book-keeping and Banking—revision of as per the syllabus prescribed for the Government Technical examination—letter dated 14-2-52 of the Hood Co-op. Institute, Tanjore—consideration of.

“Circulate for opinion among the Superintendents of the other Institutes.”

3. List of holidays for the mofussil Institutes for the year 1952-53 fixing of.

“List of holidays prepared by the General Secretary is approved.”

4. Co-op. Training and Education—short term course for employees of non-credit co-ops.—suggestions made by the Union—Registrar's reply—consideration of.

“Resolved to address the Registrar fully clarifying the view point of the Committee that such of the employees who have been confirmed without any qualification should be compulsorily sent for a short-term course at the expense of the institution.”

N. SATYANARAYANA
Chairman of the Committee

IV

Stores Committee Meeting

Members Present: Sri R. V. Ramarao Naidu *Chairman*
 „ B. Venkataratnam Choudary
 Dr. P. Natesan
 Sri E. Loganatha Mudaliar
 „ B. Ranganatham
 „ U. Giddiah Chetty
 Janab D. K. Yusuf Mohideen Ansari Sahib
 Sri C. S. Ramachandran

The following Resolution has been passed:

1. Many of the primary handloom weavers' producing societies in the State are supplying their goods to the Madras State Handloom Weavers' Society adding a nominal percentage of profit over the cost of production in normal times and at a discount during slump periods, as it is to-day. But the same societies are supplying to consumers' stores which make bulk purchases at different rates altogether, always at much higher rates than at which they are supplying to the Madras State Handloom Weavers' Co-op. Society. Further some of the primary societies are treating the consumers stores on par with private merchants in the matter of supply of goods. At a time when the sale of handloom goods is a problem this policy will not only retard the quick disposal of the handloom

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goods but also make the few consumers' stores which have been carrying on business in handloom goods to curtail their trade in handloom products. It is therefore suggested that the weavers' societies should supply handloom goods to consumers' stores, which are bulk purchasers at the price at which they are supplying to the Madras State Handloom Weavers' Co-op. Society.

(Resolution given notice of by Sri C. S. Ramachandran, Member of the Stores Committee and Secretary, Chandrasekharapuram Co-op. Stores.)

"Recommended to the Registrar and the Madras State Handloom Weavers' Co-op. Society."

R. V. RAMARAO NAIDU
Chairman of the Meeting.

V

Credit Committee.

Members Present : Sri N. S. Ramalingam ... Chairman.
 „ B. Venkataratnam Choudary.
 Dr. P. Natesan.
 Sri S. R. Vijayaramayya.
 „ K. Lakshmayya Naidu.
 „ B. B. Naidu.
 „ M. D. T. Kumaraswami Mudaliar.
 Janab P. Allapichai.
 Sri T. P. Raghava Menon.
 „ S. Suryanarayana Deo.
 „ D. Chayappa.
 „ T. S. Prakasa Rao.
 „ K. Srinivasalu Naidu.
 „ N. Palaniswami Gounder.
 „ G. Alagiriswamy Naidu.
 „ H. M. Jagannatham.
 „ R. Arunachala Ambalagarar.

The following Resolutions have been passed :

1. Securities from paid employees of Co-op. Institutions prescribed by the Registrar — difficulties of employees already in service—letter dated 2-2-1952 of the Vizianagaram Bank—consideration of.

"As there appears to be a great handicap and difficulty for the existing employees in paying the new scales of security, resolved to request the Registrar to exempt the existing employees from paying any additional security. Resolved to request the Registrar to accept cash in lieu of fidelity bond or immoveable property."

2. Co-op. Urban Banks—permission to receive deposits from local bodies—this Union's suggestion—Registrars's reply—consideration of.

"Request the Registrar to permit such of those Urban Banks which he deems fit, to receive deposits from local bodies."

3. In the interest of the development of Co-op. Banking, it is necessary to compel each Urban Bank officially to have a current account with the Apex Bank at Madras as also with the respective Central Bank of the district; or at least to request the Government not to insist on obtaining permission from the Deputy Registrar for renewing or continuance of the

PROCEEDINGS OF THE MEETINGS OF THE M. S. C. UNION

existing such accounts especially of Urban Banks of over 25 years standing—consideration of.

(Notice of resolution given by the Melur Co-op. Urban Bank of Madura District.)

"Let the existing arrangements continue."

N. S. RAMALINGAM,
Chairman of the Committee.

VI

Executive Committee.

Members Present : Sri B. Venkataratnam Choudary .. President.
 „ D. Mahalingam Pillai.
 Dr. P. Natesan.
 Sri T. Narayana Pillai.
 „ P. S. Gurusu Reddy.
 „ R. Krishnamurti.
 „ N. S. Ramalingam.
 „ M. P. Nachimuthu Mudaliar.
 „ N. Satyanarayana.
 „ P. Satyanarayana Raju.
 „ M. S. Palaniappa Mudaliar.
 „ H. M. Jagannatham.

The following Resolutions have been passed :

4. Budget for the year 1952—53—consideration of.

"Place before the Board."

5. The First Madras State Co-op. Housing Societies Conference—fixing up of date, Opener for the Conference and President for the Conference.

"General Secretary authorised to fix up the date."

6. Election of member to the Editorial Committee to the vacancy created by the demise of Sri T.A. Ramalingam Chettiar—consideration of.

"Sri D. Mahalingam Pillai to be the member of the Editorial Committee."

8. Rebate of Rs. 20 received through Sri C. S. Ramachandran, Secretary of the Chandrasekharapuram Co-op. Stores on the purchase of the 2 new B. S. A. cycles for the office—reporting of.

"Recorded with thanks."

11. Affiliation of Societies.

"Affiliate."

The following societies have been affiliated :

- i. The Karur Co-op. Marketing Society.
- ii. The Dharmavaram Co-op. Loan and Sale Society.
- iii. Vadalur Ramalingaswami Co-op. Loan and Sale Society.
Kurinjapadi, P. O.
- iv. Old Batlagundu Co-op. Stores.

- v. Paramakudi Co-op. Stores.
- vi. Sivaganga Co-op. Stores.
- vii. Dharmajigudem Local Co-op. Union.
- viii. Ponnur Co-op. Union.
- ix. Indukurpet Co-op. Union.
- x. Erayamangalam Co-op. Milk Supply Society.
- xi. Kilacheri Co-op. Milk Supply Society.
- xii. Battagundu Co-op. Milk Supply Society.
- xiii. Tadpatri Co-op. Milk Supply Society.
- xiv. Tungabhadra Project Co-op. Milk Supply Society.
- xv. Ilayangudi Co-op. Urban Bank.
- xvi. M. S. C. Bank Staff Co-op. Society.
- xvii. Dowlaishwaram Co-op. Urban Bank.
- xviii. Pavani Co-op. Urban Bank, Maruter.
- xix. Coimbatore Co-op. Building Society.
- xx. Madura Co-op. Model Building Society.
- xxi. Mangalore Co-op. Building Society.
- xxii. Kothur Co-op. Building Society.
- xxiii. Ongole Co-op. Building Society.
- xxiv. Nidadavolu Co-op. Building Society.
- xxv. Ohidambaram Co-op. House Building Society.
- xxvi. Palni Co-op. House Building Society.
- xxvii. Salem City extension House Building Society.
- xxviii. Karaikudy Co-op. House Building Society.
- xxix. Tuticorin Co-op. House Building Society.
- xxx. Tadpatri Co-op. House Building Society.
- xxxi. Nellore Co-op. House Building Society.
- xxxii. Madura Co-op. House Construction Society.
- xxxiii. S. K. Dt. Co-op. Advancement Society, Mangalore.

13. Congratulations to Sri B. Venkataratnam Choudary, on his unanimous election as President of the Madras State Co-op. Bank.

"Resolved to felicitate Sri Bikkini Venkataratnam Choudary on his unanimous election to the Presidentship of the Madras State Co-operative Bank."

17. Proceedings of the Sub-Committees held on 30-8-52—ratification

of. "Ratified."

B. VENKATARATNAM CHOUDARY,
President.

Proceedings of the Board Meeting held on 30-3-1952 at 2-30 P.M.

Members Present: Sri B. Venkataratnam Choudary—President.

- " D. Mahalingam Pillai
- " D. Rajaram Reddy
- Dr. P. Natesan
- Sri T. Narayana Pillai
- " P. S. Guruva Reddy
- " R. Krishnamurti
- " N. S. Ramalingam
- " M. P. Nachimuthu Mudaliar
- " N. Satyanarayana

- Sri P. Satyanarayana Raju
- " M. S. Palaniappa Mudaliar
- " H. M. Jagannatham
- " A. J. Arunachala Mudaliar
- " S. Thirunavukkarasu Mudaliar
- " K. Nachchinakinia Sivan
- " B. Satyanarayana
- " Javvadi Lakshmayya
- " A. Ramachandram Pillai
- " V. Chinnikrishna Naidu
- " V. Pasupathi Mudaliar
- " S. R. Vijayaramayya
- " K. Lakshmayya Naidu
- " M. D. T. Kumaraswami Mudaliar
- Janab P. Allapichai

- Sri T. P. Raghava Menon
- " S. Suryanarayana Deo
- " D. Chayappa
- " T. S. Prakasa Rao
- " K. Srinivasulu Naidu
- " N. Palaniswami Gounder
- " G. Alagiriswami Naidu
- " E. Loganatha Mudaliar
- " B. Ranganatham
- " U. Giddiah Chetty
- Janab D. A. Yusuf Mohideen Ansari Sahib
- Sri R. V. Ramarao Naidu
- " V. V. Ramaswami Nadar
- " R. Venkatasubba Reddiar
- " G. M. Himachallapathy

Sri K. Muthukrishna Naidu, B.A., B.L., Additional Joint Registrar of Co-operatives Societies, Madras was also present on invitation.

The following Resolutions have been passed :

2. Consideration of the Administration Report and Audit Review for the year 1950—51.

"Recommended to the General Body for adoption."

3. Consideration of the Budget for the year 1952—53.

"Approved."

4. The XXVIII Madras State Co-op. Conference—month for holding—fixing of.

"The Executive Committee of the Union is authorised to fix."

5. Resolutions already given notice of to the General Body—consideration of.

"Place before the General Body."

B. VENKATARATNAM CHOUDARY,
President.

General Body Meeting

Present : Sri B. Venkataratnam Choudary—President.

(Total Number of Members Present : 185)

Sri K. Muthukrishna Naidu, B.A., B.L., Additional Joint Registrar of Co-op. Societies, Madras and Sri T. V. Ratnam, Deputy Registrar of Co-op. Societies, Madras were also present on invitation.

The following resolutions have been passed :

1. Condolence resolution on the demise of Sri T. A. Ramalingam Chettiar.

“Resolved to place on record the deep sense of sorrow of the members of the General Body of the Madras State Co-op. Union at the sudden demise of Sri T. A. Ramalingam Chettiar, the Leader of the Co-o. Movement in South India.

Resolved to place on record the high appreciation of the unique and unparalleled service he has rendered during the last nearly three decades to the Co-op. Movement in general and to the innumerable State and Dt. Institutions on which he served in particular.

Resolved to install a portrait of the late Sri T. A. Ramalingam Chettiar in the Office of the Union.”

2. Consideration of the Administration Report and Audit Review of the State Co-op. Union for the year 1950—51.

“The Administration Report and Audit Review adopted unanimously.”

3. Amendment to the by-laws—consideration of.

As Existing :

i. By-law No. V (a)

Nil.

As Proposed :

Add

Receipts shall be issued for all monies paid into the Union. For monies paid *by members*, the receipts shall be signed by the Manager-cum-Associate Editor and in his absence by the General Secretary. In the absence of both the Manager-cum-Associate Editor and the General Secretary, the receipts shall be signed by the Treasurer. In the case of borrowings from non-members or from other societies, the receipt or bond shall be executed by at least two members of the Board of whom one shall be the General Secretary.

Sri S. C. Venkatappa Chettiar, Delegate of the Shevapet Co-op. Urban Bank, Salem proposed that the words that “*by members*” should be omitted in view of the fact that monies are received from members and also non-members. The amendment was accepted and the following resolution as amended was passed :

Resolution : “Receipts shall be issued for all monies paid into the Union. For monies paid, the receipts shall be signed by the Manager-cum-Associate Editor and in his absence by the General Secretary. In the absence of both the Manager-cum-Associate Editor and the General Secretary, the receipts shall be signed by the Treasurer. In the case of borrowings from non-members or from other societies, the receipt or bond shall be executed by at least two members of the Board of whom one shall be the General Secretary.”

ii. Bylaw No. VI (1)

Members societies shall pay annual *subscriptions* as provided below : Member societies shall pay annual *contributions* as provided below :

Sri S. C. Venkatappa Chettiar, Delegate of the Shevapet Co-op. Urban Bank, Salem said “contributions” and “subscriptions” are synonymous terms and hence no alteration is necessary. It was explained by the President and General Secretary that the Union is conventionally using “contributions” for monies received from affiliated institutions and “subscriptions” for the monies received from the non-members, who are only subscribers for the Journal. The classification would facilitate the maintenance of accounts properly. Sri S. C. Venkatappa Chettiar withdrew his amendment and the original amendment has been passed unanimously.

Resolution : “Member Societies shall pay annual *contributions* as provided below.”

iii. Bylaw No. VI (1)

(a) Every Provincial Society shall pay Rs. 100. Every State Society shall pay Rs. 200.

“Passed unanimously”

iii. Bylaw No. VI (1)

(d) Every Central Bank shall pay Rs. 50. Every Central Bank shall pay Rs. 100.

“Passed unanimously”

(e) Every Central or Dt. Wholesale sale Stores shall pay Rs. 50. Every Central or Dt. Wholesale Stores shall pay Rs. 100.

“Passed unanimously”

(h) Every Urban Bank, Primary Store, Loan and Sale Society shall pay Rs. 5 on its working capital, if below Rs. 1 lakh and Rs. 10 if working capital is below Rs. 2 lakhs and Rs. 15 if working capital is more than Rs. 2 lakhs as on the 30th June of the previous year. Every Urban Bank, Primary Stores, Loan and Sale Society shall pay Rs. 5 on its working capital, if below Rs. 1 lakh and Rs. 10 if working capital is below Rs. 2 lakhs and Rs. 20 if working capital is more than Rs. 2 lakhs as on the 30th June of the previous year.

“Passed unanimously”

iv. Bylaw No. VI (4)

The annual *subscription* from member societies shall fall due at the commencement of each co-op. year and be payable not later than the 31st October of the year. They shall be recoverable as debts due to the Union.

The annual *contribution* from member societies shall fall due at the commencement of each co-op. year and be payable not later than the 31st October of the year. They shall be recoverable as debts due to the Union.

“Passed unanimously”

THE MADRAS JOURNAL OF CO-OPERATION

As Existing :

v. By-law No. VIII

To carry on its work, the Union may raise loans, provided that the total amount of liability at any time shall not exceed half the amount annually falling due on account of subscriptions from member societies and contributions from non-member societies.

"Passed unanimously."

vi. By-law No. XIX (d)

Nil

"Passed unanimously."

vii. By-law No. XXII (8)

Nil

"Passed unanimously."

4. In the interest of the development of co-op. banking, it is necessary to compel each urban bank officially to have a current account with the Apex Bank at Madras, as also with the respective Central Bank of the district; or at least to request the Government to insist on obtaining permission from the Deputy Registrar for renewing or continuance of the existing such accounts especially of Urban Banks of over 25 years standing—consideration of.

(Notice of resolution given by the Melur Co-op. Urban Bank of Madura Dt.)

"Resolution not moved."

5. It is desirable to request the Government to waive the need for Registration of the assignment deed in favour of the Government by the Directors of building societies; and to suggest that instead, the deed may be executed before the local Officer of the Co-op. Department, say the Circle Auditor or the Territorial Inspector, as the case may be—consideration of.

(Notice of resolution given by the Melur Co-op. Urban Bank of Madura Dt.)

"Resolution not moved"

6. The Government be requested to exempt Co-op. Societies from provisions of the Shops and Establishments Act at least in respect of working hours, on the ground that each clerk of a Co-op. Society is an Accountant practically (with some extra work always at hand to do) as in the case of the Accountants of Joint Stock Banks for whom exemption from the provisions of the Act has been given—consideration of.

(Notice of resolution given by the Melur Co-op. Urban Bank of Madura Dt.)

As Proposed

To carry on its work, the Union may raise loans, provided that the total amount of liability at any time shall not exceed half the amount annually falling due on account of contributions from member societies and subscriptions from non-member societies.

Add

At least 15 clear days' notice shall be given to the members of the Board of Management before a meeting of the Board is convened.

Add

At least 7 clear days' notice shall be given to the members before a meeting of the Executive Committee is convened.

PROCEEDINGS OF THE MEETINGS OF THE M. S. C. UNION

This resolution was moved by Sri B. Srinivasa Iyengar, delegate of the Sriranganatha Co-op. Stores, Srirangam and seconded by Sri S. C. Venkatappa Chettiar, delegate of the Shevapet Co-op. Urban Bank, Salem and the following resolution has been passed.

Resolution. "Resolved that the Government be requested to exempt Co-op. Societies from the provisions of the Shops and Establishments Act."

7. Resolved to request the Local Government to take up the consideration of the Amending Bill of Co-op. Societies Act in the Legislative Assembly without further delay and if for any reason this is to be delayed, amendment of Section 28 may be taken up separately.

(Notice of resolution given by the Madras Circle Postal Co-op. Bank, Madras.)

This resolution having been moved by the Madras Circle Postal Co-op. Bank, Madras was seconded by Sri B. Srinivasa Iyengar, delegate of the Sriranganatha Co-op. Stores, Srirangam and Passed.

8. Resolved to request the Government to enact necessary legislation making salary of Government servants above Rs. 20 attachable for recovery of their dues to Co-op. Societies in execution of decrees.

(Notice of resolution given by the Madras Circle Postal Co-op. Bank, Madras.)

"Resolution dropped."

9. Resolved to request the Government to enact necessary legislation exempting debts due to Co-op. Societies from proceedings in insolvency

(Notice of resolution given by the Madras Circle Postal Co-op. Bank, Madras.)

This resolution having been moved by the Madras Circle Postal Co-op. Bank, Madras was seconded by Sri M. Venkatrama Iyer, delegates of the Tiruvallur Co-op. Urban Bank and passed.

10. Resolved to affiliate Village Credit Societies to the Union which are working with a working capital of Rs. 50,000

(Notice of resolution given by the Local Co-op. Union, Tapeswaram.)

Sri N. Satyanarayana, Chairman of the Education Committee of this Union explained the resolution. Some members of this Union suggested the raising of the lower limit to Rs 1 lakh. The amendment was accepted. It was also stressed by some members that even small limited concerns like stores with only Rs. 5,000 working capital are allowed to be affiliated and therefore the affiliation of un-limited societies with a large working capital should not be prevented. The following resolution was passed.

Resolution: "Resolved to affiliate Village Credit Societies to the Union which are working with a working capital of Rs. 1 lakh and above."

11. Resolved to request the Registrar that the Auditors of the accounts of the Village Co-op. Credit Societies may be instructed to get the clarification of the President or the Secretary of the Society before entering the details of the Suspense Account in the report and then enter the same in the report.

(Notice of resolution given by the Tanjore Co-op. Supervising Union.)

"Passed unanimously."

12. In addition to the encumbrance certificates obtained for 24 years from the date of application, primary Land Mortgage Banks are insisted upon to trace the title from the date of re-settlement, i.e., 1910 which is practically impossible. It is therefore resolved to request the Madras Co-op. Central Land Mortgage Bank and the Registrar of Co-op. Societies, Madras to issue necessary instructions to the primary land mortgage banks to trace the title only for 24 years on the strength of enjoyment of land for a period of 12 or 15 or 20 years

(Notice of resolution given by Sri K. Narasa Reddy, representative of the Rajampet Land Mortgage Bank.)

"Passed."

13. Resolved to request the Government to direct all the Co-op. Credit Societies, primary Land Mortgage Banks, and Kodur Fruit Growers Co-op. Society, Rajampet to suspend collection of instalments due by members of the societies and execution petitions by one year for reason of successive failure of monsoons in Rayalaseema since 1947.

(Notice of resolution given by Sri K. Narasa Reddy, representative of the Rajampet Land Mortgage Bank.)

Sri K. Srinivasulu Naidu, representative of the Uttiramerur Co-op. Supervising Union suggested that the words "and other famine affected areas like Chingleput" should be added to the resolution. It was accepted and the following resolution has been passed :

Resolution : Resolved to request the Government to direct all the Co-op. Credit Societies, primary Land Mortgage Banks and Kodur Fruit Growers Co-op. Society, Rajampet to suspend collection of instalments due by the members of the societies and execution petitions by one year for reason of successive failure of monsoon in Rayalaseema and other famine-affected areas like Chingleput."

14. To request the Government to constitute a revolving fund of Rs. 10 lakhs (Rupees Ten lakhs only) from which primary land mortgage banks may draw the instalments of borrowers who have fallen into arrears due to unforeseen calamities etc. such as acute famine conditions prevailing in Ouddapah, Chittoor, Anantapur and Kurnool Districts.

(Notice of resolution given by Sri K. Narasa Reddy, representative of the Rajampet Land Mortgage Bank.)

"Recommended to the Executive Committee of the Madras State Co-op. Union for consideration.

15. To request the Government to constitute another fund of Rs. 25 lakhs to meet instalments of borrowers that have fallen into arrears in Rural Credit Societies and other type of Agricultural and Horticultural Societies on account of continued drought for some years and other adverse seasonal conditions."

(Notice of resolution given by Sri K. Narasa Reddy, representative of the Rajampet Land Mortgage Bank.)

"Recommended to the Executive Committee of the Madras State Co-op. Union for consideration."

B. VENKATARATNAM CHOUDARY,
President.

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Foreword by

Prof. D. R. GADGIL, M.A., M.LITT.

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REPORT ON THE WORKING
OF

The Madras State Co-operative Union

(From 1st July 1950 to 30th June 1951)

I: Period of Report

The following is the report on the working of the Madras State Co-operative Union, for the period from 1st July 1950 to 30th June 1951.

2. Membership

The number of member Societies as on 30-6-50 was 724 and it increased to 726 as on 30-6-51. The numbers of the members belonging to the various types of Institutions are given below. As usual the Union sent appeals to many Co-operative Institutions to enroll themselves as members. The General Secretary and the Associate Editor during their tours in connection with attending Conferences of the Linguistic Federations and the like contacted some of the Institutions with a request that they should enroll themselves as members. In consequence there has been considerable response. But the increase in Membership obtained in that manner was considerably off set by the dis-affiliation of numerous co-operative institutions either on account of their liquidation or bad financial position or dormant condition. Among the institutions whose names have had to be removed from the rolls may be mentioned numerous Local Co-operative Unions, particularly of Nellore and Kurnool districts which were virtually defunct and incapable of revival in their existing condition. The local Deputy Registrars having written to the Union about their bad state, the Union had no alternative but to remove them from the rolls until such time as they would be in a position to pay their annual contribution dues and merit affiliation to this Union. We have pleasure to mention in this connection that the position has since changed to some extent and that we have requests again from some of the Unions for re-affiliation to this Union. We earnestly hope that conditions will improve further in the near future so that all the Unions which have had to be deleted from our lists may again take their privileged position as members of this Union.

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 enroll 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-'50	As on 30-6-'51.
1 Provincial Institutions	...	7
2 Central Banks	...	31
3 Language Federations	...	2
4 Urban Banks	...	129
5 Audit Union	...	1
6 Land Mortgage Banks	...	55
7 Local Co-op. Unions	...	172
8 Training Institutes	...	4
9 Hon. Members	...	14

Non-Credit Societies :—

(a) i. Wholesale Stores	...	20	21
ii. Primary Stores	...	170	161
(b) i. Marketing Societies	...	28	28
ii. Loan and Sale Societies	...	22	28
iii. Weavers' Societies	...	40	40
iv. Milk Supply Unions & Societies.	...	14	15
v. Building Societies & Banks	...	6	7
vi. Agricultural Societies	...	9	10
vii. Other Societies	...	3	2
viii. P.O.C. Societies	...	2	8
Total	...	724	726

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. 500 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 Journal *Sahakaramu* respectively. Many interesting photo blocks showing the activities of some co-operative institutions in Madras and elsewhere were also lent to both the Federations for use in their respective Journals.

A subsidy of Rs. 125 each was also given to *Kannadasahakari* and *Parasparasahayi*, published by the South Kanara Central Bank and the Malabar District Co-operative Bank respectively in their local languages. All these Journals appeared regularly and contributed much to the spread of Co-operative ideals and education in their respective linguistic areas.

A separate note on the working of the Language Federations is appended, since they form part of the 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 the various subjects like Agriculture, Rural Welfare, Credit and Non-credit activities, Post-war problems and International Co-operation. The new features added to the Journal, namely, the working of some activities of the Multipurpose Co-operatives, 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 research workers corner were continued during the year. New features like the Women's page and notes on the working of some good co-operative institutions were also added during the year. The general get up and the lay out of the issue was further improved by careful planning and the use of superior quality of paper for printing. The pictorial interest in the Journal was maintained by the publication of photos relating to men and events in the Co-operative Movement at home and abroad on quality real art paper.

We have pleasure to state that the journal has been admired by numerous leading Co-operators in our Country and elsewhere for the useful material it has been giving them. It may be mentioned here that the Digest published every month by the Reserve Bank of India in Bombay has been publishing extracts from the articles and Editorials of our Journal for information of its numerous readers. Its popularity and usefulness can be seen from the fact that many a student of Co-operative Research in Madras and other States has chosen to subscribe for the Journal so that he might obtain numerous details about the working of the Co-operative Movement in this State. We may mention here that the Higginbothams (Book Company) have undertaken to canvas subscribers for the Journal from the general public.

We are glad to state that the Journal was used as a medium of advertisement by many a Co-operative Institution in Madras and other States in India. With a view to popularise the use of the Journal as the advertising medium for the co-operatives only, care has been taken to keep the advertisement tariff fairly low. We take this opportunity to appeal to our members and subscribers to take a greater interest in the Journal by contributing special articles on Co-operative problems and interesting notes on the working of their institutions to the Journal and also by using the Journal as an advertisement medium.

The cost of publishing the Journal during the year was Rs. 9,662-13 0 against which the subscriptions and the appropriations from membership fee amounted to Rs. 11,810-8-0 resulting in the net profit of Rs. 2,147-11-0. This decrease in the net profit as against the last year's figure of Rs. 4,241-1-0 was due to increase in the cost of paper and printing. We have pleasure to state that with a view to make the Journal fairly self-supporting the Union has decided to increase with effect from July 1952 the subscription rate by Rs. 2. This increase does not affect the affiliated societies which are entitled to a free copy each. The subscribers of whom there are as on 30-6-51 651 will have to pay the enhanced rate and we earnestly hope that they will continue to patronise our Journal for mutual benefit. The Co-operative Department and the Rural Welfare Department continued to subscribe for many copies of the Journal as before and we thank the Registrar of Co-operative Societies and the Director of Rural Welfare, Government of Madras, for this generous gesture.

There were a number of visitors to the State Co-operative Union during the year. A list of the distinguished visitors, all of whom showed very keen interest in knowing about the working of the Union and its Journal 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.

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 the Madras State and elsewhere. Since the new Amending Bill was not found to be forthcoming before the Madras Legislature during the year under review it was found expedient to revise the existing Act thoroughly by adding additional case law and other details and bring it out in an enlarged form. This work has been taken up during the year and Sri T. Narayana Pillai, B.A., B.L., one of the Joint Secretaries of this Union was entrusted with the work. We are glad to state that the work has since been finished and an enlarged and thoroughly revised edition containing case law and numerous details relating to the circulars of the Co-operative

Department and G.O's. bearing on Co-operation has been brought out during the current year.

The Co-operative Map prepared by this Union at the suggestion of the Reserve Bank of India and in consultation with the Registrar of Co-operative Societies, Madras was well received by co-operative institutions. All the copies were sold and need was found to prepare another map giving the latest figures for the entire State and as well as for individual districts. A revised State Co-operative Map and Maps relating to select districts are now under preparation.

A number of graphs showing the progress of some co-operative institutions and a number of colour posters bearing co-operative slogans were also prepared. Some of these posters and graphs were sent to be some exhibitions where they were much appreciated.

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

IV. Conferences and Exhibitions.

i. Conferences of Tamil Nad Co-operative Federation and the Andhra Desa Co-operative Union.

Since the Madras Provincial (now State) Co-operative Conference has to be held only once in two years, no State Conference has been held during the year under report. The Language Federations, however, held their respective Conferences during the year. The Tamil Nad Co-operative Federation held the VII Tamil Nad Co-operative Conference at Rameswaram on the 28th and 29th July 1950. On the occasion the Co-operative Flag was hoisted by Dr. P. Natesan, General Secretary of this Union. The Hon'ble Sri P. S. Kumaraswami Raja, Chief Minister of Madras opened the Conference. The Conference was presided over by Sri M. Vedachala Mudaliar, President of the Conjeevaram Co-operative Central Bank and the Cottage Industries Exhibition was opened by Sri K. Subrahmanyam Naidu, Joint Registrar of Co-operative Societies. Madras. Sri A. Ramachandram Pillai, President of the Ramnad District Co-operative Central Bank welcomed the delegates and visitors to the Conference. A number of important resolutions were discussed and passed. The Conference was well attended though held in the southern most corner of the State. All the proceedings of the Conference were published in the pages of the Madras Journal of Co-operation.

The XVII Andhra Desa Co-operative Conference was held on 26th and 27th November 1950, at Tenali. The Co-operative Flag was hoisted by Sri G. Simhachalam Pantulu and the delegates and visitors were welcomed by Sri A. Venkatramayya, President of the Guntur District Co-operative Central Bank, Ltd. Tenali. The Conference was presided over by Sri Kala Venkata Rao, the then General Secretary of the Indian National Congress and the Cottage Industries Exhibition and the Conference were declared open by the Hon'ble Sri P. S. Kumaraswamy Raja, Chief Minister of Madras. This Conference was probably one of the biggest and most attended by no less than 10,000 visitors and delegates. A large industrial exhibition and a cattle show and a weavers' Conference were organised as adjuncts to the main Conference. Several important resolutions were discussed and passed. All the proceedings of the Conference were published in the pages of the Madras Journal of Co-operation.

ii. Deputations:

During the year two deputations waited on the Hon'ble Ministers concerned for making representations:

(a) *Exemption from the Shops and Establishments Act for Co-operatives:*

In pursuance of a resolution of the Executive Committee dated 20-8-1950 a deputation consisting of Messrs. B. Venkataratnam Choudary, T. A. Ramalingam Chettiar and Dr. P. Natesan waited on the Hon'ble the Chief Minister and the Hon'ble Minister for Labour on 4-10-1950. The deputation submitted to the Hon'ble Ministers that Co-operative Societies are quite similar to District Boards and Municipalities which are exempt from the operation of the Shops and Establishments Act; and requested that in view of the fact that the co-operative societies are also governed by the Co-operative Societies Act and directly supervised by the Registrar of Co-operative Societies, co-operative societies may also be exempted from the operation of the Act. The analogy between the Co-operative Institutions and Local Bodies seemed to appeal to the Hon'ble the Chief Minister and he was pleased to ask for further information bearing on the analogy. A Memorandum giving the salient features in our argument for exemption was submitted to the Hon'ble Ministers. We may mention in this connection that the Registrar of Co-operative Societies also recommended the exemption. We however, regret to state that our request for exemption was not accepted during the current year.

(b) *Mill Cloth Trade by Co-operative Whole sale Stores:*

During the last year, i.e., 1949-50 a deputation waited on the Hon'ble Ministers concerned with a view to request the Government to permit Co-operative Wholesale Stores also to deal in mill cloth again. As a result of the deputation the G.O. relating to the dealing of mill cloth by Co-operative Institutions was to some extent modified. The benefit, however, went to the primary stores and the question of Wholesale Stores was still not quite favourably settled. The Union therefore resolved to wait on deputation on the Hon'ble Ministers concerned again so that Co-operative Wholesale Stores may again be permitted by Government to deal in mill cloth and thus help their best the solution of the cloth problem which was very acute during that period. The Hon'ble Ministers concerned were requested to grant an interview to the deputation consisting of Messrs. B. Venkataratnam Choudary, V. Jaggaraju and Dr. P. Natesan. Meanwhile some Co-operative Wholesale Stores and the T.U.C.S. were addressed to furnish their requirements in various varieties of cloth so that concrete proposals could be placed before the Government for their consideration. We are glad to State that proposals having been received from some institutions the deputation met the Hon'ble Ministers concerned on 16th July 1951, i.e., during the current year. It is also gratifying to note that the Government have since favourably considered our request and Co-operative Wholesale Stores have been permitted during the current year to take up the Mill cloth trade again.

(c) *Nomination of delegate for the Commonwealth Co-operative Conference, Oxford.*

Though during the years preceding the War, a few representatives of this Union were sent abroad on behalf of the Union and of the other Provincial Institutions, yet, during the war and after, the Union did not send any representatives abroad chiefly due to lack of finance—not to speak of war conditions. It has confined itself to sending delegates to attend Conferences and visit institutions in the Indian Union. The Union is, however, alive to the great benefit which accrues to the Movement from the travel

and experience of its representatives. The coming new Co-operative Societies Act may be expected to place the Union in a position to undertake such projects for the benefit of the Movement.

During the year under report, however, in pursuance of an invitation to attend the Co-operative Commonwealth Conference at Oxford to be held in July 1951 the Union requested Sri T. A. Ramalingam Chettiar, President of the Madras Provincial Co-operative Bank and Leader of the Co-operative Movement in South India to attend the Conference. He was however unable to attend the Conference.

iii. Exhibitions :

(a) Posters, Charts, etc.

As part of the Propaganda work of the Union, charts, graphs, colour posters, and maps of this Union were exhibited at several Conferences and gatherings during the year. They were exhibited at the Tamil Nad Co-operative Conference held at Rameswaram, Andhra Co-operative Conference held at Tenali and the North Arcot Dt. Co-operative Conference held at Vellore, and South India Adult Education Week held at Madras. At the suggestion of the Registrar of Co-operative Societies, Madras we sent some of our posters to the Department for sending them to some exhibitions.

The Festival of Britain was held from May to September 1951 and it gave an opportunity for exhibiting some of the work of the Co-operative Movement in our Country. Two posters were sent to the Co-operative Union, Ltd., Manchester for exhibiting at the Festival. We have pleasure in stating that the Co-operative Union, Ltd., Manchester has written to us that the posters particularly the one showing the Co-operative Way of Life aroused considerable attention and many favourable comments and that after the festival was over the posters were sent to the International Co-operative Alliance Head Office so that Co-operative Leaders from other countries may have an opportunity of inspecting these very interesting exhibits.

In this connection we may mention that requests were made from numerous co-operative and educational institutions in this State and elsewhere—for instance Indore and U. P.—for our exhibits. The requests however could not be complied with on account of the short notice given and the large expense involved. We hope that with an improvement in the financial situation of this Union it could be possible to participate on a larger scale in exhibitions and other propaganda activity.

(b) Film Shows :

The Union has purchased some American Films and has also produced some films with the Government subsidy. Some of these films were exhibited at several places during the year. For instance the film showing the proceedings of the XXVII Madras Provincial Co-operative Conference held in 1949-50 was shown at the Tamil Nad Co-operative Conference held at Rameswaram. Some of the American films as well as some films borrowed from the Co-operative Department and from the Dairy Development Officer, Madras were exhibited at many centres in Madras by our Associate Editor. The films were much appreciated by the spectators and some inquiries were made by the public regarding matters like Co-operative Milk Supply and Weavers Co-operation. We take this opportunity to thank the Co-operative Department and the Dairy Development Officer for their kind loan of their films as well as their battery for use whenever requested.

(c) Photo Albums :

There were requests from some institutions in India and abroad for photos showing the activities of the co-operative institutions in our State. Of course the Union has been gathering photos whenever possible, but attempts at collecting photos and preparing albums for exhibition on a comprehensive scale were made during the year. The Director of Publicity was addressed to send to this Union copies of the photos relating to the Co-operative Institutions published from time to time in the Madras Information. The Registrar also has been requested to send the photos available with them. We appeal to the member institutions to help the Union in this branch of propaganda by sending without fail copies of photos which they happen to have from time to time. This will go a long way towards enabling the interested public to know the progress of the Movement in the State.

iv. International Co-operative Day :

One of the methods of keeping the message of Co-operation green in the minds of its votaries year after year is the celebration of the Co-operative Day. This day for Co-operators is one of re-affirming of their faith in the Movement and its high ideals. During the year, the day was celebrated in Madras on 4-11-1950, and Dr. P. V. Cherian, the Mayor of Madras presided. 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, President of the Indian Co-operative Union and the Hon'ble Sri P. S. Kumaraswami Raja, Chief Minister of Madras were read by Dr. B. Natarajan, Economic Adviser, Government of Madras and adopted by the gathering. Sri J. C. Ryan, Registrar of Co-operative Societies, Madras who had just returned from the Far East where he had been deputed as a Co-operative Expert with the F.A.O. spoke vividly on "My impressions on Co-operation in the Far East." We are glad to state that the Co-operative Day was celebrated in the various centres in the districts and reports were sent to this Union for publication in the Madras Journal of Co-operation.

V. Public Lectures :

During the year under report the General Secretary participated in a number of functions and addressed public gatherings on many occasions.

The Associate Editor during his visit to Rameswaram addressed the Co-operative Supervisors at one of their half yearly conferences. In January 1951 on the occasion of the half yearly conference of the Supervisors of the Vellore Co-operative Central Bank the General Secretary inaugurated the function. The Associate Editor also addressed the Supervisors about their important role in the Co-operative Movement.

The General Secretary also presided over the 15th North Arcot Dt. Co-operative Conference at Vellore. In the course of his address he described how in the sphere of urban banking two new features, namely, recurring deposit scheme and house mortgage scheme worked very successfully in the George Town Co-operative Credit Society, Ltd. Madras (of which he is the President) and how the members benefited by them. It is interesting to mention here that when the address was published in the Madras Journal of Co-operation, there were many eager inquiries from various quarters in this State and elsewhere about these interesting features.

On the occasion of the visit of the B. Com. (Hons) students to this Union in February 1951 the General Secretary addressed them and impressed upon them the aims and objects of the Co-operative Movement. Again

when in April 1951 he had occasion to go to Calcutta he addressed a large gathering of official and non-official Co-operators on the various activities of the Co-operative Movement in this State and means of improving the Movement in West Bengal. A report of his visit to Calcutta has been published in the pages of the Madras Journal of Co-operation. During his visit to Coimbatore and Rajahmundry the Associate Editor addressed trainees of the Institutes and impressed on them how they could serve best the cause of Co-operation in the non-official Co-operative field.

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 Tanjore the strength was 192 during the year under report as against 142 in the previous year. In accordance with the new syllabus the Theory examination was held for all the trainees in March 1951 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 to the concerned Central Banks for undergoing practical training. This training extended from 9th April 1951 to 8th June 1951, during which period they were attached to Co-operative Bank Supervisors and they were made to visit and observe the work of several types of Co-operative Institutions. After Practical Training they were examined by the respective Central Banks and their progress reports and marks lists were sent to this Union by the Banks for announcing the results. We take this opportunity to thank the Central Banks for their sincere and whole-hearted co-operation in making the new plan of Co-operative Education a success. We learn with pleasure that the institution of practical training was welcomed in all quarters. In this connection we may mention that with a view to avoid the delay and the handicaps caused in conducting the practical examination and announcing the results, this Union issued detailed instructions with regard to the conduct of the practical training and practical examination and the issue of attendance certificates and marks lists. The adoption of these instructions facilitated the early announcement of the results during the year. We appeal to the Central Banks and to the Institutes to continue their co-operation with us so that the Practical Training may be made useful and fruitful. The following are the results of March 1951 examination.

Supervisors Course.

March 1951—Examination Results.

Centre.	Appeared.	Passed in Class I.	Passed in Class II.
Coimbatore	77	...	51
Tanjore	192	5	108
Rajahmundry	80	6	55
Anantapur	51	...	28
Supplemental candidates in all the above Institutes	68	...	28

Our experience in the field of Co-operative Education and Training has brought to light a few important defects and handicaps in the system obtaining at present. Some of the more important handicaps and defects are mentioned below :

(a) Appointments :

The Union has received numerous complaints from some successful trainees that the Co-operative institutions whom they had approached for appointment refused to provide them with appointments or simply put off decision whenever a request was made for appointments to any vacancy. With a view to keep the trainees and the institutions in mutual contact, the Union has undertaken informally to put them in contact with one another through the pages of the Madras Journal of Co-operation.

(b) Qualifications :

One of the great defects in our Co-operative work and administration is the appointment of candidates who have not the requisite minimum educational qualification. A number of institutions have under-qualified staff. It has been found from experience that these candidates have not been able to take their training properly at the Institutes for want of adequate standard. This has resulted in a lowering of the standard of the Institutes and our institutions where they will have to work. With a view to raise the standard in the best interests of Co-operative work and administration, this Union decided early during the year under report not to admit failed S. S. L. C. candidates for training unless they be Muslims or Backward communities. The Union has however as a special case and at the request of numerous Central Banks decided to admit for the July 1951 session only all such employees who have not the requisite qualification but have the requisite service. No exemption to the new rule will be granted from July 1952 session onwards. Co-operative Institutions, we hope, will appreciate the measures taken by us and will not press for any relaxation thereof.

(c) Departmental staff lent to Training Institutes :

The Government have kindly lent the services of some Co-operative Sub-Registrars and Senior Inspectors to work in the mofussil Co-operative Training Institutes. But their service at the Institutes has to be renewed every year. This periodical nature of the tenure has considerably affected the continuity of work of the Institutes and the interest of the Departmental Staff in putting forth earnest effort to do their best for Co-operative Education. The Union has therefore requested the Government through the Registrar about the end of the year under report to renew the scheme for a three year period from 1952. We have pleasure to state that the Government have since been pleased to retain the existing Government staff permanently at the Institutes. This will go a long way towards the promoting the Co-operative Education and our thanks are to the Registrar and the Government for their sympathetic consideration and generous gesture.

(d) Scholarships for Harijans and Backward Class Trainees :

The Government have granted 8 scholarships for Harijans and 8 for the Backward class community candidates to enable them to undergo training in our Institutes. Each scholarship is of the value of Rs. 320. It is usual for the Institutes to send a panel of names of the deserving candidates to the Registrar for recommendation to the Government for

the scholarships. It was observed during the year under report that there was inordinate delay in the disbursement of the said scholarships to the candidates recommended. It was felt by the Union the purpose of the scholarships would not be served unless they were disbursed promptly and regularly to the candidates. With a view to regulate the award of scholarships the Union suggested to the Government that they may grant a lumpsum subsidy amounting to Rs. 5,120 to the Union so that the amount may be disbursed among the candidates chosen for the scholarships by the Registrar in consultation with the Union and the Institutes. We regret to state that our suggestion has not received favourable consideration from the Government. We, however, feel that this measure only will serve the purpose with which the Government have offered the scholarships and we appeal to the Government to reconsider our suggestion.

(e) Separate courses of training :

The Co-operative Institutes are now training only bank supervisors and there is no proper training for candidates to work as Clerks, Accountants, Managers etc. in Co-operative Institutions. This matter was considered by the last Provincial Co-operative Conference in 1950 and separate courses were suggested for training Clerks, Accountants, Managers etc. . This suggestion was considered carefully by this Union at several meetings and in view of many practical difficulties relating to finance etc. it was resolved that the Registrar may be requested to train employees of co operative institutions as Managers, Assistant Secretaries etc. We are glad to state that the Government have since agreed to our request and that the first session of Manager's training is now being conducted at the Central Co-operative Institute, Madras. We hope that this will be popular and will become a regular feature of our training scheme.

(f) Building :

At least three of the Institutes are now housed in rented buildings for holding the classes and conducting the hostel. Even the fourth Institute, namely that of Tanjore, has a very meagre accommodation which it can call its own. It is therefore of very great importance that every one of the Institutes should have adequate accommodation and building for conducting classes and running the hostel. With a view to help the Institutes in the matter this Union resolved to move the Government with a request through the Registrar that the Government may be pleased to grant Rs. 80,000 to each of the Institutes for the purpose. The needs of the each Institutes have been estimated at Rs. 40,000; it was suggested that each Institute should find Rs. 10,000 from co-operative institutions. We understand that the Registrar recommended the grant but the Government decided to defer the scheme for some time. The Union requested the Government that this may be sanctioned during the current year. The Government have since taken up the case of Coimbatore Institute and have recommended to the co-operative institutions in the Institute's jurisdiction to contribute liberally so that the Institute might have funds enough to provide itself with a decent building. We take this opportunity to appeal to all co-operative institutions to render all possible assistance to the Coimbatore Institute and also to the other Institutes with which they are connected so that as much money as possible may be forthcoming from Co-operative institutions for the purpose. This response, we hope, will be a strong incentive to the Government also to contribute their quota for the purpose.

We feel confident that if the above handicaps are removed on the lines suggested by a co-ordinated effort on the part of the co-operative institutions and the Government, Co-operative Education and Training in our State will improve very much and earnestly appeal for this co-operation from all quarters.

It has been reported in our last year's report that the proposals for the Malabar Institute were under the consideration of the Government. We may state here that due to several practical difficulties the proposal could not materialise. During the year there were proposals for the starting of an Institute either at Guntur or Bezwada in the Andhra Desa so that a larger number of candidates may be trained and made available to co-operative institutions where there is an increase in demand for the trained hands. The Union considered it not necessary in as much as there is need for consolidation of the present position before further expansion could be made.

You are aware that on account of the absence of Panchayatdar training classes, the Staff of the Institutes are being employed during the summer vacation in conducting short-term courses for employees of non-credit institutions under the supervision of the Registrar. With a view to gauge the usefulness of the course and the interest of the candidates in it this Union collected from the Institutes particulars relating to the course. From the data received it could be seen that while the course was definitely useful the candidates and their institutions lacked interest in the training. The Union therefore suggested that the short-term course should be made compulsory so that the institutions and the trainees may evince earnest interest and benefit.

VI. Information Bureau and Library.

The Library of our Union is probably the largest co-operative library in the 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. 873-2-0 have been added during the year. We may mention here that the Government have granted Rs. 150 for the purpose and our thanks are due to the Government for the same.

About the end of the year under report we received a communication from the Director of Public Instruction asking us if as laid down under Rule 18 (9) of the rules under chapter 2 of the rules framed under the Madras Public Libraries Act, the Union was prepared to provide for (a) Capital fund of Rs. 5,000 (exclusive of immoveable properties) ; (b) Minimum annual income of Rs. 8,000 including subscriptions etc. but not Government grant. In reply to this communication the Union wrote back requesting the Library Authority to exempt the libraries of the Co-operative Institutions from this rule as they command adequate funds. The matter is now under consideration of the Library Authorities.

The Union gets nearly 50 Inland and Foreign Journals and bulletins in exchange for the Madras Journal of Co-operation. The library and the reading room was made use of liberally by many member co-operatives in the City and in the mofussil and by students and lecturers of the local colleges.

During the year under report a number of institutions and individuals from this State and outside contacted the Union for information of various kinds relating to the working and administration of Co-operative Institutions and ways and means of Co-operative Education and Propaganda.

The Orissa Co-operative Union, the Indore Premier Co-operative Bank, the Madhya Bharat Kendriya Sahakara Samstha, Ltd. Indore, the Hyderabad Central Co-operative Union were some of the institutions which sought information from the Union. The Union readily responded to their request and furnished them with all the necessary information required by them. Among individuals may be mentioned Mrs. Culwick, Social Research Officer, Sudan (Africa), Sri B. Sankhariksha of the Co-operative Department, Thailand and some probationary Deputy Registrars under training. The Union is always ready to render all necessary help and furnish information to all those who seek knowledge of Co-operative matters.

VII. Research and Study of 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. The Education Sub-Committee also functioned as the Propaganda Sub-Committee in accordance with the decision of the Executive Committee of this Union. Four Meetings of the Education Committee and two of the other sub-committees were held during the year and important problems were discussed.

i. Marketing Committee :

At its meeting held on 20-8-1950, this Committee resolved to request the Government to allow an increase in the commission for distribution of fertilisers by marketing societies and also asked for a subsidy for the agriculturists for the purchase of ammonium sulphate. The Committee also recommended that the Central Stores and the distributing primaries might share the commission in the ratio of 1 : 2. A request was also made to exempt co-operative institutions from Sales Tax on stocks transferred to them from the Agricultural Department. On these suggestions the Government have informed us that the rules governing the financial assistance for intensive cultivation schemes do not permit the subsidised sale of ammonium sulphate. They also stated that the Government did not consider it necessary to exempt sale of fertilisers from Sales Tax.

At its meeting held on 24-2-1951 the Committee suggested that in the matter of distribution of chemical manures and iron materials *etc.* for the use of the agriculturists through the Marketing Federations and Sale Societies the Presidents of the Rural Societies other than the distributing societies might be authorised to issue the necessary certificate instead of insisting on the certificate of the Village Headman, or Karnam or the Agricultural Demonstrator. On this suggestion the Government have since informed us that the procedure for the issue of chemical fertilisers to ryots has since been modified and that manures can be sold by co-operatives on mere written applications of the ryots furnishing certain particulars. In regard to the distribution of iron materials, the Government have been addressed by the Registrar to issue them to bonafide ryots without insisting on the certificate of agricultural, revenue or Rural Welfare Officers and their orders are awaited.

ii. Producers' Committee:

At its meetings held on 20-8-1950 and 24-2-1951 the Committee made the following recommendations :

(i) that the Union Government should permit yarn exports only after satisfying the requirements of the handlooms in the country and that in the case of Madras 30,000 bales should be immediately allotted to save the weavers from distress;

(ii) that the yarn production should be stepped up by introducing three shifts in the mills ;

(iii) that the Milk Supply Societies should be exempted from the payment of the Sales Tax at least at one stage.

On the question of export of yarn the Union Government have informed us that they had taken some measures to ensure larger supply of yarn to handlooms *etc.*—for instance by stopping or restricting export of yarn of certain counts and by importing American Cotton. The Government express that these measures would improve the yarn position in the country. They also made it clear that in the present shortage it would not be possible to ensure supplies of full quota to one State as that could only be at the cost of the handlooms in the other States. As regards Sales Tax on milk we regret to state that the exemption request has not yet been granted and that the milk supply societies are still paying the Sales Tax.

iii. Stores' Committee:

At the meeting of this Committee held on 20-8-1950 the question of further action on the Government order prohibiting Co-operative Wholesale Stores from dealing in Mill Cloth was taken up for consideration. The matter was thoroughly discussed and it was finally resolved to make a reference to the Government about the wholesale agency being given to wholesale stores who were holding the privilege prior to the control; or in the alternative, to treat wholesale stores to be at par with other wholesale licencees. This matter was pursued by the Union in the form of deputations which waited on the Hon'ble Ministers concerned. The out-come of the efforts made through the deputations has already been mentioned under iv ii (b) of this report.

The other important subjects discussed by the Committee were :

(i) the measures to be taken to maintain stores during post-control period at their present level of business; (ii) the feasibility of converting primary stores into branches of Wholesale Stores to secure economy and efficiency and (iii) to consider the expediency to place the officers of the Co-operative Department in charge of Civil Supplies and making them responsible to the District Collectors. In view of their great importance to the Consumers' Movement the opinions of the primaries have been obtained and the resolutions are now under the consideration of the Union.

iv. Credit Committee :

At its meeting held on 20-8-1950 the Committee considered the proposals of the Registrar regarding the securities to be furnished by the employees of Urban Banks, Credit Societies. Co-operative Canteens and Presses and fixed the securities to be paid by each category of employees. The same was communicated to the Registrar and we are glad to state it received his approval to a very great extent.

At its meeting held on 24-2-1951 the Committee considered many important questions, the following being the more important of them :

(i) On account of the absence of legislative authority for the recovery of dues from members of employees societies from their salaries, the overdues have become alarmingly high. It was therefore found necessary to introduce a piece of legislation to be incorporated as Sec. 28 of the Co-operative Societies Act. This section was meant to authorise a pay disbursing officer or employer to deduct every month from the salary of an employee, the instalments due by him to the society. This it was felt would reduce overdues to the lowest minimum. In reply to this suggestion

the Registrar has informed us that in view of the draft Amending Bill which would come up before the Legislature shortly, Government did not propose to take up this isolated subject for separate legislation.

(ii) Regarding the special by-laws relating to service conditions of non-official co-operative employees it was suggested that they should be made applicable only to new entrants in the non-official co-operative service from the date of registration of the special rules for the concerned institutions. In reply to this recommendation the Registrar communicated that at present exemption is given in individual cases after examining their merits and that no general exemption is considered necessary.

(iii) It has been brought to the notice of this Union that in the Sub-Registrar's Office the usual rate of registration fee is charged to co-operative institutions for registering documents of above Rs. 5,000 value while half fee is being charged on documents below Rs. 5,000 value. It was therefore requested that the Registrar of Assurances may relax the rule and charge half fee even for documents exceeding Rs. 5,000. The Registrar has recommended the request and a reply from the Government is expected in the matter.

(iv) With a view to enable the Urban Banks to strengthen their finances it was suggested that the Government might be requested to permit them to receive deposits from the Local Bodies wherever the latter were willing to deposit their monies in the Urban Banks. On this resolution the Registrar communicated that no general permission was necessary and that the sanction of Government might be obtained in individual cases. In pursuance of this reply the Union recommended the request of the Ellore Co-operative Urban Bank during the current year but the Registrar has permitted only the Central Banks to receive deposits from the Local Bodies. This matter will, however, be pursued.

V. Education Committee :

At the four meetings of the Education Committee held during the year many questions of vital importance to Co-operative education and propaganda were discussed and decisions were arrived at. The following are the important questions dealt with by the Committee :

(a) *Separate Courses :*

The work done by the Union in this matter has already been briefly mentioned in Section V relating to Co-operative Training and Education. The XXVII Madras Provincial Co-operative Conference having recommended the institution of separate courses for the Secretaries, Managers etc. and for Accountants, Clerks etc. the opinion of several Central and Primary co-operative institutions were obtained by the Union. These opinions were considered by the Education Committee at its meeting held on 20-8-1950. It was then resolved to recommend to the Registrar that B.Com. degree holders who have specialised in Co-operation need not be required to undergo training in Co-operative Training Institutes or pass Supervisors Examination. The question of instituting separate courses was taken up on 24-2-51 when it was resolved to request the Registrar to admit qualified candidates, already in service as Secretaries, Managers etc. to the Central Co-operative Institute at Madras so that they may receive the necessary training.

The Committee felt that there was no need to start separate institutes at present. This suggestion was communicated to the Registrar for being recommended to the Government for necessary action. We are glad to

state that the Government have since generously agreed to our request. During the current year concrete proposals were made by the Registrar in consultation with the Union for starting a separate short-term course for training Secretaries, Managers etc. at the Central Co-operative Institute Madras. The Union gave its support to the proposal and we are glad to state that the first batch of trainees is now at the Central Co-operative Institute since September 1951. We take this opportunity to thank the Registrar for his co-operation in the matter and the institutions which have sent their employees for this special training. We hope that this will be a regular feature in future.

(b) *Qualification for admission to the Institutes :*

Mention has already been made in Section V of the modification of the rules governing the qualifications of the candidates for admission to the Institutes and of the circumstances in which the modifications has had to be made. The matter was considered in the best interests of co-operative institutions and the Movement in general and it was felt that unless the standard of qualifications was raised the standard of knowledge and training could not be raised. It was, therefore, resolved not to admit failed S. S. L. C. candidates unless they be Muslims or Backward Class ones. With a view to help the co-operative institutions which are handicapped by the admission of under-qualified candidates, it was however resolved to permit such candidates as had completed two years of co-operative service before 26-10-1950 to undergo training during 1951-52 that being the last chance for such exempted candidates.

(c) *Qualification for employment :*

The service conditions of Co-operative Employees as obtaining at present has been considered to be somewhat out of day and hence necessary to be modified considerably, particularly in the case of by-law No. 2. The Education Committee considered this by-law and suggested the qualifications for District Bank employees and Urban Bank employees. In suggesting the modifications due consideration was given to the knowledge and attainment of B. Com. with Co-operation as optionals and the ordinary graduates and others. The idea was to recommend a preferential treatment to B. Coms. and to experienced Intermediates over the other candidates. These suggestions were communicated to the Registrar for necessary action and we may state here that the Registrar has communicated during the current year counter proposals for the Union's consideration. The matter is now receiving the attention of the Union.

(d) *Short term course for Non-credit Employees :*

Mention has already been made in Section V of the Short-term course that is being run at the Institutes during the summer at the instance of the Registrar. The details of the syllabus and the response from Co-operative institutions and private candidates were collected by the Union and considered by the Committee. The Committee recommended to the Registrar that the training to be made compulsory for Clerks, Ledger-keepers and Branch Managers of non-credit co-operatives and that all untrained employees of these institutions with less than 5 years service should be trained compulsorily. It is hoped that this would be favourably responded to by the department and the institutions so that the training may be really useful.

(e) *Practical Training of Co-operative Trainees :*

With a view to regularise and systematise Co-operative Training and the taking of oral tests by failed candidates, some modifications have been

made by the Committee with regard to Practical Training which is Part IV of the Co-operative Supervisors training.

The VII Tamil Nad Co-operative Conference and the XVII Andhra Desa Co-operative Conference having recommended the holding of a Co-operative Seminar for the purpose of expert discussion on vital Co-operative problems, the Government were approached by the Language Federations for lumpsum subsidies for the purpose. The Government, however, felt that a common State Co-operative Seminar under the auspices of the Madras State Co-operative Union would be desirable instead of linguistic seminars. At the instance of the Registrar this Union has agreed to do its best in the matter. A tentative plan in consultation with some Co-operators is now under preparation. In view of the large amount of work and labour involved in such an undertaking the progress may be slow but with the Co-operation of our members we hope that the Seminar can be held successfully within a short period.

VIII. Rural Welfare Schemes.

We mentioned in our last year's report that a scheme for mass education and propaganda prepared by this Union as early as September 1948 was submitted to Government was under the Consideration of the Government. During the year under report the Government asked the Union if it had any scheme. We invited the attention of the Government to the scheme already submitted and requested their sanction thereof.

As a token of its interest in the Rural Welfare, this Union has generously accepted the request of the Tuberculosis Association of India for donation of advertisement space in the Madras Journal of Co-operation in connection with its T. B. Seal sale propaganda. Insertions were given in the Journal for 2 months and we have pleasure to state that the Association has recorded and communicated its grateful thanks to the Union for its kind interest in the Rural Welfare. The Union has immense faith in the promotion of the Rural Welfare through the Co-operative channel and is ever ready to seize opportunities for doing its mite in the matter.

IX. Funds.

During the year under report vigorous efforts were made to raise the necessary funds in accordance with the by-laws. Though arrears to the extent of Rs. 8,675 were collected during the last year, there still remained during the year arrears to the extent of Rs. 4,721-0-0. Action was taken to collect them and arrears to the extent of Rs. 2,787-0-0, 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. 9,000 from its Common Good Fund and the Madras Co-operative Central Land Mortgage Bank for their grant of Rs. 500 from their Common Good Fund. We appeal to other Provincial Institutions and the other large Central and Primary institutions to follow suit and render adequate financial aid 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 1950-51 and a donation of Rs. 150 each was paid to the Tamil Nad Co-operative Federation and the Andhra Desa Co-operative Union for their respective Linguistic Conferences. A donation of Rs. 80 was also given to the Central Co-operative Printing Works, Ltd., Madras for the printing of the Co-operative Diary for the year 1951.

The working of the Union for the year under review shows an income of Rs. 35,846-18-0 and an expenditure of Rs. 29,182-8-0 leaving a surplus of Rs. 6,664-5-0.

It will be seen that the activities of this Union have been progressively increasing year after year and this means increased expenditure in various directions. We therefore appeal to all our Members to help the Union to carry on its work in all the directions by rendering financial and other assistance in a greater measure. We may mention here that some large institutions are not contributing according to their status on the plea that they have no Common Good Fund for the purpose. We earnestly appeal to such institutions to institute the Common Good Fund in accordance with the suggestions of the Registrar that the by-laws may be suitably amended for the purpose of contributing for Co-operative Propaganda and Education. We hope even before the Act makes it compulsory, Co-operative Institutions, make it self obligatory to help this Union adequately with finance.

X. Tendering of Opinion on Matters of Policy.

As an exponent of non-official co-operative opinion in this State this Union was approached by several Co-operative institutions and also by the Registrar for opinion on certain matters relating to Co-operative Service and Administration. For instance the Registrar sought the opinion of this Union in the matter of fixing securities for various types of Co-operative Employees and the fixing of qualifications for employment in the Co-operative institutions. On all such occasions, as has been already mentioned in Section VII, the Union tendered its considered opinion.

XI. Other Activities.

i. General Meetings :

(a) General Body :

The General Body met twice during the year. At the General Body meeting held on 25-2-1951 the election of Office-bearers of this Union to the Board and various committees were held and the results of the elections were duly published in the Madras Journal of Co-operation.

(b) Board of Management :

The Board of Management met thrice during the year, the last meeting being soon after the elections.

(c) Executive Committee :

The Executive Committee met five times during the year for disposing of the business of the Union and the meetings were generally well attended. This includes the meeting of the new Executive Committee soon after the elections.

ii. Propaganda Tours :

The General Secretary and the Associate Editor visited some places during the year to attend linguistic or regional Co-operative Conferences. The Associate Editor also toured various places in the State in connection with the production of Co-operative Films. On all occasions opportunities were taken by them to address gatherings or to contact institutions and individuals. Details have already been given in Section IV of this report.

iii. Film Production :

Mention has already been made in the last year's report that the Government have diverted a sum of Rs. 15,800 from Panchayatdar training

Classes to the Production of Co-operative Films and that two films, i.e., Cottage Industries and Milk Supply Co-operatives were taken up for production. During the year under report the work which had for a time to be suspended for want of raw film could be taken up and completed due to the availability of the required material. The film unit went to several districts for the purpose. Our grateful thanks are due to the Government for their generous subsidy without which this expensive venture would not have been taken up by the Union.

Staff.

Sri Viswanathan, Tekumalla, continued to be the Associate Editor and Manager of this Union. His basic pay was met by the Government and in June 1951 the Executive Committee of this Union were pleased to sanction a Dearness Allowance of Rs. 60 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 C. Perumalswami Reddiar, Minister for Industries 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 Sri J. C. Ryan, Registrar of Co-operative Societies and 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 1950-51, its thirty first year of its working.

During the year 1950-51 its membership increased from 724 to 778. The Union received Rs. 4,719-3-0 towards contribution and Rs. 635-4-0 towards subscription to the Journal *Sahakaramu* and Rs. 500 (as part payment) towards subsidy from the Madras State Co-operative Union.

The Journal *Sahakaramu* was published regularly every month. The cost of printing amounted to Rs. 2,504-2-0. Due to paper shortage its bulk was confined to only 48 pages.

The All India Co-operative Day was celebrated at Rajahmundry on 4-11-1950 enthusiastically.

The XVII Andhra Provincial Co-operative Conference was held at Tenali on the 26th and 27th November 1950. The Hon'ble Sri K. Chandramouli, Minister for Co-operation hoisted the Co-operative Flag. The Hon'ble Sri P. S. Kumaraswami Raja, Chief Minister of Madras opened the Conference. Sri Kala Venkatarao, General Secretary of the All India Congress, Presided. Sri A. Venkataramayya, President, Guntur District Co-operative Central Bank, Ltd., Tenali welcomed the delegates and visitors. A cattle show, cottage industries exhibition and various entertainment programme and a weavers Conference were arranged as adjuncts to the main Conference. The Hon'ble Sri N. Sanjeevi Reddy, Minister for Prohibition, opened the cattle show and the Hon'ble the Chief Minister opened the exhibition. The Conference was attended by several thousands of co-operators and general public. The Proceedings were already published in the Madras Journal of Co-operation. This Conference was probably the biggest yet regional co-operative conference in our State.

Propaganda tours were made by Sri N. Satyanarayana, Editor, *Sahakaramu*, Sri P. S. Guruva Reddi, General Secretary and Sri I. Satyanarayana and Sri D. V. Raghava Reddy, Joint Secretaries of the Union and Sri S. Krishnaswami, Manager in most of the Andhra Districts and lectures were delivered on Co-operation. A bulletin on the work of the Pasivedala Rural Bank was written by the General Secretary and published.

The Union Library and reading room were used by 280 persons during the year. A library grant of Rs. 150 has been granted by the Government.

The organisation of a Printing Press as a wing of the Union was under active consideration. During the year the Union undertook to print and supply to co-operative institutions by-law copies, forms and return statements. The year's working resulted in a net surplus of Rs. 3,681-3-0.

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

The Tamil Nadu Co-operative Federation has done another year of useful service during 1950-51, its twenty third year of working.

During the year 1950-51, the membership has increased 225 to 259. The Federation received Rs. 2,558 towards contribution, Rs. 4,621 towards subscription for the Journal *Kotturavu* and Rs. 500 (as part payment) towards subsidy from the Madras State Co-operative Union.

The Journal *Kotturavu* 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. There were 1,712 subscribers to the Journal. The cost of the publication of the Journal amounted to Rs. 4,498.

The enbloc by-law amendment copies required by societies undertaking Multipurpose activities was got printed by the Federation for the benefit of societies. 4,147 copies of the Multipurpose by-laws were sold during the year.

The Seventh Tamil Nadu Co-operative Conference convened by the Federation was held at Rameswaram under the auspices of the Ram-nathapuram District Co-operative Central Bank, Ltd., on 28 and 29-7-50 under the Presidency of Rao Bahadur M. Vedachala Mudaliar. The hoisting of the Co-operative Flag was done by Dr. P. Natesan, General Secretary of the Madras State Co-operative Union and President of the Madras District Co-operative Central Bank, Ltd. The Conference was declared open by Hon'ble the Chief Minister Sri P. S. Kumaraswami Raja. An Exhibition of Cottage Industrial Co-operative was conducted during the conference. The Exhibition was opened by Sri K. Subrahmanyam Nayudu, M.A., Joint Registrar of Co-operative Societies. Separate conferences of Sale Societies and Central Bank Secretaries were also arranged as an annexe and they were presided over by Sri R. V. Ramasundaram Pillai and Sri V. Alagappa Pillai respectively. The Proceedings were already published in the Madras Journal of Co-operation.

The year's working resulted in a net surplus of Rs. 632-2-0.

ANNEXURE (B)

List of Visitors to the Madras State Co-operative Union, during the year 1950-51.

1. Dr. P. V. Cherian, Mayor of Madras.
2. Sri B. Sankhariksha, Joint Registrar of Co-operative Societies, Thailand. (Siam)
3. The Hon'ble Dr. R. Ahmed, Minister for Co-operation, Credit, Relief and Rehabilitation, Government of West Bengal, Calcutta.
4. Mr. Vaidhyathan, I.C.S., Registrar of Co-operative Societies, West Bengal, Calcutta.
5. Mr. De Castro, Managing Director, Co-operatives Incorporated, Philipphines.
6. Sri Kala Venkata Rao, General Secretary, All India Congress.
7. Mrs. G. W. Outwick, Social Research Officer, Sudan Gezira Board, Sudan (Africa).

AUDIT REVIEW

By

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

ON THE ACCOUNTS OF

The Madras State Co-operative Union, No. 1130. for the year ended 30-6-51.

The accounts of the Madras State Co-operative Union for the year ended 30-6-51 as audited by Sri Vadrevu Sreeramamurty, B. Com. (Hons.), Senior Inspector of Co-operative Societies, Madras, are passed. The statement 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 30-6-1951 was :

Name of the institution.	As on 30-6-50	As on 30-6-51
1. Provincial Institutions	7	7
2. Central Banks	31	31
3. Language Federations	2	2
4. Urban Banks	129	184
5. Audit Union	1	1
6. Land Mortgage Banks	55	65
7. Local Co-op. Unions	172	168
8. Training Institutes	4	4
9. Hon. Members	14	14

Non-Credit Societies :—

(a) i. Wholesale Stores	20	21
ii. Primary Stores	170	161
(b) i. Marketing Societies	23	23
ii. Loan and Sale Societies	22	23
iii. Weavers Societies	40	40
iv. Milk Supply Unions and Societies	14	15
v. Building Societies and Banks.	6	7
vi. Agricultural Societies	9	10
vii. Other Societies	8	2
viii. P.C.C. Societies	2	3
Total	724	726

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

- (i) Contribution from member societies.
- (ii) Subscription from 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		Collection		Balance		Advance Collection	
	Rs.	A.	Rs.	A.	Rs.	A.	Rs.	A.
Contribution ...	12,756	8	9,708	2	3,048	6	85	0
Subscription ...	4,094	8	4,044	0	50	8	124	8

4. Activities of the Union:—

(a) *Madras Journal of Co-operation*:—The Journal was published every month. The cost of publication amounted to Rs 9,662-18-0. Against this a sum of Rs. 11,810-8-0 was realised by subscriptions and contributions.

(b) *Library*:—The value of books on hand amounted to Rs. 3,186.

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

1. Tamil Nad Co-op. Federation	Rs.
2. Andhra Sahakara Sammelanam	...
3. Malabar Dt. Co-op. Bank	...
4. S. Kanara Central Bank	...
5. Co-op. Training Institute, Coimbatore	...
6. " Tanjore	...
7. " Rajahmundry	...
8. " Anantapur	...

(d) *Donations*:—The following amounts have been paid as donations to the Andhra Desa Co-op. Union and Tamil Nad Co op. Federation for the Regional Co-op. Conferences.

1. Andhra Desa Co-op. Union	Rs.
2. Tamil Nad Co-op. Federation	...

(e) *Propaganda*:—Co-operative Films relating to Milk Supply Societies' activities and Cottage Industries in the State were produced and the work was completed. A sum of Rs. 9,895-1-0 was received from the Government towards subsidy and a sum of Rs. 2,239-6-0 was spent for the purpose.

Meetings:—Four Meetings of the Executive Committee, 2 meetings of the Board, 2 meetings of the General Body, 4 meetings of the Education Sub-Committee and 2 meetings of other sub-committees were held during the year under review.

Miscellaneous:—The Training Classes of Supervisors were conducted in the four Training Institutes of Coimbatore, Tanjore, Rajahmundry and Anantapur. The Union received a sum of Rs. 4,850-12-0 by way of examination fees etc. against an expenditure of Rs. 1,888-2-0.

T. V. RATNAM,
Deputy Registrar.

The Madras State Co-operative Union 1950-51.

STATEMENT No. 1—Receipts and Disbursements for the year ending 30th June 1951.

	Rs.	A.		Rs.	A.
RECEIPTS.			DISBURSEMENTS.		
Provident Fund Deposit from Staff	195	15	Fixed Deposits:—		
Fixed Deposits with drawn:			Account No. I	37,200	0
Account No. I	10,000	0	Account No. II	7,800	0
Account No. II	4,000	0	Provident Fund for Staff	457	9
Interest on security deposit	5	1	Security Deposit of Staff	5	1
Sales:			Purchases:—		
Sale of Publications	3,555	0	Paper etc.	7,027	15
Subscription for Madras Journal of Co-operation	4,044	0	Publications:	1,061	7
Loans repaid (P.F. Loan)	220	0	Printing charges incurred	2,350	1
Interest on investments	429	1	Loans issued to the Staff on P. F.	450	0
Miscellaneous Income (As per Statement No. III)	35,374	11	Miscellaneous payments (Establishment and contingencies as per Statement No. III)	25,805	8
Dividend on Shares (Co-op. Fire Insurance)...	5	0	Adjusting Heads:—		
Adjusting Heads:—			Due to Society	5,616	8
Due to Society	5,160	13	Due by Society	2,059	3
Due by Society	10,279	0	Investments Made:—		
Investments withdrawn:—			Furniture bought	1,130	1
Furniture	200	0	Library Books	378	2
M. P. C. Bank: Account No. I	72,297	7	M. P. C. Bank: Account No. I.	63,159	1
Account No. II	7,848	8	Account No. II.	4,090	0
Account No. III	10,578	10	Account No. III.	5,552	2
Total ..	1,64,193	2	Total ..	1,64,137	6
Opening Balance..	NIL		Closing Balance	44	8
Grand Total	1,64,193	2	Cash	11	5
			Stamps	55	13
			Grand total	1,64,193	2

STATEMENT No. II—Liabilities and Assets.

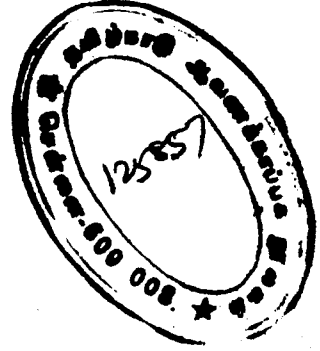
Obligations to be fulfilled.	At the end of the year.	At the beginning of the year.
LIABILITIES.	Rs. A.	Rs. A.
Provident Fund for Staff	1,797 7	1,601 8
Security Deposit from Staff	260 2	255 1
Share Capital	105 10	105 10
Adjusting heads	11,526 2	3,306 5
Total Liabilities	13,689 5	5,268 8
*Net difference between Assets and Liabilities	70,696 5	64,032 0
	* Previous year's surplus This year's surplus	
	Rs. A.	Rs. A.
	1,797 7	1,601 8
	260 2	255 1
	105 10	105 10
	11,526 2	3,306 5
	11,911 3	21,049 9
	199 6	3,957 14
	3,206 15	8,233 7
	207 4	207 4
	1,000 0	1,000 0
	100 0	100 0
	24 1	24 1
	37,200 0	10,000 0
	7,800 0	4,000 0
	260 2	255 1
	3,574 4	3,116 11
	380 0	150 0
	2,225 8	1,380 3
	1,612 0	1,791 3
	211 8	235 0
	3,186 0	3,166 14
	116 0	116 0
	3,220 15	3,116 1
	7,856 15	7,401 4
	38 1	
	31 4	
	84,385 10	69,300 8

* Previous year's surplus
This year's surplus

5

STATEMENT No. III—Details for Miscellaneous Income and Expenditure—1950-51.

INCOME		EXPENDITURE	
	Rs. A.		Rs. A.
Annual Contribution:		Salary of Staff:	
(a) Current	6,920 14	(a) (i) Manager	4,482 8
(b) Arrears	2,787 4	(ii) Other Staff	5,297 9
Madras Journalist Co-operation:		(b) Stationary	326 5
(a) Recovery of postage	3 2	(c) Telephone	290 1
(b) Printing	36 0	(d) Telegram	25 4
(c) Paper	109 0	(e) Bank Commission	25 2
(d) Advertisement charges	1,331 12	(f) Rent	360 0
Grants and Contributions:		(g) (i) Office Postage	644 15
(a) M. P. C. Bank	9,000 0	(ii) M. J. C. "	284 13
(b) C. L. M. Bank	1,000 0	(h) Contingencies	137 9
Government Subsidy:		Refund of subscriptions	6 0
(a) Salary of the Manager	3,450 0	Examination fees	1,833 2
(b) Library grant	150 0	Reading Room	96 13
Recovery of postage	158 4	(e) Office Printing	223 6
Other items	36 15	(f) Repairs of furniture	107 15
Examination fees received	0 2	(g) Other items	1,570 2
(a) Excess salary recovered	0 6	T. A. for Meetings	
(b) Telephone charges recovered	0 10	(a) T. A. for E.C. Meetings	846 7
(c) Bank Commission	5,539 10	(b) T. A. for Board Meetings	187 8
Government subsidy towards cost of the non-official lecturers		(c) T. A. for Education Committee	101 8
		(d) T. A. for Manager	442 2
		Subsidies Paid to:	
		(a) Vernacular Journals	1,250 0
		(b) Training Institutes	1,000 0
		Propaganda expenses (Posters)	40 0
		Government subsidy refunded (Cost of non-official lecturers)	539 0
		Cost of Non-Official Lecturers Paid	5,539 10
		Amounts received as arrears contribution	48 8
			25,805 3
Interest earned	439 1	Depreciation on Furniture, Library and Propaganda materials	641 12
Dividend on shares received	43 1	Trading a/c	2,735 9
Grand Total	35,846 13	Grand Total	2,9182 8
Surplus	6,664 5		



JL
X M M 24/12/51
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தமிழ்நாடு ஆவணக்காப்பக நூலகம்,
எழும்பூர், சென்னை-600 008.

தவணைத்தாள்.

செ. எண் : 125857 ப. எண் :

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