

THE

216

Madras Journal of Co-operation

EACH FOR ALL AND ALL FOR EACH

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

MAY 1952

No. 11, Vol. XLIII

PRICE Rs. 10 NET

The Editorial Committee do not hold themselves responsible for views expressed by contributors. Contributors are requested to write legibly and on one side of the paper. Manuscripts will not be returned unless stamps are sent to cover postage. Matter intended for the issue of any particular month should reach the Committee before the 15th of the previous month. Reproduction of the articles or other matter of this journal in other journals, etc., either in English or translated into other languages is permitted, provided the source is acknowledged.

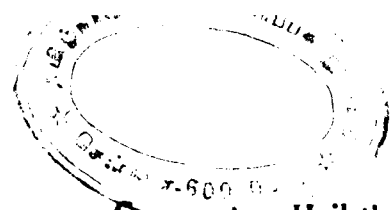
Thought for the Month

CO-OPERATIVE FINANCE AND EDUCATION

It has always been found that the progressive societies appropriate some of their surplus savings to the central national organization for education. They are the societies with the most understanding of co-operation. They also know that education is good business. The characteristic of the backward societies is that they do not understand the value of education, and they refrain from allotting a part of their savings to central educational purposes. They often make large appropriations for promotion and salesmanship under the impression that they are for education.

We have benefited by the observation that every country with a progressive co-operative movement has a national league of its co-operative societies, devoted first and supremely to education; and that the few countries which have their societies federated only into a wholesale organization, with the wholesale carrying on business promotion instead of education are countries which have the least progressive co-operative movements.

Dr. James P. Warbasse



Editorial Notes

Co-operators Hail the New Central Government:

Our readers are aware that in pursuance of the new Constitution of India, the General Elections have been held and new Ministries have been formed both at the Centre and in the States.

It is a matter of great satisfaction that the Hon'ble Dr. Rajendra Prasad has been elected President of the Indian Union under the new Constitution. Co-operators in Madras remember that they had the pleasure of associating themselves with Dr. Rajendra Prasad (then President of the Constituent Assembly) at the 27th Madras Provincial Co-operative Conference on 1st January 1950 when he delivered the Valedictory Address. The advice which he gave to the Co-operators on that occasion is still fresh in our memory. The Government of India have now pledged themselves to the establishment of a Co-operative Commonwealth and we feel sure that with Dr. Rajendra Prasad as the head of the Union it would not be difficult for the Nation to achieve its objective in the near future.

The Hon'ble Dr. S. Radhakrishnan, the Vice-President of the Union is one of the great philosophers of the world of to-day. He has done much in India and abroad for the promotion of peace and good will among men and nations. We have no doubt that during his period of Vice-Presidency, he will do his best to promote world peace.

The Hon'ble Sri Jawaharlal Nehru, Prime Minister of India is a great statesman and an administrator—one of the few greatest personalities in the world to-day. A true disciple of Gandhiji, he has always had the welfare of the masses at heart and has endeavoured (and even suffered for years) to bring prosperity to the country. Thanks to his wise leadership, the country is beginning to show signs of rapid development in all aspects of national life. It is hoped that during his Prime Ministership under the new Constitution the Indian Republic will make more rapid strides of progress in all directions.

Co-operators in Madras State will be gratified to note that in the Cabinet at the Centre the Hon'ble Sri V. V. Giri of Madras has been included. Sri V. V. Giri had been a Minister in Madras a few years ago and had been closely connected with Co operation,

EDITORIAL NOTES

industries and labour. He did great service both in Madras State and in all India in various capacities connected with National Planning and other nation building activities. We are sure that during his period of office at the Centre he will endeavour his utmost to bring about industrial peace and prosperity in the country.

It is also a pleasure to us to find in the Cabinet another of our best men—the Hon'ble Sri T. T. Krishnamachari, a seasoned public worker. His interest in national progress has always been keen. There is little doubt that the country will greatly benefit by his wise guidance and advice in the field of Commerce and Industry.

On behalf of the co-operators in Madras and our numerous readers, we offer our hearty felicitations to the new Government of India. We hope that they will endeavour to promote and develop national life in all its aspects; and on our part we assure our sincere co-operation in their endeavours.

Co-operation on the West Madras Coast:

Readers will find in this issue a summary of the Proceedings of the Sixth South Kanara District Co-operative Conference which was held at Mangalore on 20th April 1952. While the Andhra Desa and Tamil Nad have Regional Co-operative Conferences for areas comprising over 10 districts each, South Kanara and Malabar are the only two districts in the Madras State which are obliged to have regional Conferences for areas converging no more than one district each. It is because these two districts form part of the Madras State administratively and as such are not able to extend their activities into allied linguistic areas outside the Madras State.

South Kanara and Malabar have problems peculiar to themselves. Their rural life and occupations are in some ways different from those in the other districts of the State: for instance they have a peculiar system of land tenure and agriculture. Fishing and coir work are the predominant occupations of the districts. The life of the people is wound round these three features and has given rise to some co-operative and other problems dissimilar to those obtaining elsewhere in the State.

Another interesting feature noticeable is their development of peculiar types of Co-operatives. For instance South Kanara

has at least three peculiar types of Co-operative institutions alongside of the usual types existing in the other parts of the State. For one thing the Grain Banks of South Kanara are uncommon in Madras. They did good work until the introduction of grain control made them dormant. Even now it is felt that with the lifting of the controls these Grain Banks could be made to carry on their activities as successfully as before. Another peculiar type of society is the Kanara Catholic Educational Society which is probably the only one of its kind in the State. A welfare institution for the Catholics, it gives long-term loans to deserving Catholic students for prosecuting their studies. It has thus helped the cause of education to some extent. A third uncommon type of Co-operative in the district is the District Co-operative Advancement Society, which, started some 12 years ago, has done much to promote the Movement in the District. It is now publishing the "*Kannada Sahakari*". The recent Conference was sponsored by this Institution.

These new types of Co-operatives are an index of the vitality of Movement and the earnestness of the Co-operators in the District, which richly deserve appreciation.

While South Kanara and Malabar are not lacking the necessary initiative and enthusiasm for Co-operative Development they are labouring under a great handicap: for while their problems are peculiar to themselves and akin their kindred linguistic areas, (viz., Travancore-Cochin in the case of Malabar and Bombay in the case of South Kanara), yet they are obliged to confine themselves to Conferences at district levels, unlike the Andhra Desa and Tamil Nad whose Conferences cover a much larger area. The territorial limitation seems to have been causing some uneasiness and discontent in the minds of some of the co-operators on the West Coast.

This is a situation which in the best interests of the Movement in the State has to be handled with the greatest care and consideration by the co-operators in Madras. It is of the utmost importance to integrate the regional Co-operative Movements of South Kanara and Malabar with their peculiar features and problems into the general Movement of the State. This could be done if the four regional languages including Kanarese and Malayalam in the State are given due importance irrespective of

their population basis. In the Co-operative Movement it is not numbers that count but the genius and enthusiasm of the workers and the quality of their work. Judged from this standard, it ought to be felt that South Kanara and Malabar may stand on a par with the Language Federations of Andhra and Tamil Nad in the Co-operative field. This liberal outlook will go a long way towards promoting the harmonious development of the Movement in all corners of the State. We appeal to the co-operators in the State to liberalise their outlook so that there might be mutual goodwill and harmonious development which are the essential features of a sound Co-operative Movement.

Multipurpose Co-operative Activity in Madras State:

Multipurpose co-operative activity has, during recent years, gained increasing importance in the Co-operative Movement of Madras State. Both the Government and the non-official organisations are keen on the promotion of this aspect of the Movement since it has been found that real co-operative development in the countryside could be achieved only when the rural co-operative is able to take into its fold the entire life of the village and villagers. Thanks to the earnest endeavours of the official and non-official co-operators, a large number of multipurpose co-operatives have come into being in our State either as a result of the reorganisation of old rural credit societies or the organisation of new ones. At present there are about 14,000 Rural Credit Societies in the State, out of which no less than 8,600 have adopted multipurpose activities.

Many of the Societies have included among their multipurpose activities, credit, marketing, supply of manures and implements, cottage industries, sale of controlled goods and recreational activities. But the real test of the progress of these societies consists in the quality of their work more than in the quantity of their transactions and the variety of their activities. It has been said by some co-operators and others that most of the multipurpose societies have not engaged themselves in their activities with genuine interest and effort for self-help and development. While we do not deny that there may be societies whose working may not be upto our expectations or standards, we honestly feel that some of the existing societies have done really useful work. In this connection we invite the attention of our readers to the

proceedings of the Silver Jubilee Celebrations of Vairichettipalayam Multipurpose Co-operative Society (Tiruchi District), published elsewhere in this issue. The Silver Jubilee of the Institution was inaugurated by Dr. P. Natesan, General Secretary of the Madras State Co-operative Union and was presided over by Dr. B. Natarajan, Economic Adviser to the Government of Madras. Having studied the working of the Society in all its aspects, Dr. Natesan mentioned in the course of his Inaugural Address the main features of the Society's work. Two of these features deserve our attention. The first relates to the encouragement of thrift on the part of the co-operators even from the beginning. The inculcation of thrift has had a good effect on the borrowers and the result has been that throughout the last quarter century not a pie had been written off and not a single arbitration suit had been filed and executed. This is the second feature. It will be seen that the encouragement of thrift has had in the long run the good effect consisting in the sound financial position of the Institution and a high sense of moral responsibility among its members.

It is these features of a credit society that make for quality in its activities. We feel that the Vairichettipalayam Multipurpose Society, of which Dr. Natesan has given us a fairly clear picture, is one of some such good societies in the State. We congratulate the Vairichettipalayam Society on its great achievement and its lead to the Movement. We commend its example to the other sister multipurpose co-operatives in the State for adoption so that there might be, in course of time, a strong net-work of rural credit societies which will revitalise and invigorate the impoverished and emaciated countryside.

The Future of Co-operative Handlooms:

We publish elsewhere in this issue an article contributed by the Business Manager of the Madras State Handloom Weavers' Co-operative Society. The article presents a Scheme for production and distribution control of the goods of Co-operative handlooms by the State Weavers' Society. In this Scheme the Business Manager suggests that unlike at present the State Weavers' Society should take charge of the entire production and distribution of co-operative handloom fabrics. He says that in its present structure the handloom industry is not organised to fight the mill industry. Even the weavers in the Co-operative field cannot fight effectively since even the Co-operative weaving industry has not been properly organised for production in spite of the fact that it covers more than a quarter of the looms in the State. It is because of the large number of primary weavers' societies, each of which is financially and otherwise independent. The pointy of contact between the primaries and the State Society are very

few. The latter supplies yarn to the primaries and purchases a small percentage of the production. The societies are generally free to produce and market goods in their own way. There is very little standardisation of specifications, quality and the like. In consequence the handloom industry is handicapped in the internal and external markets.

As a remedy to the present state of the industry the Business Manager suggests decentralisation of production and wholesale centralisation of control in respect of details of production and marketing. He suggests that the primary societies should be made only production agents. They should produce goods with the yarn supplied by the State Society in accordance with the latter's specifications in count, colour, design and so on and receive wages at prescribed rates. The State Society would, through its large collection department, collect all production, stock it at various centres and, through an elaborate marketing machinery, market the goods. The primaries would thus have no responsibility beyond functioning as mere production centres of the State Society. The entire responsibility for the collection and disposal of cloth would devolve on the State Society.

This scheme is indeed elaborate but it is doubtful if it would be practicable at the present stage of the handloom industry in our State.

The handloom industry at present is labouring under the following handicaps: First the irregular and inadequate supply of yarn for the handlooms. There is some times an acute scarcity of yarn and at other times a glut with the result that the prices and the quantities available fluctuate violently. Secondly consumers at the present day are not as keen on the purchase of handloom goods as on mill cloth on account of considerable difference in prices. Thirdly the smallness of the handloom unit and the difference in the quality of yarn of different trade marks as well as the lack of business honesty on the part of some of the weavers have not yet enabled the handloom industry to adopt standardisation among all the weavers. Fourthly the movements of cloth, internal and external are determined by the Government not in accordance with a consistent policy but in accordance with the political and trade exigencies with the result that it has not been possible for the handloom industry to hold any export market consistently for a long period; while the other textile producing countries like United Kingdom and United States, and Japan have not lost any time in establishing themselves in such countries by filling up the gap created by us. These handicaps hold good for the entire handloom industry including the Co-operative weaving industry. Besides, the Co-operative handloom

industry in particular in our State has been labouring under an additional handicap. While yarn to the extent of about Rs. 9 crores is being supplied to the 2,08,000 co operative looms in the State, the production of cloth taken by the State Society has not exceeded Rs. 1.5 crores in value. The rest of the production is being disposed of by the primary societies themselves through various agencies like stores, private merchants and individual consumers. We are afraid that if the State Society takes the entire responsibility for the production and sale of all handloom cloth of the Societies, it may not be able to cope with any hard situation that may arise. In the event of a slump the primaries might not help it in disposing of the stock since, being mere production centres, they may not take interest and initiative in helping the State Society. It may be mentioned here that when the suggestion came that the primary stores might be converted into branches of the Central Wholesale Stores, there was much protest and also a representation from the primary stores that this step would take away the interest and the initiative of the local co-operative leaders who have hitherto been promoting the primary stores movement. This absence of local interest would make the task of the Central institution very difficult in the matter of disposing of goods at various centres.

It therefore seems to be desirable that the Scheme may be deferred for some more time and even then it may be put into effect by stages. At present as preparatory step towards the progressive implementation of the Scheme, the State Society may introduce standardisation in several primary institutions in certain varieties of goods. Secondly it may offer to take 25 to 50 per cent of the production which conforms in particular to the specified and standardised varieties. The rest of the production may be allowed to be disposed of by the primary societies in their own way. Meanwhile the export market which has been almost lost for our country should be revived by urging the Government to adopt a consistent policy of export. After trying these methods over a period of time and watching the results, the Scheme may be put into effect so that, by then, the ground will have been prepared and the weavers will have been made to understand the implications of the Scheme.

We, however, invite the opinions of primary weavers' societies and other co operative experts in the handloom industry on this Scheme propounded by the Business Manager. We hope that in the light of the opinions expressed by the various weavers' co-operatives and individuals, necessary modifications may be made so as to make the Scheme practicable and acceptable to the primary societies.

SPECIAL ARTICLES

The Future of Co-operative Handlooms: A Scheme

SRI. W. GNANASAMBANDAM B.A. CERT. A.I.I.B.,

Business Manager, Madras State Handloom Weavers' Co-operative Society, Ltd.

Depression:

Depression has set in sooner than expected. After the war prices have been soaring so high, defeating all impositions under controls to such an extent that the inevitable crash has come suddenly, affecting all commodities and particularly hitting the textiles badly. The depression in textiles first started in England and gradually extended to other countries. The importing countries are no more anxious to take any textiles with the result, the chief producers like England and Japan have been forced to slow down production and find means of disposing of their accumulated stocks. It must be noted that Japan, despite the lack of resources for raw materials, has captured the international market within two years of reviving its industries, cornering the Indian Textiles.

(2) The effect of depression in the textiles has created problems both for the spinning and weaving mills in this country. In Bombay and Ahmedabad cloth mills are threatening to close their night shifts to slow down production. The Government have relaxed certain conditions of export and permitted the mills to sell 50 percent of their productions in medium and coarse cloth to their own nominees and completely de-controlled distribution of fine and super-fine cloth. But this is no help. Large stocks stagnate at the godowns partly due to the importing countries' reluctance to purchase and partly on account of the optimism of an average consumer who awaits prices to go down still further to make his purchases. Consequently mills are now demanding abolition of excise duty and reduction of export duty to enable larger outlet for the accumulated textiles to foreign countries at competitive prices. The industry which has hitherto been banking upon foreign trade with indifference to the needs of the consumer at large, has to realise its folly and seek to depend upon the inland trade as the prospects of export trade do not seem to be bright.

(3) Similarly with reference to yarn the position is awkward, for the handloom weaver does not seem to require today

any yarn for production. His problem is how to dispose of the stocks held by him and how to find money to produce at the present price level. The Government have decontrolled distribution in fine and super fine counts from 40s count yarn and above spun out of imported cotton. The control is presently retained only for counts up to 40s spun out of Indian cotton. The future of the handloom industry therefore seems to be gloomy and the opportunities of its survival therefore depend upon its ability to compete against the mill industry, which today has to confine itself mostly to the local market. The opportunities of handloom cloth getting out of the country are therefore far too remote, except perhaps in tracts and in fields where the mills cannot attempt imitation of handlooms.

Co-operative Handlooms:

(4) The handloom industry in its present structure is not organised to fight against the mill industry or even to survive in spite of the fact that a section of the people in this country who are accustomed to wear handloom cloth may still continue to extend their patronage. Those in Co-operative fold are no better as the industry on Co-operative basis has not been organised for purposes of production. Today, the 2,08,000 looms in the Co-operative fold are harnessed by 1094 weavers Co-operative Societies in the State. Each society by itself is financially and otherwise independent looking up to the State Handloom Society mainly for supply of yarn. At a time when yarn is scarce, the pressure from the societies for more yarn engages the State Society to find out ways and means of procuring the maximum; and as depression sets in it broods to find means of disposing of the legacy of accumulated stocks. When the market is brisk for the handloom cloth, the primary societies produce all varieties and do not scruple to exploit the opportunities in the rising market by putting up prices or paying high wages, all in the interest of the producer without any regard for the consumer or the future of the industry. When market becomes dull, the societies look for relief to the State Society or to the Government for disposal of their stocks and for organisation of relief work. The disposal of accumulated stocks is always a problem and the organisation of relief work is only a palliative and not a remedy. There are as many varieties as there are societies with varying specifications and quantity, with the result that any planned production is ineffectual.

Not only quality stands in the way of established business but also prices, as the societies have paid high wages going up to even Rs. 2-4 0 for weaving one knot of 20s yarn. The rates are not only different from one district to another, but different among societies themselves in the same district. The obligation of the State Society to the primaries therefore dwindled down to the position of a mere supplier of yarn and seller of choicest goods procured from select societies. The year 1951 is the peak year and the total production in societies has gone up to Rs. 9.2 crores of which the State Society could purchase less than Rs. 1.5 crores for sale at its emporiums, the rest being sold by the societies themselves either to merchants or to consumers direct.

Planned Production:

(5) But the chances of individual progress by individual ability are far remote in the present market. Only planned production by real Co-operative effort can save the situation. The prospects of the co-operative handloom weavers in individual enterprise do not seem to be bright and the prospects of other handloom weavers are gloomy. It is high time that atleast the looms in the co-operative fold were brought under production control as otherwise the 2,08,000 is only an enjoyable number with no potential strength. Neither standardisation of varieties nor execution of bulk orders is possible in the present co-operative structure, despite the large number of looms. The 16 years of working has brought about a homogeneity of interest and recognition for co-operation with autonomy for societies to develop local strength and confidence. Societies have established themselves in places where they have sprung up and should now be prepared to merge their individuality for the common good. They should no more think of their ability to survive by standing alone. This should not produce goods on their own specification or according to the local needs, even if they have ability to dispose of what they produce.

They should have no discretion in payment of wage and should conform to a rate fixed by some independent authority who has influence and control in the market. They should have no voice in the disposal of goods themselves and should offer all their production to a central organisation for sale. In short, they must work as model weaving centres linked to the State Handloom Society, where weaver members are given

work by supply of yarn to produce specified varieties, paid wages at fixed rates, and given work through out the year irrespective of market conditions. The production of standard goods with the attendant advantages of large scale production of varieties known for quality is assured thereby. By working the collective weaving centres, the State Society has organised production in 3,000 looms. To day the goods of the collective weaving centres are known for the quality and prices and the accumulated stocks are sold still at profit when other stocks of societies' productions are sold at a discount. This is what organised production stands for.

(6) The suggestion therefore is that all primary weavers societies should assume the position of production centres of the State Society. The obligation of the State Society will then be to procure and supply yarn to the primary societies. It will no more sell yarn to them. The primaries will have no discretion to determine the varieties to be produced, but should take instruction from the State Society in the matter to ensure production in strict conformity with given specifications. In the matter of wages also, the State Society will fix the rates payable with no variation of a minimum or a maximum wage. The societies will make themselves responsible to deliver the finished goods to the State Society in tact in return for the yarn supplied and the wages paid. The wages will be paid in cash by the State Society before taking delivery of the cloth. It is the State Society that will arrange for the disposal of the entire cloth produced and the primary societies have nothing to worry about marketing and need not even take a dealer's licence. To supervise the work of issue of yarn to their members, recovery of the finished goods from them and payment of wages, the State Society will pay a subsidy on the basis of production by the primary societies for the maintenance of the required staff and to meet other contingent expenditure. The *panchayat* of the primary societies will only confine itself to the work of admitting new looms, and accounting for the yarn received from the State Society in the form of cloth in strict accordance with the standard and specifications prescribed by the State Society.

Marketing:

(7) The State Society in turn is required to arrange for the marketing of the goods produced. In organising production, the

State Society will have to procure yarn from the mills at the cheapest rates, stock it at each district headquarters and debit societies for the value of yarn supplied, either at ex-mill rate or slightly higher rates to cover transport, etc. The yarn will be delivered to the production society at its registered office by the State Society through its own transport. The colour yarn required for production of colour varieties also will be supplied by the State Society, thereof assuming the responsibility for the fastness of the colour giving a guarantee for the goods produced. There will be no obligation for any primary society to make any arrangement for dyeing yarn. The other raw materials, like art silk, lace, etc., will also be supplied by the State Society to all the primary weavers' co-operative societies. The supply of raw materials being controlled and the varieties also determined by the State Society according to a standard prescribed, it shall pay wages and take delivery of the production of the societies in the same transport which goes to deliver yarn to the societies.

(8) The production shall for the present be on district basis. For example if in one district the count of yarn accustomed to by weavers is between 60s to 100s group, the societies in the district will invariably produce in one specified count with in the group, say 80s and switch on the 5,000 looms linked with the 40 co-operative societies for producing *dhoties* and *sarees* in 80s count according to the specifications prescribed and the wages paid by the State Society. All the 40 societies will produce in accordance with the specifications approved by the State Society with strict adherence to the varieties indicated. The goods so produced will be taken delivery of on payment of wages by the district marketing depot of the State Society which will be in charge of a responsible Officer. All the productions equivalent to the yarn supplied to the 5,000 looms in 40 societies will be taken delivery of and stocked at the district godown, leaving no yard of cloth in the society for disposal. This means planned production in 5,000 looms of a few varieties in 80s count conforming to a prescribed standard bearing a patent and a guarantee for quality printed on it, with perhaps a little variation within the tolerance admissible for the handlooms. It now devolves on the officer-in charge of a district marketing depot, to find a market for these goods and this is made easy on account of quality and uniform price obtaining for them. Thus it is that the outlet for the goods produced

on Co-operative basis in a district comes thereof under a single control of the marketing depot, and societies no more get into the market competing with one another for disposal of their goods. This minimises competition and secures an undoubted position to the State Society as a single largest producer of handloom cloth in the district, making it easy to control prices in the market. There could be no other handloom dealer similar in strength or resources to stand against the State Society in any unhealthy competition. The only competition will be from the Mills, whose line of business is altogether different, with whom competition on equal terms is therefore out of the question. The variety, durability and other characteristics of handlooms have attraction to a class of buyers who do not swerve for cheapness. The production on this basis creates a patent for the cloth and consumers could easily demand by name the products of handloom as they do the products of the mills. The prices and specifications can be stamped on the cloth itself which gives the guarantee of faith for the consumers.

Finance:

(9) At this rate, the normal production of the 1,094 weavers co-operative societies will be about Rs. 70 lakhs' worth of cloth a month and one can expect to keep a maximum of 3 months stocks which means goods worth Rs. 2 crores. How to find finance for this? The approach must be on a district basis and the financing for each district godown should be only by the local district Co-operative Central Bank and not from the State Bank or State Handloom Society. Each godown will stock the productions of the societies of the district. Assuming that in a district 40 primaries are having 5,000 looms under their control, the value of productions in medium count may be on the average of about Rs. 60 per loom per month, the production for one month in all the 5,000 looms will be Rs. 3,00,000. Assuming that 3 months stocks are in the godown, the maximum financial commitment for the district will be about Rs. 9,00,000. The 40 primary societies with 5,000 looms should have large reserve funds already invested in the Central Banks. They have their fluid assets in the form of debentures, national saving certificates, cash balance with the Central Bank etc. These funds are no longer required for their business and should be invested in the district central banks. From the Administration Report for 1950-51

the working capital of the 1,017 primary Weavers Co-operative Societies is Rs. 254.1 lakhs excluding Rs. 76.98 lakhs representing their reserve fund. The investments including the reserve fund of the 40 societies may be in the average Rs. 8,00,000 though this may vary from District to District. On the strength of the investment made by the primary societies in the district banks and on joint custody of the stocks in the District Marketing depot a cash credit upto the required limit may be sanctioned, which will be operated upon by the Officer-in-charge of the depot, who can sell the depot goods in wholesale or transfer to the emporiums in the district and outside. To avoid interlocking, the transactions between the State Society and the Marketing Depot can be on cash basis. The drawings on the cash credit will be replenished as and when the goods of the depot are sold or transferred to Emporiums. The arrangement for the marketing of the goods of one district in other districts in wholesale, are matters to be dealt with after the actual production begins.

(10) This planned production of handloom cloth may help the Co-operative movement to survive from the present competition not only from others engaged in the industry but also from the mills, as organised production has all the advantages of large scale production. When it is a problem of competing with mills in their line of production, there is the alternative for pit looms in the semi-automatic and automatic power looms installed on cottage industry basis, which if well planned will accelerate production and keep the manufacturing cost low, if not lower than that of the mills.

(11) The only agency which may have objection for the above scheme is the primary weavers co-operative societies themselves, whose identity gets merged in the State Society in the larger interest of the workers. This is no sacrifice. If even after 16 years of working the Weavers' Co-operative movement no stability is assured for the man in the profession and no relief provided to the consumer either in quality or in price or even regular supply of his requirements, should not the system change? It is a thought for the sincere. The primaries can still decide their members, provide work for them and have all powers of control excepting perhaps trade. But they have no risks in their business. All their assets are well secured by long term investments in the Central Banks earning substantial annual income.

This, in addition to the administrative charges paid for each primary society on the basis of its production by the State Society will constitute the nucleus of their finance to frame their budget of expenditure for maintaining the staff etc. Besides, the District Marketing Depot should periodically transfer 50 per cent of the profits before declaration to the primary societies on the basis of their production, which should be paid as bonus to the weavers by the societies in turn, the profits of labour thereof being shared with the actual workers.

(12) Purchasing yarn as Government nominee and selling it in turn to societies which in turn sell it to their members, as obtaining in other States is no Co-operation. But the use of this yarn by the primary societies themselves as is done in this State is only a first step. It is high time that the next stage was reached by organised production on truly Co-operative lines by the primaries bestowing thought on the above scheme in the larger interest of the weavers.

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.,
TANJORE DISTRICT

Acclaimed as the Best Rural Stores
in India Today

Annual Turnover Exceeds 10 Lakhs

Financed Entirely by members without outside help.

Community Projects

SRI K. VENKATAIAH NAIDU, B.A.,

Secretary, Rajampet Co-operative Town Bank Ltd.

The food problem is obviously the most important and the most critical with which the Government of India is faced. The food crisis worsened especially after partition, since the surplus producing areas are included in Pakistan. To cite an example, while 82 per cent of the mouths to feed in Punjab came to our lot, we got only 69 per cent of the land. Besides, Burma and Siam which were our chief sources of rice before war have not yet been able to produce rice on pre-war scale. To meet this deficit, food grains are being imported, draining our country of valuable foreign exchange, thus greatly affecting the capital development of the country.

Another serious problem that is confronting our country is the enormous growth of population in relation to land. It is increasing at the rate of five million per year, while the cultivable land remains almost the same. It is in this perspective that the food problem has to be studied, and the solution seems to lie mainly in the direction of intensive cultivation. Due to the indifference of the British bureaucracy in the past, even the available cultivable land could not produce as much as it should have done. The present methods of cultivation adopted by the ryots in our country are more conducive to extensive rather than to intensive farming, and hence the yield per acre for most crops is among the lowest in the world. Just to cite an example, in India the yield of wheat is 660 lbs per acre, while in a country like Egypt it is as high as 1,918 lbs. This clearly demonstrates the fact that the volume of agricultural production can be increased equal to that of other countries by the application of intensive methods of cultivation. The following estimates prepared by Mr. Burns clearly show the scope for development.

Crop.	Present average out-turn per acre.	Possible yield.
Rice	738 lbs.	Increase of 50 %—10 % by better variety, 40 % by manuring.
Wheat	604 lbs.	1200 lbs per acre on irrigated land, 600 lbs on barani land.
Jowar	486 lbs.	Increase by 20 %.
Maize	800 lbs.	Increase by 25 %.

The Planning Commission hence rightly lays the greatest stress on the desirability of increasing the production both by intensive and extensive cultivation.

The Planning Commission in their draft outline of the Five-year Plan has drawn the particular attention of the State Governments to three proposals for the agricultural development. It is of such vital importance that at all costs its success must be assured. The first proposal is that every State should draw up a programme of work for bringing certain areas, one after another, under intensive development while carrying on less intensive work in the rest of the State. Over a period of ten or fifteen years, the entire area of each State should be covered by intensive cultivation.

The Etawah Pilot Project in Uttar Pradesh is the first of its kind undertaken by a State Government in India to grapple directly with the problem of development of rural areas which remained neglected for years. In 1948, ninety seven villages in Etawah District covering an area of 61,000 acres of land with a population of 79,000, were taken for the experiment. Progress in a number of directions is claimed by the organisers of the scheme. Food production has increased from nine maunds to twenty three maunds an acre on the average. The economic position of the peasant under the project has definitely improved. It is estimated that about two lakhs of rupees are required for every one hundred villages under the Etawah scheme. The villager pays for everything that he receives from the Government, whether it is seed or manure or implements. Nothing is given free except advice. The idea is to help the villager to build himself up on co-operative basis. The experiment at Etawah supports the urge that the village must be taken as the basis hereafter.

The success of the experimental project like the Etawah largely depended upon the method of approach and the agency appointed. It has been said that the experts of the Government Technical Departments 'will find in a wide-spread and efficient Co-operative movement, the one agency enabling them to reach the masses of the rural population.' No official organisation can hope to reach the masses of the rural population except through the medium of co-operative associations. The Co-operative Organisation should therefore, be the instrument of the Government in its efforts to improve the economic condition of the people. Past experience also suggests the suitability of co-operative organisation in an undeveloped country like India, where the small agricultural producers

occupy a predominant position in the national economy, as the best means of raising the productivity and the standard of living of the people. As pointed out by a famous economist, the co-operative society should not only be the friend, the philosopher and guide of the farmer, but also be the ally and local agent of the Government.

Co-operation is not mentioned in the Constitution of India but in many statements the Government of India has made clear what sort of place it reserves for co-operation in its constructive effort. In a note communicated to the International Labour office, the Government stated "Hitherto co-operation has been taken as an isolated and disintegrated step towards the improvement of the agriculturists' lot. Now co-operative development must be a part of the National Economic Plan.

The Planning Commission which has been appointed by the Government of India as the Central Committee under the Indo-U.S. Technical Co-operative Agreement, has sanctioned 38 crores of rupees for 46 project areas and 19 development blocks, covering 15,610 villages with a population of 1,21,00,000. The area of operations of each project is limited to about 300 villages with a population of about 2 lakhs. The area is unwieldy and hence for administrative purposes each project area is divided into three development blocks, each consisting of 100 villages. The projects which are on the Etawah model, aim at the increased volume of agricultural production and thus the economic betterment of the people, by the people themselves on co-operative basis, with the active assistance of the State Governments. It is stated that the execution of the work is as per the directions of the Central Committee. Directions from the top is against federal structure of the co-operative movement. The movement works in a decentralised manner. The initiative is from below.

All the projects have been located in areas where there is assured rain fall or other irrigation facilities. With the idea of getting substantial results with additional efforts these place have been selected.

In Madras State 6 projects covering 1,274 villages have been selected. The Co-operators under the project areas should associate themselves with the new scheme, assist the Co-operative endeavour and make the scheme a success. As Sir John Russell points out, the energy and enthusiasm of the villagers themselves should be mobilised for the task of rural reconstruction and the rehabilitation of the villages. This can be done only on co-operative basis. The days when co-operative enterprises failed have gone. Honest and public-spirited co-operators cannot brook the idea of failure in their enterprise.

The objects of these projects cover several aspects of development namely agricultural and rural development, cottage and small scale industries, education, health, housing, reclamation of cultivable

waste lands, agricultural extension services, encouragement of village arts and crafts, animal husbandry and improvement and extension of communications. In maintaining works of common utility, such as communications, water supply, drainage, lighting etc., by a co-operative enterprise, the fundamental principle of voluntary association has to be overlooked. Sometimes compulsion has to be resorted to, to enlist all persons that derive the benefits as members. As pointed out by Keatings in his 'Rural Economy in the Bombay Deccan', the experience of foreign countries such as France, Germany, and Japan, has shown that very little can be achieved if the State waits for voluntary agreement among the farmers. Compulsion is in direct conflict with the voluntary principles of co-operation, but this has to be reconciled with. In some countries, membership in marketing societies has been made compulsory by law. Section 19-A of the Co-operative Societies Act of Ceylon makes the sale of produce compulsory through a registered co-operative society in certain cases.

Teams of patriotic and honest workers are essential for the successful working of the projects. They must be given special training as that the Village Level Workers employed at Etawah. These workers should be prepared to live in villages and be in contact with the peasants. They must visit the fields along with the farmers. In this respect the valuable lessons learnt by the famous Gurgaon experiment started by Mr. F. L. Brayne should be kept in view. It is not easy to make the ryots to take up to modern methods of cultivation. They have respect for their old methods of cultivation and the age-long implements.

The success of these projects will help the formation of similar projects even without the State help. When these projects multiply all the cultivable land in the country will be brought under the intensive cultivation and our acute food problem will be solved. Mr. Narris E. Dodd, Director-General for Food and Agriculture Organisation of the United Nations, stated that if the Indian farmers adopted improved methods of cultivation and used better seed and also took a little more care of their crops, it would not be difficult for them to solve the food problem. The development projects envisaged by the Government provide a comprehensive programme of village improvement embracing all the aspects of the village life. Of course the Plan is a modest beginning, but its successful implementation will not only improve the economic condition of the beneficiaries, but also provides incentives to the other agriculturists to strive themselves for their prosperity and their economic betterment on co-operative basis even without the initiative from the Government. The State has to play its own part in giving priority to agriculture since it is the base of India's economy. The farmers should be aided to produce more and improve their wretched conditions, and only in this way the country can be led to peace and prosperity.

The Sixth South Kanara Dt. Coop. Conference, Mangalore

20th April 1952

The Sixth South Kanara District Conference was held at Mangalore on the 20th of April 1952. About 200 delegates attended the Conference.

On the night of the 19th April a film show was arranged by the organisers; and interesting and instructive films relating to South Kanara and Coorg and the fishing industry in the West were shown to a large gathering of delegates and local public workers.

On the morning of the 20th April a Fishermen's Co-operative Auxiliary Conference was held in the District Co-operative Central Bank Hall. Sri K. N. Anantaraman, I.C.S., Director of Fisheries, inaugurated the Conference and Sri B. Shiva Rao, M.P., presided. In his Inaugural Address Sri Anantaraman paid a compliment to the progress of Fishermen's Co-operatives in the district and also gave advice on the future lines of development bearing on marketing, fish curing and the development of deep-sea-fishing.

In his Presidential Address Sri B. Shiva Rao described the lines of development of the fishing industry in Western countries like Denmark. He mentioned that the industry showed signs of the bright future in the district. He also said that a Western expert who was serving on a fishing-trawler on the Hooghly in Bengal told him that the Indian fishermen impressed him by their skill and that they would make excellent fishers.

He told the Conference that with American aid a "community project" would be started at a cost of about Rs. 60 to 75 lakhs in South Kanara and that the development of fishing industry would be one of its activities. He appealed to the Conference not to let go this opportunity but to help in making the project a great success. He promised to do his best for the promotion of the Co-operative movement and the community project in the district.

Sri K. Chidambaram, Deputy Director of Fisheries, Southern Circle, Sri Lakshmana Salinar, District Munsiff and Sri R. D. Mendanar, Editor of 'Moghaveera' spoke about the socio-economic development of the fishermen. Sri Viswanathan Tekumalla, Associate Editor of Madras Journal of Co-operation spoke about the condition of the fishing industry in several countries and in India, and the socio-economic development of the fishing community there. He suggested ways and means of developing fishing and the fishing community in Madras.

Sri U. Parameswaran thanked the President and the speakers. Many resolutions were passed at the Conference for adoption by the main Conference.

The Sixth South Kanara District Cooperative Conference

The Sixth South Kanara District Co-operative Conference was held on the 20th April 1952 at 5 p.m. in the court-yard of the Saint Aloisius College Hostel. Sri M. Shiva Rao welcomed the delegates and Sri K. Sadananda Hegde, M.P., presided. There was a large gathering at the Conference, consisting of about 200 delegates and some local gentry.

The following is the summary of the Welcome Address of Sri M. Shiva Rao, Chairman of the Reception Committee:—

"This is the third time we meet in Conference in Mangalore, the last two Conferences having been held in February 1945 and in January 1947. Let me express my profound sorrow at the sad and sudden demise of our esteemed friend Sri T. A. Ramalingam Chettiar. He was the best known co-operator in South India and one of the best-known in all-India.

I now proceed to give a brief retrospect of the past and a rapid review of the present: The first Society in this district was born in 1909 in Puttur. In 1920 the number of Societies in this district was 224 and in 1927 it was 418. In 1934 due to the Depression the number dropped to 300. There after the number steadily rose. There are to day 694 Societies. This is a fairly large Co-operative family indeed, enough to make us pause to find out if all is well, and if we are moving aright.

Agricultural Credit Societies :—Out of the 694 Societies, as many as 441 are Agricultural Credit Societies; and among these are included 3 Land Mortgage Banks, 10 Grain Banks, 71 Societies for Harijans, 101 Jaggery Societies and 256 Rural Credit Societies.

The 3 Land Mortgage Banks have a membership of 1,421 and a share capital of Rs. 37,506. One of the difficulties of the Land Mortgage Banks is the great delay between the filing of the applications and the ultimate sanction of a loan by the Madras Central Land Mortgage Bank. This delay is keeping off a large number of needy borrowers who are driven to approach the private money-lenders. Another handicap is the recent insistence on the adoption of a new method of valuation of the land which is not by capitalising the income from the land alone but by fixing the valuation according to sales statistics obtained from the Sub-Registrar's Office in respect of neighbouring lands. This new system has resulted in gross undervaluation and has given a setback to the Land Mortgage Banking Movement. These vital issues deserve the consideration of the Conference.

Grain Banks :—There are 10 Grain Banks at present with 822 members and a share capital of Rs. 2,772. All the Banks went out of action on the introduction of control of food-grains. They have only a nominal existence. These Grain Banks are the only institutions of its kind in the State and perhaps the whole of India. In the present conditions these Grain Banks may well be liquidated, if they cannot be usefully revived.

Societies for Harijans : There are 71 Societies with a membership of 2,642 and a paid-up share capital of Rs. 13,623. At present the general advance of thought and life in the country has changed public opinion and mind completely and we find today many Harijans admitted into the ordinary village credit societies. It is therefore desirable to merge the Harijan Societies with the ordinary credit societies. I suggest in this connection a special drive to increase the membership of Harijans in the ordinary credit societies.

Palm-jaggery Societies :—There are 96 Societies with 9,031 tappers as members and a paid-up share capital of Rs. 77,005. These Societies are successful. It is however found that there are common members in the ordinary Credit and Jaggery Societies both of which are of unlimited liability type. Steps have to be taken to terminate their membership in the credit societies and confine them to the Jaggery Societies.

Village Credit Societies :—There are 256 Societies with a membership of 30,110 and a share capital of Rs. 3,94,693. A large number of them are engaging themselves enthusiastically in multi-purpose activities. Under the Grow-More-Food Scheme of the Government, this district also was selected for intensifying food production by cultivation of waste land in the rural areas. A large number of societies applied for the lease of lands under the scheme but no assignment has so far been made. I appeal to the Government to investigate the matter and to give this scheme a fair trial.

It is gratifying to note that the Co-operative movement now covers more than 50 percent of the villages and serves about 20 percent of the people in this district. Steps will have to be taken to see that there is uniform progress in increase of membership in every one of the villages covered by the movement.

Cooperative farming :—Co-operative farming has assumed a very great importance and we have to examine if it is feasible to introduce it in this district. There are 4 types of Co-operative farming Societies. I suggest that they may be considered and that type of society which is useful for our district may be decided on and worked in some areas as an experimental measure.

Irrigation Societies.—There is a large scope for the starting of these societies in the district. A beginning has been made in Puttur taluk and I appeal to you to organise such societies wherever possible in this district.

Cooperative Marketing.—There are 4 Societies for marketing agricultural produce, such as arecanuts, pepper, cane jaggery and coffee. Of them the earliest attempt in this State for joint sale of agricultural produce was made in South Kanara as long ago as 1918 when the S. K. Planters' Co-operative Sales Society was organised in Puttur taluk. The Society has since grown rapidly. It has at present 5,043 members with a share capital of Rs. 66,315. It deals in arecanut, pepper, cashewnuts, cardamoms, coconuts etc. The society has firmly established itself; but it badly needs a godown of its own. It is hoped that before long its attempts to have a godown will be successful. The Kotachery Crop Loan Sale Society and the S. K. Sugar-cane Growers' Society are also fairly old and have been fairly successful all these years.

Co-operative Dairying.—We have a Milk Supply Union with about half a dozen feeder societies in Mangalore. Efforts are being made to improve co-operative milk supply and to expand the activities of the Union. There are a few more societies in the mofusil but there is a very large scope for starting many more milk supply co-ops. in this district.

Cattle breeding Societies.—As part of the intensive work of the rural welfare in the Kumbala Firka a cattle-breeding society has been started. It is maintaining a stud-bull. There is much to be done in the matter of cattle-breeding in our district.

Among other types of Agricultural Production and Sale Societies may be mentioned bee-keeper societies of which there are two. The production is fairly large and their main difficulty is the finding of a market for their production.

Non-agricultural Credit Societies.—There are 37 societies of which 12 are Urban Banks, 14 Employees' Societies and 11 other limited liability Societies.

Urban Banks.—The Urban Banks have a share capital of Rs. 3.29 lakhs. They have issued loans of Rs. 41.51 lakhs. The banks are working with their own deposits to a large extent and are popular.

Employees' Societies.—These societies have a share capital of Rs. 80,610 and their loans amount to Rs. 7,79,237. These societies are working fairly well.

Stores.—There are one wholesale store, 64 primary stores and 19 student's stationery stores in the district. The Central Stores is the sole agent of the Government in the district for procurement and distribution of food grains and also the sole wholesaler for all imported, rationed and

controlled foodstuffs. The store has a membership of 721 and a share capital of Rs. 2,62,550. It engages itself in different lines of business such as distribution of cloth, manure and provisions. The primary stores have a membership of 21,223 and a share capital of Rs. 2,68,963. Their purchase and sale business amounts to round about Rs. 125 lakhs. It is feared by some that the stores would collapse when controls are withdrawn. It is incumbent on all of us to save the stores from such a catastrophe by strengthening them so that they may take up normal trade business and continue it even after the controls go.

Students' Societies.—These stores deal in stationery and are very popular.

Non-agricultural Production and Sale Societies.—There are 28 such Societies of which 15 are for weavers, 3 for spinners-and-weavers, 6 for women, 1 for Harijan mat-weavers, 1 for coir workers, 1 for potters and 1 for all kinds of cottage industries in the district.

Weavers' Societies have a membership of 302 and a share capital of Rs. 1.17 lakhs. Their production was Rs. 8.36 lakhs and sale about Rs. 12.16 lakhs. The Khaddar Spinners' and Weavers' Societies are not doing much useful work. But women cottage industries societies are making ready-made garments, appalams, pickles, etc. Efforts have however to be made to develop them further. The Mat-weavers Society has not done much useful work. But the Coir Society has started work and is receiving some Government subsidy. This Society has a good future. The Potters' Society which has no less than 160 members is rather gloomy due to lack of interest in the members. The cottage industries society has the whole district as its area of operation. It is however not been very active at present. In this connection the activities of the industrial branch of the Mangalore Protestant Christian Co-operative Society deserves special mention. The Society has a hosiery section with all equipment and hand-driven machinery. It has done useful work and has a bright future.

Fishermen Societies.—There are 47 Societies with about 6000 members and a share capital about Rs. 1.6 lakhs. The societies are progressing fairly well but urgently require facilities for transport for marketing fish and also proper housing and education for the members. The future of these Societies depends on Government help in these matters.

Housing Societies.—There are 10 Housing Societies. Most of these societies have yet to start their activities. The Mangalore Building Society is however doing some useful work and has constructed 9 buildings.

Miscellaneous types of Societies.—Among these Societies may be mentioned 5 better-living societies. These societies however appear to be sectarian like Brahmin, Gowd and so on. I consider this type as a anachronism, practically serving no useful purpose at present.

Thrift and Savings Societies :—There are 2 Thrift Societies in the district. They are peculiar types which may be allowed to remain as they are, or developed into ordinary Credit Societies since thrift is receiving emphasis in all Co-operative Societies.

Educational Societies :—The Kanara Catholic Educational Society is a Catholic welfare institution doing useful work. It issues long-term loans to deserving Catholic students for prosecuting their studies. The shining example of this Society may be followed by other communities.

Central Co-operative Bank :—The Central Co-operative Bank is the fountain head of all work and activities of the movement in the district. It is 38 years old and has a working capital of about Rs. 55.65 lakhs. It is supporting all deserving Co-operative Societies in the district. It is carefully watching the progress and financial position of the Co-operatives in the district so that the movement may not have a setback. There are two Co-operative Supervising Unions which are doing their best to help the movement. There is scope and need for constitution of more such Unions.

The Co-operative movement in this district on the whole has done much useful work and the workers are giving a fair amount of attention to the great responsibilities undertaken by them. Co-operation is not merely an economic movement but a way of life. I therefore feel that our Co-operative brotherhood should also take up in earnest the allied work in Panchayats and other institutions of Local Self Government so that the entire socio-economic life of the district may be brought within the scope of the co-operators.

Mention must here be made of the District Co-operative Advanced Society which has sponsored this Conference. This Society started over 12 years ago, lay dormant for some time but has now been revived. The Society is now publishing the 'Kannada Sahakari'. It has a good library. With help of the Central Bank this Society is doing useful work for the promotion of the Movement. I appeal to you to join this Society and to strengthen it so that this progressive institution may ultimately develop into a Karnataka Federation in the State with its own Institute for training the Co-operative personnel needed for work in the Karnataka area.

The following is the summary of the Presidential Address of Sri K. S. Hegde :—"We have given unto ourselves a Sovereign Democratic Republic whereunder we have assured ourselves the dignity of individual ; justice, social, economic and political ; and equality of status and opportunity. It is impossible to achieve these ideals without planning out for the economic future. We are at the cross roads. There is a considerable amount of chaos. We must plan for our future and prosperity. The framers of our Constitution have rejected the capitalistic

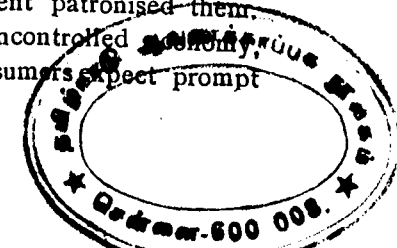
order. The question then is whether we shall achieve our economic objects through state socialism or through co-operative principles. The quintessence of state socialism is collectivism which in its turn will be followed by corruption. Our ideal is a Co-operative Common wealth. This objective was prominently in the mind of the Planning Commission ; but unfortunately their report lacks co-operative emphasis. The Planning Commission must be persuaded to take note of the emphasis laid down by the Constitution on co-operation and reshape their proposals accordingly.

Separate Ministries for Co-operation :—Our Governments of the day, both at the centre and in the States, must take an increasing interest in the co-operative movement. The movement as it exists today, lacks vision, energy, drive and co-ordination. There have been many pitfalls and limitations in the movement. Many competent co-operators think it requires re-orientation and revitalisation. A successful co-operative movement presupposes individual efficiency and individual honesty. We are lacking in leadership, initiative and drive. There is too much of official control to breed any sense of responsibility in the persons who are in charge of the management of the societies. Unless and until individual initiative is recognised and encouraged and official interference is minimised the movement may not have a bright future. We have therefore to plan a new. It is necessary to have both at the Centre and in the States separate Ministries solely for the co-operative development. The relevant statutes must be re-examined and amended in the light of our experience. Men of experience and intelligence should be posted as administrative heads in the Movement.

Honorary Services :—I am not an admirer of honorary services. An honorary official is no official at all. Exceptions apart he has only a passing interest. No great organisation can work efficiently with energy and drive except by the unstinted work of an adequate staff who are remunerated satisfactorily. A spirit of service is alright for the men at the top who employ their leisure in the service of co-operation. Even in their case their service would be more useful and more frequent if they also were paid adequately. I understand that in European countries honorary workers also are paid as in Joint Stock Organisations and hence there is a great rise in the efficiency of the institutions.

Rural Credit Societies :—Undue emphasis has been laid on rural credit societies. Most of them are not well-managed. They need to be reorganised.

The Consumers' Societies :—During the recent War the consumers' societies grew into importance and the Government patronised them. But whether this movement can continue in an uncontrolled manner is a matter for serious thought. The ordinary consumers expect prompt



and efficient service at minimum cost. In Europe these societies are a success. There is no reason why we should not be able to have a chain of co-operative consumers' societies. A co-operative store depends on the loyalty of the members and loyalty comes with sentiment, facility and advantage. A strong well-financed unitary store in the State Capital is the prime need of the movement. The Government should help to organise such a one. I regret to state that some of the stores have been accused of dishonesty and corruption by some of the customers. Our success depends on public sentiment and public co-operation. The stores must therefore see that the public verdict is not against them.

Co-operative Marketing:—Since the First World War the problem of marketing agricultural products has come into prominence. The agriculturist today is still in the grip of the moneylender and the middlemen are cutting deep into the income of agriculturist. We must take effective steps to organise the agriculturists into strong Marketing Societies so that they may be safe from the middlemen.

Land Mortgage Banks:—The Land Mortgage Banks have not come upto our expectations, since they are labouring under unnecessary limitations. It is desirable that the law governing the Land Mortgage Banks should be reconsidered in the light of the present day conditions of long term credit.

Co-operative Farming:—This has been a controversial subject. There seems to be some difference of opinion among the co-operators themselves. But I feel that co-operative farming is useful to our country. There are four types of Co-operative Farming Societies with distinct characteristics. Of them the Co-operative Tenant Farming type appears to be useful for a region like South Kanara where we have large blocks of undeveloped and uncultivated land. Co-operative farming has a great future in this country and therefore merits considerable attention.

The future of the Co-operative Movement:—The potentiality of the Movement was realised during the last War. It has a very great future provided there is co-ordination of the activities of the Government and the other non-official co-operators.

I take this opportunity to express publicly our gratitude to Sri M. Shiva Rao who has served this district in innumerable ways for the past 50 years. There is no good cause in this district in which he did not take active interest and a leading part. He is unquestionably the Father of the Movement in South Kanara."

Messages, received from the Hon'ble Sri R. Naganna Gowd, Minister for Agriculture, Dr. P. Natesan, General Secretary, Madras State Co-operative Union and others were read out to the Conference by Sri Narasappayya, M.L.C. Sri Viswanathan Tekumalla (Madras State Co-operative Union.) spoke wishing the Conference success.

Many resolutions were discussed and passed at the Conference. At night there was a filmshow; and several interesting films well shown. One of the many good features of the Conference was the good arrangements made for the board and lodging of the delegates and visitors.

Resolutions of The VI South Kanara District Co-operative Conference

The following are the important Resolutions passed :

I. Condolence

1. This Conference deeply regrets the sad demise of Sri T. A. Ramalingam Chettiar, the veteran Co-operator of the country who was a tower of strength to the Co-operative movement and whose death has created a void which it is difficult to fill.

II. Credit Societies

4. Whereas the existing meagre rate of commission allowed to Co-operative institutions on sale of Ammonium Sulphate is wholly inadequate and causes loss, this Conference requests Government to increase the rate of commission to 20 per cent and also to grant all Co-op. institutions licences for sale of Chemical Fertilizers free of charge.

6. Whereas the numerous applications made by Societies for grant of Government waste land on lease under the Intensive Cultivation Scheme are delayed, this Conference earnestly requests Government to instruct the concerned Officers to expedite the disposal of such applications and also direct grant of the leases for a period of not less than 10 years free of assessment or rent.

7. Whereas the Intensive Procurement of foodgrains has been discontinued in this district and whereas all the Grain Banks in the district have been lying dormant, this Conference requests Government to enable the revival of the Grain Banks by assuring them that their stock of grain will not be taken away by compulsory requisition.

10. This Conference requests the Registrar to permit all unlimited liability Societies with a membership of more than 200 and a share capital of over Rs. 3,000 to convert themselves into limited liability Societies.

11. This Conference requests the Government to give Co-operative institutions due and adequate representation in District and Taluk Food Committees.

III. Urban Banks

13. This Conference is of opinion that the lack of trained and qualified staff in some of the Town Banks in the district is a hindrance to the development of the transactions of these Banks, and therefore, exhorts all the Banks to appoint qualified and trained men as employees, so that the transactions of the Banks may be suitably increased.

IV. Jaggery Societies

15. This Conference requests Government to grant subsidies for the construction of godowns to Jaggery Societies also which need storage accommodation.

18. As a number of members of Jaggery Societies are agriculturists who are in need of loans for cultivation purposes, the maximum loan of Rs. 50 per individual now permitted is quite inadequate and the Conference urges that the maximum should be raised to Rs. 250 in all Societies.

V. Harijan Societies

20. This Conference is of opinion that the intensive cultivation Scheme should be made applicable to Harijan Societies also, so that all the help and concessions given by Government to Rural Credit Societies undertaking intensive cultivation may be made available to Harijans also. With this end in view, lands reserved for Harijans by Government should be assigned to the Societies working in the respective areas.

VI. Stores (Including Students' Stores)

23. This Conference is of opinion that in view of the withdrawal of rationing from rural areas, primary stores should take up the purchase and distribution of foodgrains also together with their other activities of supplying the domestic and agricultural needs of their members in particular and the public in general residing in their areas.

28. This Conference requests the Board of Directors of all Stores Societies to frame suitable subsidiary regulations defining clearly the duties and responsibilities of their employees as in the absence of such definitions of duties, it may not be possible to fix up responsibility on the concerned employees.

29. This Conference invites the attention of Government to the hardship caused to Stores Societies by the levy of supervision fees by Government and urges on Government the waiving of the levy of such fees in the interest of the development of the consumers' movement.

VII. Employees' Societies

30. This Conference strongly advises all employees' societies not to grant loans to their members unless they enter into agreements with the Societies and the Pay-Disbursing Officers concerned for the deduction of instalments of share capital and loans and other dues from their monthly pay.

31. This Conference commends for adoption by all employees' societies the procedure outlined in the Co-operative Manual (revised) under non-agricultural credit Societies, in the case of members transferred from one district to another district.

32. This Conference requests the Registrar to move Government to exempt co-operative employees' societies from the operation of Rule XVIII A as in the case of co-operative motor transport societies and co-operative workshops for ex-service men.

VIII. Fishermen's Societies

33. This Conference is of opinion that it is desirable to organise one or more Fish Marketing Co-operative Societies in this district for the marketing of fish.

34. This Conference requests that Government may be pleased to direct the assignment to Fishermen of poramboke, kumki and foreshore lands on the sea-shore to solve the housing problem among fisher-folk and to grant them all concessions which are granted to Harijans at present.

35. This Conference requests Government to formulate and work out house-building schemes for the benefit of fisher-folk.

37. This Conference resolves to request Government to (1) allow long-term loans to Fishermen's Societies for purchase and repairs of

fishing boats and nets and (2) to amend Rule VIII-A (1) of the Rules framed under the Madras Co-operative Societies Act VI of 1932 by the addition of the following as clause (g).—

“Purchase of and repairs to fishing boats and nets.”

41. This Conference invites the attention of Government to the necessity of providing fishing hamlets with drinking water and latrines and urges that early steps may be taken for the purpose.

42. This Conference requests Government to depute batches of fishermen to study and train themselves in deep-sea fishing in Government Fishing Vessels.

43. This Conference requests Government to depute suitable members of fisher-folk to study fishing, fish-preservation and fish-marketing in foreign countries.

47. This Conference requests Government to arrange the teaching of handicrafts, such as net making, coir twisting, hemp-spinning, dress-making, needlework, etc. in Fisheries Schools and in the schools under the management of fishermen.

49. This Conference requests Government to exempt fish-curers and fish-catchers who are members of Fishermen's Co-operative Societies and also all Fishermen's Co-operative Societies from the levy of sales tax.

50. This Conference requests Government to make free grants upto 50 per cent of the cost of the construction of fish-curing buildings and godowns and the other 50 per cent as interest-free loans repayable in instalments for 20 years to Fishermen's Societies.

51. This Conference requests Government—

(iii) to open in a few centres of the district small scale cottage industries for preparing fried fish, fish-pulps, etc.

IX. Weavers' Societies

54. This Conference views with grave concern the crisis in handloom industry due to unemployment of many weaver-families in this district in particular and in this State in general. Unless Government comes to the rescue and relief of this industry immediately, the position will soon be deteriorating. This Conference, therefore, requests Government to implement immediately the following among other remedies and thereby avert the disastrous consequences :—

(i) Prohibit the opening of new weaving mills and powerloom Factories.

(ii) Prohibit mills from production of cloth with yarn of counts 40 and below.

(v) Exempt the sale of handloom goods from levy of sales tax.

(ix) Exempt weavers' societies from payment of supervision fees.

(x) Permit the retention of non-weavers already admitted in the societies as members in order to maintain the efficient administration of such societies.

X. Marketing Societies

55. Whereas South Kanara largely depends on Cochin and Malabar for cocoanut and copra, and whereas the arecanut market in South Kanara is highly specialised and efficiently organised through its own Societies such as the South Kanara Agriculturists' Co-operative Marketing Society and joint stock concerns of merchants of good standing and repute, and the marketing rates and practices are fair and free from malpractices to any appreciable degree or extent,

THE MADRAS JOURNAL OF CO-OPERATION

there is no scope for improvement of the conditions by the application of the Commercial Crops Markets Act, and in the light of the actual working of the South Kanara Coconut & Arecanut Market Committee for about a year, this Conference strongly urges on the Madras Government the exclusion of the district from the operation of the Act so far as it relates to coconut and arecanuts.

56. This Conference resolves that efforts should be made to introduce a suitable system for proper grading and standardisation of commodities in the district.

XI. Milk Supply Societies

58. This Conference exhorts all Credit and Jaggery Manufacturing Societies to pool the milk of their members and supply the same to the nearest Milk Supply Society or Union as the case may be for sale.

59. This Conference is of opinion that though common milking yards are not possible in this district in the peculiar geographical and other conditions existing at present, constant supervision by the Government Staff concerned is essential for the maintenance of healthy and hygienic conditions amongst the cattle and for ensuring supply of good quality milk, and for this purpose it urges that more Supervisory Staff may be appointed.

XII. Land Mortgage Banks

63. This Conference strongly urges on Government the necessity for revising G. O. No. 5822 Misc. Dev. dated 23-11-1951, which threatens to undermine the working and existence in future of Land Mortgage Banks in South Kanara, based as it is on the recommendation of the Registrar of Co-operative Societies who held no enquiry or discussions with the local representatives of Land Mortgage Banks in the district. The Conference invites the attention of Government to the fact that the members of the Executive Committee of the Central Land Mortgage Bank who held local enquiry, discussion and deliberations in the matter in April 1951 felt convinced by reasons advanced for revising the methods of valuation of the hypotheca, and agreed that the interest of the Banks here should not be sacrificed merely for the sake of maintaining uniformity in the methods of valuation throughout the State owing to the peculiar local conditions prevailing here, which cannot be ignored.

XIII. Building Societies

65. This Conference requests Government—

(i) to appoint Co-operative Building Societies as Registered Stock holders for cement and iron & steel, so as to enable them to stock these materials for distribution to members of such societies.

(ii) to grant State Loans for the construction of new dwelling houses on mulgeni sites at 5 times the paid-up share capital instead of 4 times as at present.

(viii) to raise the maximum borrowing power of Co-operative Building Societies from 4 times the paid-up share capital to 7 times, and to raise the individual maximum borrowing power of members from 5 times the paid-up share capital to 8 times.

XIV. Women's Cottage Industries Societies

68. This Conference requests the Registrar to relax the conditions of subsidy, so as to make all Societies eligible for the grants.

XVI. General

71. This Conference is of opinion that a Co-operative Printing Press should be started by enrolling all the Co-operatives in the district as members.

RESETTLEMENT AND RECLAMATION:

Ex-Servicemen's Land Colony in Jambuvanodi, Tanjore District

Introduction

The Government of Madras have offered a compact block of 1,300 acres of culturable waste land in Jambuvanodi for forming a Colony for settling 200 Tamalian ex-servicemen. The land is situated at a distance of 2½ miles from Muthupet Railway Station and 18½ miles from Thiruthuraipundi. 1½ miles of metalled road will be constructed for connecting the Colony to the main road.

Layout of the colony

Out of these 1,300 acres, 1,000 acres will be set apart for cultivation. 100 acres for grazing ground, 100 acres for a seed and demonstration farm and 100 acres for house-sites and common purposes like village roads, parks, playgrounds and public institutions. The colony will be designed on model lines with a recreation-cum-meeting hall, seeds-store, office and other buildings. Each settler will be provided with an improved hut, a cattle shed and sufficient area for kitchen-garden.

Irrigation Facilities

Irrigation facilities will be provided by extending the Vedanayakan-chetty canal branching off from Thillaivilagam channel. Drainage and drinking water facilities will also be provided. These works will be carried out by the Public Works Department as expeditiously as possible to bring the lands under cultivation during the Kharif Season (April-May 52).

Organisation of the Colony

The Colony will be organised as a Tenant Farming Co-operative Society under the administrative control of Joint Registrar of Co-operative Societies (Resettlement). A Sub-Registrar and an Accountant will be appointed by the State Government to supervise the work of the Colony. Each settler will be allotted an economic holding of 5 acres of wet land which he will hold under permanent occupancy right with succession limited to a preferred heir. The lands cannot be mortgaged or sold. The Central Farm of 100 acres will be attached to the Society Headquarters and the income from this will be utilised for effecting improvement in the Colony. Maintenance allowance will be given to the colonists and fodder to the cattle for a short period. In addition, each colonist will be supplied with agricultural requisites like a pair of bullocks, implements and seed and manure (for first crop).

Civic Amenities

Medical aid can be had from the local dispensary at a distance of about 2 furlongs from the proposed colony. Educational facilities already exist in the Jambuvanodi village itself. Consumers co-operative store will be organised in due course.

Conditions for Settlement

Ex-servicemen belonging to Tamil Districts who satisfy the following conditions will be settled in the Colony :

- (a) They should have been released from the Army after September 1950.
- (b) They should bear military character not less than 'GOOD'.
- (c) They should be landless tenants or do not own more than 3 acres of wet or 7 acres dry land.
- (d) They should have agricultural bias or experience.
- (e) They should be prepared to settle in the Colony, join the Co-operative Colonisation Society and abide by its rules and bye-laws.
- (f) Each ex-servicemen-member will contribute Rs. 250 in a lump sum towards the share capital immediately after selection.

Selection of Settlers

Ex-servicemen desirous of settling in the Colony under the above conditions should apply to the Deputy Registrar Co-operative Societies, *Kumbakonam* on the prescribed form which can be obtained from the District Employment offices and District Sailors' Soldiers' and Airmen's Boards. The applicant should forward a Certificate from an Officer not less than the rank of Deputy Tahsildar having jurisdiction over the village in which the applicant resides that he does not possess any agricultural land or possesses not more than 3 acres of wet and 7 acres of dry land.

The selection of colonists will be made by a Board consisting of Revenue Divisional Officer, Deputy Registrar of Co-operative Societies, *Kumbakonam*; the District Agricultural Officer, *Pattukkottai* and Recruiting Officer, Madras or his nominee. Selection will be made in batches as and when sufficient number of applications are received. The candidates should come for interview at their own cost, if so required.

Estimates of Cost

The estimated cost for establishing this Colony comes to Rs. 4,00,000 which works out a per capita of Rs. 2000. This will be met from a grant of Rs. 750 from Central Government and Rs. 500 each from State Government and Post War Re-construction Fund and a contribution of Rs. 250 from each settler.

The Madras District Co-operative Central Bank, Ltd.

52-53, Thambu Chetty Street, Madras 1.

ESTD. 1930 TELEPHONE NO. 2884.

Authorised Capital	...	Rs. 10 lakhs.
Working Capital	...	.. 35 ..

All kinds of deposits accepted.

Rates of Interest :—

Current Deposits	½ %.	Savings Deposits	2 %
Fixed Deposits For—: 6 ms.	3¼%	For 1 yr.	3½%
		For 2 yrs.	3¾%

Further particulars can be had from the undersigned:

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

MULTIPURPOSE CO-OP. ACTIVITY

A Model Multipurpose Society*

DR. P. NATESAN, M.B., B.S.,

General Secretary, Madras State Co-operative Union

I have great pleasure to accept the kind invitation of Sri Naga Reddiar, President of the Vairichettipalayam Multipurpose Society to inaugurate the Silver Jubilee of the Society. The Silver Jubilee Celebration is an indication of the healthy growth and vitality of an institution and the celebration of the Silver Jubilee of this Society is therefore a sure indication of the prosperity and efficiency of Society. I am indeed happy to associate myself with the auspicious function of the Society and also to associate myself Dr. B. Natarajan, Economic Adviser, Government of Madras, who is to preside over the Celebration. The learned Doctor is a great economist and writer and is the most fit person to preside over the Jubilee and to offer his wise advice and guidance. I congratulate the organisers on their happy choice of their President.

The successful working of a village society is not seen only in the large number of membership or sharecapital. After all Rural Societies are small institutions and cannot boast of thousands of members unlike Urban Banks. The membership must normally be limited to a few hundreds and the sharecapital to a few thousand rupees. Therefore while we watch the progress of this Society in the progressive increase of membership and sharecapital, we must look for its successful working in certain predominant aspects of the working of the Society.

Considering the membership and sharecapital, it must be stated that the Society was first started on its work on 29-10-1926 with 10 members and sharecapital of Rs. 175 only. The borrowing power of the Society was fixed at Rs. 5,000 and of the members Rs. 500 each. The Society was registered only as an ordinary Rural Credit Society in which status it continued until in 1949 it was turned into a Multipurpose Society. During these 23 years of its life as an ordinary Credit Society it did very useful work and introduced new features like recurring deposits, fixed deposits, etc. The society became popular and therefore the membership grew gradually. In 1949 there were 126 members with a sharecapital of Rs. 4,548. The maximum borrowing power was Rs. 36,000. Since

* Inaugural Address delivered at the Silver Jubilee celebration of the Vairichetti Palayam Multipurpose Co-operative Society on 27-4-1952.

THE MADRAS JOURNAL OF CO-OPERATION

its reorganisation into a Multipurpose Society, its progress has been no less steady and noticeable. At present its membership is 134 and sharecapital Rs. 5,816, its borrowing power having been enhanced to Rs. 75,000.

To those interested in rural co-operation the introduction and development of the multipurpose activities and other useful features are very interesting and inspiring.

First I may mention the inculcation of the thrift habit among the members. While the Society has always lent enough moneys to its members, it has also taken care to see that the thrift habit also is promoted among the members. This is unlike many other societies which simply issue loans without developing the thrift habit among their members. Secondly may be mentioned, the stores activity of the Society. It supplies to its members cloth, sugar, kerosene, and also implements, manures and the like at very fair prices so that the members need not go outside the Society for most of their requirements. Thirdly the Society has developed marketing activity. From the beginning it has carefully understood that the interest of the members could be protected by undertaking to market their produce at fair prices so that the members might get some profit. It is interesting to note that the Society has recently undertaken to market the produce of some of the hill-tribes, for instance fruits and other hill-produce. The fourth important activity (which I should call, an activity of a special and uncommon type) is its employment of a tractor. I am glad to learn that the Society owns a tractor and is hiring it to its members at a very cheap rate.

One should expect a society with such multipurpose activities to have a very sound financial position and its members to have a high sense of responsibility and interest in the affairs of the Society. It is indeed so with this Society; for—this is the most wonderful part of the Society's work—throughout the last quarter of a century, not a pie has been written off and not a single arbitration has been filed and executed. This really speaks volumes about the working of the Society during the past one score and five years.

Permit me now to dilate for a time on the objects of a multipurpose society. The first object is to improve the economic condition of the members by eliminating the merchant and the middleman. Secondly it should give training to its members in the practising of various types of responsibility as members and office-bearers.

A MODEL MULTIPURPOSE SOCIETY

Thirdly the Society should develop a sense of mutual trust and goodwill and helping nature among the members in relation to one another. This, I call a *divine* responsibility and believe, is the fundamental training in nation-building. Last but not least a successful multipurpose society is the precursor of a successful autonomous unit, both civil and military in the village. Such self-administering, self-helping units will indeed help the successful march of the Nation towards the goal of Co-operative Commonwealth.

Judged from these objects, I firmly believe that this society is a real Multipurpose Society and its no wonder that for all its good work the Society has received year after year gold and silver cups as trophies.

On an occasion like this I cannot but philosophise on the system of modern education and training. I feel that it is not really the modern education that is behind the progress of co-operation. It is the inherent character and personality of the individual. An imperfectly educated adult with perfect character in nothing short an angel when compared with highly educated young and old men who have no character. I feel it is the Co-operative Movement that can help build up character and personality, though it may not make its members highly educated. This Society is a shining example of this; and I feel that every rural Co-operative should take this institution as a model and strive its best to develop the character and personality of its members, so that a network of good rural Co-operatives may be the best and most solid foundation for building up our Co-operative Commonwealth.

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

Rates of Interest : Current Deposit $4\frac{1}{2}\%$ Savings Deposit $1\frac{1}{2}\%$
Fixed Deposits : For 6 months $1\frac{1}{2}\%$ For one year $2\frac{1}{2}\%$
 For 2 years and above $2\frac{1}{2}\%$

RECURRING AND PROVIDENT DEPOSITS ARE ALSO ACCEPTED

Apply for further particulars :
Medai Dalavoi Kumaraswami Mudaliar, M.L.C.
President.

Rural Co-operation Abroad—Some Lessons for India*

DR. B. NATARAJAN, M.A., D. LITT.

Economic Adviser to Government of Madras.

I deem it a great privilege to have been given the opportunity to preside over the Silver Jubilee Celebrations of your Co-operative Credit Society. When Societies and institutions, like human beings, suffer from a heavy incidence of infant mortality in our country, it is a matter for elation and pride that this Society, carefully nursed and fostered, has successfully completed 25 years. That in itself is a great achievement; more so is the fact that this society, founded with the single purpose of granting credit, should today have become a vigorous multi-purpose society. I am particularly impressed by the special branch of activity this society has undertaken of hiring out its tractor to members as well as non-members, an activity that abundantly testifies to the wide outlook and far sight of the members of the executive committee. Above all, the fact that your society has won the prize awarded for the most efficiently organized society in this area for five consecutive years from 1946-47 to 1950-51 bears witness to your high abilities of organization and administration. To the members and executive committee of this society, which has been working so successfully, I offer my hearty felicitations. I am sure that in due course when your society celebrates its Golden Jubilee and Diamond Jubilee, it would be an ornament to the Co-operative Movement itself.

In the world of today, Co-operation has a unique significance. Torn by conflicting economic ideologies, the world is today driven into two camps: on one side are ranged the nations which strive to raise human living standards, strictly adhering to the principles of democracy and economic freedom; on the other side stand the nations who seek to achieve the same end by adopting different means—totalitarianism and regimented Governmental planning. The leading representative of the first group of countries is U.S.A. where unfettered economic freedom far from promoting healthy active competition, has actually weakened it. Today the U. S. economy is dominated by a few giant monopolies, which are considered a menace to democracy itself. In U.S.S.R. which typifies the leading country in the second group, man is deprived of some of his fundamental rights in his efforts to attain the economic objectives. Grave doubts are raised whether this sacrifice is worth the gain. But there is a way of steering clear of either of these ideologies, and yet achieve a reasonable rise in standards of the greatest number. That is the golden way of co-operation. Both the rival ideologies have recognised this and that is how in democratic as well as in communist countries, Co-operation is alike given an honoured place.

*Presidential Address delivered at the Silver Jubilee of the Vairichettipalayam Multipurpose Co-operative Society on 27-4-1952.

RURAL CO-OPERATION ABROAD—SOME LESSONS FOR INDIA

It is well known that the parents of Co-operation were Robert Owen in England and Charles Fourier in France. Under their inspiration and example, co-operative movement rapidly spread in the 19th and in the first three decades of the present century in Ireland, England, Belgium, Denmark, Holland, Germany, Italy and France. In all spheres of human activity such as production, marketing and distribution of goods, improvement of health and insurance, co-operation became a successful method of attaining the desired objectives. In our country too, co-operative movement has in the 46 years rapidly developed, engrossing various spheres of economic activity. While the history of co-operative movement in Western European countries and here is familiar to most students of Co-operation, I would like to say a few words on what I have recently seen of the co-operative movement in U.S.A. and Japan.

In U.S.A. Co-operation has come to stay as an accepted method of economic organization. Judged from the magnitude of business turnover, its development is truly amazing. And this in a land reputed for unrestricted freedom of economic enterprise. The reasons lie in History. In the period of colonisation, peoples from various countries of Europe began to settle in different regions of the American continent; and each family living remote by scattered from other families had to develop first and foremost the spirit of self reliance and self help. And these very conditions also generated the spirit of co-operation. In the past 30 or 40 years, the American people have adopted the Co-operative method in several spheres of economic and cultural activity. Today they evince towards co-operation the same fervour and enthusiasm which their forebears in the age of colonisation did individually and unaided towards clearing forests and turning them into arable land. Even as the immigrant families learnt by the hard way the lessons of self help and rugged individualism in the earlier days, they in time began to realise the value of co-operation as more and more families began to settle in the virgin forests. Co-operation came to supplement and enlarge what free enterprise founded. U.S. experience in Co-operation has therefore several lessons to offer to less developed countries.

At present there are 10 million families in U.S.A. who are members of one co-operative society or other. More than half the farmers of the U.S.A. are members of co-operative producers' societies or consumers' stores. One fifth of the total agricultural produce raised in the country is sold through co-operative societies. Agriculturists buy most of the implements, seeds, feed, fertilisers and other requisites for cultivation as well as consumption goods from co-operative stores. In 1950 such societies and stores sold goods valued at Rs. 4,750 crores. American co-operative societies have been organised to serve the people in diverse ways. Some societies manufacture cattle feed, fertilisers, agricultural implements and gasoline and sell them to their members. Others sell oven, pipes, pumpsets, clothes, furniture and numerous other consumption goods

to farmers. There are societies for the marketing of foodgrains, milk, butter, cheese, cattle, fruits, vegetables etc. The U.S. dairy industry alone has 2,000 milk marketing societies, 3,500 dairy cattle improvement societies 100 dairy farms *aid* societies. Members of co-operative societies produce two-fifths of the total output of butter, one sixth of the total output of cheese, one-fourteenth of the total output of milk powder and more than half the total output of other milk products produced in the country. Of the total cotton produced in the U.S.A., 15 per cent is sold by co-operative sale societies. There are 600 co-operatives cotton ginning factories serving about 100,000 cotton growers. In 1949, forty cattle marketing societies sold 16 million cattle at an aggregate value of Rs. 650 crores. More than 25 per cent of wool raised in the country is marketed by co-operative sale societies; of these, 16 are big societies owning modern warehouses with the latest equipment for grading wool. About 40 per cent of the rice produced in U.S.A. is sold by co-operative sale societies.

Co-operative Societies have built warehouses and elevators for storing up agricultural produce of all kinds including foodgrains. As most of the farmers' societies hire out at low rates agricultural machinery for ploughing, sowing, harrowing, harvesting and threshing, cost of cultivation is reported to have declined by about 50 per cent.

Irrigation Societies

There are 4,000 co-operative irrigation societies in U. S. A. which provide irrigation facilities to one-third of the total irrigated area in the country. There is a society in Texas which irrigates 30,000 acres of land under rice cultivation. If irrigation societies of this type are organised in our country to supplemental Government irrigation works, agriculture would be greatly benefited. It is desirable that a society of farmers should be organised in every village to tackle the problem of irrigation; in villages with the multipurpose societies, provision of irrigation could be one of their important functions.

Agricultural Extension Service

More important than any of the above types of societies are those which help in agricultural extension service. A very high percentage of farmers' societies take special interest in the dissemination of technical and scientific knowledge, such as the quantity of fertiliser to be used per acre, the time and manner of its application, the exact needs of water supply, the value of improved strains of seeds and the methods of producing them or importing them, the right method of sowing etc.

Further these societies help the farmers improve the amenities in their farm houses. They advise on labour saving devices to reduce domestic drudgery and assist the farmers in buying and

installing them in their homes. In this work, the 4-H clubs, which are found all over the country, render great service. It is an organisation for the youth and has been organised by the object of improving the Head, Heart, Hand and Health of its members. There is a close liaison between these 4-H clubs and co-operative societies in U. S. A. It would be useful to organise a youth's club on the lines of 4-H clubs under the auspices of the village co-operative societies in each village in India. That would go a long way to create and spread an agricultural bias among the youths in our countryside.

In U. S. A. there is a special Agricultural Extension Service which carries the new methods and invention of the demonstration farms and agricultural research laboratories to the farmers and the fields. This kind of work is being done in India by the staff of the Agricultural Department along with several other functions. If the Agricultural Department staff should fully succeed in their work, the village co-operative societies should actively co-operate and convert their offices into forums for the spread of scientific and technical knowledge. This is but a legitimate duty, as the ideal of co-operation is "better farming, better business and better living". To attain this ideal, the co-operative societies, the agricultural department and the youths' club (or 4-H clubs) should have a well conceived and co-ordinated programme of work.

Co-operation in Japan

American experience in co-operation is well worth emulation in this country. Its astronomical achievements would no doubt be baffling. I should therefore turn to the more modest achievements of co-operation in Japan. Even prior to World War II, Japanese co-operation was in a fairly well developed state. During the war it came under the direct control of the Government and its pristine virtues were choked out by compulsion and authoritarianism. After the war, a new Agricultural Co-operative Societies Act was passed in 1947. This Act owes its inspiration to the rich American experience. In the administration of this Act Japan had been fortunate to get American technical aid and guidance. Consequently the Japanese Co-operative Societies are today organised on democratic principles. At present all the Japanese agriculturists are members of co-operative societies. There are 34,131 societies with 8.5 million members. Of the total rice output in Japan, 96 per cent is sold through co-operative marketing societies; 71 per cent of the fertilisers applied to land passes through co-operative societies and 71 per cent of the savings of the agriculturists is deposited in co-operative credit societies. And all this, Japan has achieved in a short span of five years.

From the American and Japanese experience in Co-operation, it is possible to glean some valuable lessons. First of all, however, tempting compulsory co-operation may be, Japanese experience

THE MADRAS JOURNAL OF CO-OPERATION

offers a stern warning against its adoption. During the war years, Japanese Government introduced compulsion. Although it produced considerable improvement in the efficiency of the co-operative societies, it destroyed the genuine spirit of co-operation. Co-operative societies came under the arbitrary domination of the Government. Members of the societies lost their rights, self determination, initiative and so their faith in the movement. At the altar of temporary increase in efficiency, all the precious heritage of co-operation was sacrificed. Then the Japanese society slid down the precipice into a catastrophe. This brief episode in the history of co-operation in Japan should serve as a pointer and a warning of the disastrous results of compulsion.

Secondly, if co-operation should develop and embrace all the economic and cultural activities of man, the conduct and character of the individual should reach a high level of excellence. The character of an individual no doubt, largely depends on his environment. Educational system, family life, political and religious institutions influence in varying degrees the individual's character. It may therefore be asked how the character of a co-operator can be different from the character of the rest of the population among whom he lives. There is only one answer to the question. Co-operators should feel that co-operation is itself their religion, their politics and their educational system, and inspired by its lofty ideals and strive for excellence of character and become an example to the rest of the society. If each co-operator is animated by such a fervour, co-operative institutions will prosper as never before and the spirit of co-operation will inform every segment of social activity, paving the way for consummation of the Gandhian ideal of a Co-operative Commonwealth.

Thirdly, our co-operative movement should inculcate and foster the ideal of co-operative service. It is often complained that Indian philosophy and culture have emphasised the development of individual spirit and individual service, ignoring the art of living together. Whatever might be the teaching of philosophy, our ancestors have fully recognised the merits of living together, so well illustrated until recently by the joint family and village community. In the past one century or so, the spirit of individualism has been gaining ground as a result of our contact with the West. Individualism too has got its merits, but where individualism and co-operation are woven together in social life, society attains stable prosperity, and social life becomes a rich mosaic.

I have heard it said that there are ten causes for our failure in the art of living together. Associations and societies are born and die like mush-rooms, because these ten causes begin to operate; and for all these ten causes which stand in the way of getting together and living together we ourselves seem to be largely responsible.

RURAL CO-OPERATION ABROAD—SOME LESSONS FOR INDIA

Let me close my speech by listing them to you.

1. We either absent from the meeting of the Society or attend them late.
2. If circumstances are unfavourable, we absent from meetings and care no more for our negligence.
3. Even at the few meetings we attend, we usually take a back seat, spend the time gossiping with the neighbours on weather or arraigning complaints in whispers against the executive committee.
4. We often refuse to accept responsible position in the Society, because it is easier to criticise than do constructive work.
5. We often complain that we are not appointed to this Sub-Committee or that but promptly fail to attend if appointed.
6. If the President asks for our opinion, we have nothing to say, but after the meeting is concluded, we go on telling other how things ought to be done.
7. We refuse to do anything more than the indispensable minimum, but do not hesitate to criticise fiercely those who try to do their best alleging that everything is run by a favourite clique.
8. We fail to pay the subscription promptly and then find fault with the Secretary or Treasurer for inefficiency.
9. We then start a whispering campaign, insinuating that the finances of the society are precarious and mismanaged.
10. We do not show any concern in enlisting new members; Failing to pay the subscription to the journal we hinder the editor from developing it.

I hope this Society would clear steer of these ten failings. They are human failings and if we are not vigilant enough might overtake us slowly and stealthily.

WANTED IMMEDIATELY

The Tiruchirapalli Central Co-operative Stores Ltd.

P. B. No. 308, Teppakulam P. O.

Applications stating age, qualifications and previous experience with copies of testimonials, are invited for the post of Secretary in the scale of Rs. 200-10-250 plus Dearness Allowance at State Government rate to reach the undersigned before 15-6-1952.

Qualifications : The degree of B.A., B. Com., B.Sc. or B.Sc. (Agl.) of a recognised University with Co-operative Training and administrative experience.

Security : Rs. 2,500 in cash or mortgage of unencumbered immovable property or personal surety for twice the amount.

Retired employees and persons already in service in Co-operative Institutions may also apply.

L. N. PARAMASIVAM PILLAI,
President.

Multipurpose Co-operative Activity in Madras

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

1. The Nallamaram Multipurpose Co-operative Society (Madurai District.)

The Nallamaram Multipurpose Co-operative Society was registered on 14-9-31 and started on its work on 15-10-31. Its area of operation extends to 4 villages namely Nallamaram, Kottampatti Muthulingapuram and Ammapatti. It is affiliated to the Tirumangalam Co-operative Union and the Madurai District Central Co-operative Bank Ltd., Madurai.

The Society has 371 members on its rolls with a paid up share capital of Rs. 9,415. The population served by the society is about 40 per cent of the total population in the village. The maximum credit limit of the society is Rs. 75,000 and that of an individual is Rs. 1,500. As on 31-3-52 a sum of Rs. 54,966 is due to the Central Bank whereas a sum of Rs. 58,836 is outstanding against the members. It has also a Reserve Fund of Rs. 2,002-2-0 invested in the financing Bank. It has invested Rs. 3,500 in shares in the Central Bank besides Rs. 100 in the Tirumangalam Co-operative Sale Society, and Rs. 100 in the Gandhiniketan Village Industries Co-operative Society.

In addition to credit transactions the society has undertaken various multipurpose activities. The following details show the volume of transactions of the society in the various spheres after the introduction of multipurpose activities.

(a) *Ration shop* :—The society is running a ration shop and has been sanctioned a sum of Rs. 3,000 from Central Co-operative Bank for running the ration shop

(b) *Agricultural Implements* :—The society has distributed agricultural implements such as cart tyres to the tune of Rs. 2,074-5-0.

(c) *Pledge Loan* :—It has sanctioned a sum of Rs. 5,000 for disbursement to members on the pledge of produce. A sum of Rs. 2,725 has so far been disbursed to members on the pledge of their produce.

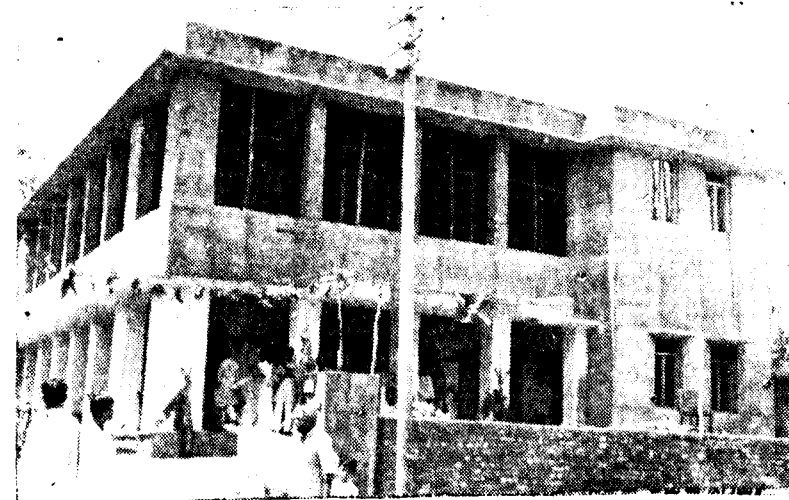
(d) *Contract works* :—(1) *Road Contract* : It has undertaken Contract work to construct a road to connect the villages of T. Kallupatti and Nallamaram at an estimated cost of Rs. 6,000. It obtained a Cash Credit of Rs. 2,250 from the Central Bank for the purpose and the work is in progress.

(2) *Tank repairs* :—It also undertook the task of carrying out repairs to Nahancri tank located in the village. The society got a Cash Credit of Rs. 3,400 from the Central Bank and got the work completed.



Wardha Ghani at work (Gopannapalem in West Godavari)

VIZIANAGRAM TOWN CO-OPERATIVE BANK, LTD.

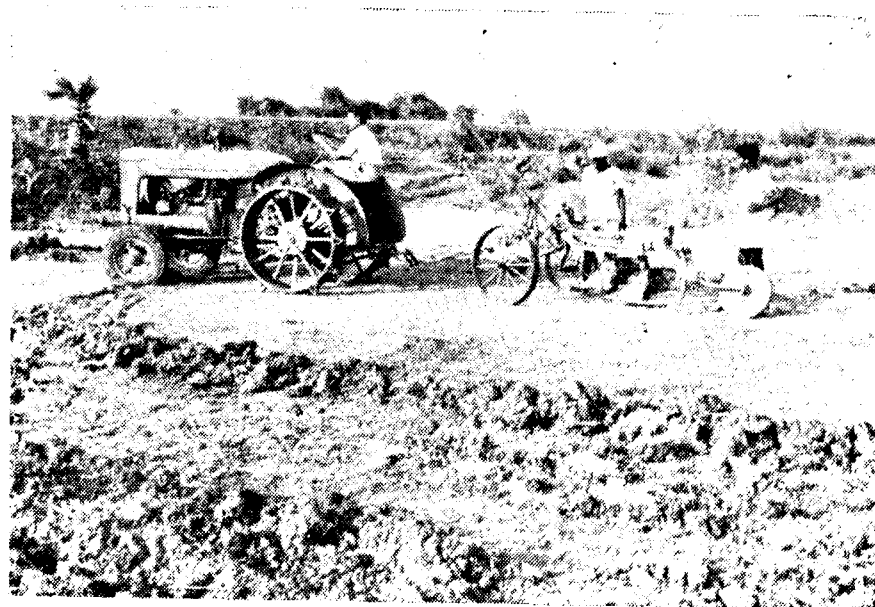


New Building opened on 26-3-1952.

MULTIPURPOSE ACTIVITIES OF CO-OPERATIVES



D. D. T. Spray Pump at work (Nallamaram Multipurpose Society in Madurai Dt.)



A Tractor at work (Denduluru Multipurpose Society in West Godavari)

MULTIPURPOSE CO-OPERATIVE ACTIVITY IN MADRAS

(e) *D.D.T. Sprayer* :—It purchased a D.D.T. Sprayer for Rs. 185. Half the cost of the sprayer was sanctioned as grant by the Rural Welfare Department and the other half of Rs. 87-8-0 was borne by the society. A sum of Rs. 12 was collected by the sale of pesticides.

(f) *Installation of a battery operated Radio set* :—It was sanctioned a sum of Rs. 325 being half the grant of a battery operated radio by the Collector, Madurai out of the discretionary grant. The other half was borne by the society and a battery operated radio set has been purchased and installed by the society for the benefit of its members.

(g) *Scheme of the watching of the standing crops of members* :—The society's by-laws permitting the working of the scheme were registered on 24-7-51. The village of Nallamaram consists of about 250 land holders—90 acres of wet and 500 acres of dry lands. On 14-10-51 a public meeting was held and a committee of 7 persons were elected to be in charge of the scheme. The land holders agreed to donate a subscription of Rs. 2-4-0 per acre of wet land and Rs. 1-12-0 per acre of dry land to work the scheme.

The Committee appointed a band of 4 watchmen on a monthly pay of Rs. 25 per head. Each of them was provided with a blanket, a whistle and a torch light. Petty thefts and illicit grazing in the fields are being checked then and there. The watchmen perform their duties sincerely as their pay and services are guaranteed by the society and patronised by the police and the Department. The Committee meets every Sunday along with the ryots and the watchmen to discuss the practical difficulties experienced by the watchmen. The Society is maintaining a separate account for the accounts of the scheme. During non-harvest season, the personnel of the watchmen is reduced to 2. The scheme is working successfully in this society.

This is one of the good multipurpose societies in the Firka Development area with remarkable progress and a good record of work. The President and the members of the society evince much interest in the affairs of the society.

2. The Denduluru Multipurpose Co-operative Credit Society, (West Godavari)

This society was registered as a credit society in the year 1918 and started working from 29-11-1918. The society was converted into a full pledged Multipurpose Co-operative society on 26-10-48 when the society's by-laws were amended enbloc. Its area of operations includes Denduluru village and 3 hamlets, whose population number 7000. The society has enlisted 648 members with a paid up share capital of Rs. 15,987.

The maximum credit limit of the society is Rs. 1,50,000 and the borrowings include Fixed deposits from members and non-members and thrift deposits amounting to Rs. 29,897. Loans from the Eluru Co-operative Central Bank, S.T. Rs. 40,950, L. T. 39,114 and cash credits special and ordinary Rs. 2180. The society is also granted a special interest-free loan of Rs. 4750 of which Rs. 2034 is outstanding. With the Reserve fund of Rs. 11,948 the society's working capital comes to Rs. 1,30,112 as against a sum of Rs. 1,19,212 working capital at the end of 50-51. Loans have been issued for members to the extent of Rs. 75,268 under short term loans for agricultural purposes and Rs. 40,005 under Long Term loans for redemption of prior debts and for reclamation of lands. The total amount of loans

THE MADRAS JOURNAL OF CO-OPERATION

amounts to Rs. 1,15,273 and was issued to 450 members as against Rs. 99,080 at the close of 50-51.

The investments of the society are Rs. 24,397 and these include, Reserve Fund investment of Rs. 10,739 both in National Savings Certificates and deposit in Central Bank, share capital invested in other co-operative institutions Rs. 9,305 and value of stocks amounting to Rs. 4,353.

The society is managed by a Panchayat consisting of 5 members elected once in two years and has an establishment consisting of 2 clerks and an attender on a monthly recurring expenditure of Rs. 155.

The society is undertaking various multipurpose activities for the benefit of its members and non-members. Its bylaws have been amended so as to include the entire Denduluru Firka for distributing Agricultural implements and manures. The business transacted in agricultural implements and manures is given below :

	1950-51		1951-52 (29-2-52)	
	Purchase Rs.	Sale Rs.	Purchase Rs.	Sale Rs.
Agricultural implements .	19,428	21,063	8,488	6,061
Manures ..	10,635	10,684	7,025	6,889

The society is dealing in production and distribution of pure vegetable oils, gingelly and coconut oils and there is increasing demand for these articles required for domestic use. The society is also selling medium varieties in mill cloth, silk and woollen fabrics. Purchases and sales in respect of these items are furnished below :

	1950-51		(1951-52) (up to 29-2-52)	
	Purchases Rs.	Sales Rs.	Purchases Rs.	Sales Rs.
Mill cloth & Silks etc .	7,080	1,040	1,498	2,000
Gingelly Oil ...	1,015	1,498	447	427
„ Cake ...	...	276	...	190
Coconut oil ...	345	378	376	488
„ Cake ...	...	26	...	62
Kerosene	925	898	...	128

The society hired a tractor from the Agricultural department and arranged for ploughing of waste lands of nearly 1700 acres available in the village. The tractor worked during the period 28.11-50 to 18-7-51 and ploughed 457 acres of dry land belonging to 62 ryots. A sum of Rs. 4570 was collected and paid to the Agricultural department towards hire charges. Very recently Government have sanctioned a special concession rate of Rs. 6-4-0 per acre for ploughing the remaining extent of waste lands as against Rs. 10 scheduled rate in their G. O. No. 6 dated 4-1-52. The society is now taking steps to do propaganda and get all the waste lands ploughed during this season.

The society is also selected to work the Village Industries Development Scheme under Rural Reconstruction as per G.O. No. 138 dated 10-2-51 (Rural Welfare) and commenced supply of raw material to artisans belonging to different occupations in the Firka with effect from 1-5-51. The Government have placed at the disposal of the society an interest free advance of Rs. 40,000 for purchase of raw material, besides free grants to maintain a clerk on Rs. 50 per month to hire godowns on rent at

MULTIPURPOSE CO-OPERATIVE ACTIVITY IN MADRAS

Rs. 100 per month and Rs. 500 for the purchase of equipment. The society purchased wood worth Rs. 4,933, leather worth Rs. 18 and copra worth Rs. 280 and distributed material to the value of Rs. 2806. Iron and steel required for making 250 country double bullock carts, sickles, axes and spades has also been indented for and allotments are expected to be made shortly.

Thus the society is endeavouring to be of use to its members and non-members in their varied occupations, both in the nature of giving financial assistance, supplying domestic and agricultural requirements and also securing for these technical assistance. The society earned a net profit of Rs. 1699 for the year 1950-51 and created a Reserve fund of Rs. 11,948. The society has been taking all measures to carry out all suggestions given by distinguished visitors including the Registrar of Co-operative societies Madras, the District Collector and other non-officials.

3. The Kayyar Multipurpose Co-op. Society (South Kanara)

This Society is one of the good working Societies in the Kasaragod Taluk. The Society was started on 16-5-1922. Its area of operation extends to the villages of Bekoor, Kuhnnoor and Kayyar of the Nanjeshwar iurka of South Kanara District. It has got a membership of 89 with a paid Fpshapac reital of Rs. 1,589.

The Society meets all the credit requirements of its members. The Society has got savings deposits aggregating to Rs. 1,000 from the members. It borrowed Rs. 2909-4-0 from the District Central Bank and issued loans aggregating to Rs. 2,943 to members. The loans outstanding amounted to Rs. 4,403.

The Society has adopted Multipurpose bylaws within the frame work of its bylaws. It has taken up many multipurpose activities besides credit transactions. This Society was running a ration shop selling controlled commodities like rice, and wheat. The distribution of rationed articles has now ceased and the Society is undertaking only the distribution of sugar and chemical manures. This year about Rs. 600 worth of chemical fertilisers were distributed in addition to sale of Rs. 10,325 of other controlled articles.

For the year 1950-51 the Society earned a profit of Rs. 145-13-0. It has got Reserve Fund of Rs. 808-5-0, invested in the District Central Bank and Rs. 140 in the National Savings Certificates. The Society has invested Rs. 50 in the Central Bank shares, Rs. 200 in the Shares of the South Kanara Central Co-operative Wholesale Stores Ltd., Rs. 25 in the Ration Security deposits and Rs. 5. in the shares of the South Kanara Agriculturists Co-operative Marketing Society Ltd.,

4. The Kudiraichandal Multipurpose Co-operative Rural Credit Society (South Arcot)

This Society was registered on 12-9-1910 and started on its work on 5-10-1910. It serves 4 villages viz. Kudiraichandal, Karanur, Nallathur and Envaipatanam with headquarters at Kudiraichandal. The present membership of the society is 102 and the share capital of members is sf Rs. 498.

The maximum borrowing power of the society is Rs. 6,000 and the individual maximum borrowing power of a member is Rs. 500. On 1-4-1952 loans due from members amount to Rs. 3,276 as against Rs. 2,655 due on

THE MADRAS JOURNAL OF CO-OPERATION

1-4-1951. During the Co-operative year ending 30-6-1951 the society borrowed Rs. 4,228 from the South Arcot Co-operative Central Bank and repaid Rs. 2,859. The society has built up a decent reserve fund and has invested a sum of Rs. 2,151 under Reserve fund in the South Arcot Co-operative Central Bank. It has taken shares to the extent of Rs. 567 in the South Arcot Co-operative Central Bank, Rs. 75 in the Kallakurichi Agricultural and Industrial Co-operative society, and Rs. 25 in the South Arcot Co-operative Central Stores. The society amended its bylaws for undertaking Multipurpose, social and recreational activities. The society is dealing in chemical fertilisers, handloom cloth, iron and steel and domestic requirements like tamarind, varagu salt etc. The society is supplying credit for purchase of articles of agricultural needs, supplying iron implements and manure for the farmers, handloom cloth for the daily wear and tamarind for the dish of the farmers of the village. Thrift scheme through hundi boxes has been introduced by the society and the members are regularly saving in the hundi boxes.

During the year 1-4-1951 to 31-3-1952 the transactions in multipurpose activities are given below :—

Purchases.			Sales.		
	Rs.	A. P.		Rs.	A. P.
Textiles (handloom)	180	0 0	Ammonia	185	0 0
Tamarind	21	0 0	Tamarind	36	10 0
Salt	20	0 0	Varagu	18	4 0
			Iron	28	3 0
			Textile	143	8 9
			Salt	7	2 9
Total ...	221	0 0	Total ...	413	11 9

The society is subscribing for "Melichelvan". Rural games are held at regular intervals under its auspices.

5. The Vairichettipalayam Multipurpose Co-operative Society

This Society was registered on 22-5-1926 and started on its work on 29-10-26 under the Presidentship of Sri Sundara Reddiar *alias* Arunachalam Chettiar. There were only 10 members at the beginning with a paid up share capital of Rs. 175. During those days the villagers were not able to understand the principles of Co-operation and also its benefits. From 1929-30 the Society issued loans on mortgage of produce of the members and sold the produce at a good price in the market so that the members might get a good profit. The total transactions increased from Rs. 5,000 to Rs. 10,000. During the Presidentship of Sri S. R. Nagi Reddiar who was elected in 1936 the Society's activities were increased in all directions.

The Recurring Deposit system was introduced in 1937-38 and the members began to deposit money. During that year the Society was placed in B class. The individual credit limit has been increased from Rs. 500 to Rs. 1,000. Due to increase in day to day transactions the society's credit limit has been increased from Rs. 10,000 to Rs. 25,000 (i. e. during 1942-43). The Society got a rolling cup during the year and it was also placed in 'A' class. From 1942-43 the Society began receiving Fixed Deposits. There were 52 members with Rs. 1,086 as

MULTIPURPOSE CO-OPERATIVE ACTIVITY IN MADRAS

share capital. During this period the credit limit of individual members increased from Rs. 1,000 to 2,000. Due to the good working of the Society in 1945-46 the Society's credit limit was increased from Rs. 25,000 to 30,000. During this period (in 1945-46.) there were 70 members with Rs. 1,832 as share capital.

Again in 1946-47, the Society was awarded a Rolling Cup for its good working. There were 104 members with a paid up share capital of Rs. 3,117. The credit limit of the Society was increased from Rs. 30,000 to Rs. 36,000. During 1948-49, the Society got the Silver Cup for its good work. This year for the benefit of the villagers the Society sold clothes etc. at fair prices.

In 1949-50 there were 126 members with Rs. 4,548 share capital. This year also a cup was awarded to it. From this year Hundi Deposit system was introduced and on an average Rs. 300 is being collected monthly. This Hundi deposit system was very popular among the villagers. During this year the Society was changed into Multipurpose Co-operative Society. In 1950-51 there were 132 members with Rs. 5,573 share capital. The credit limit of the Society was raised again from Rs. 36,000 to Rs. 75,000. For the advantage of the ryots who are members of the Society for purchasing oil engines, pump sets etc. loans were issued upto Rs. 3,500 per individual. The Society purchased a tractor for Rs. 12,000 for the use of the agriculturists. Again a silver cup was awarded as a permanent trophy to the Society. The Society is proud to state that out of the original members numbering 10, there are 4 members who are still alive and are continuing as members of the Society. The President Sri S. R. Nagi Reddiar is serving the cause of the Movement in the area for the past 9 years in various capacities. The most remarkable feature of the Society's work is that all these years there has not been even one case of arbitration filed and decree executed for collection of bonus from members.

Future plan

For the economic uplift of the villagers the Society had planned to start many activities like, cottage and small scale industries, selling of members produce in the local market as well as other markets at fair prices. It has also a plan to help the poor hill tribes living in Kollimalai by arranging for the marketing of their fruits and other hill produce at good prices.

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

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

(REGISTERED IN 1923.)

All Banking facilities are afforded to Members and Constituents of the Society. Fixed Deposits are accepted for one year at 5 per cent interest.

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

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

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

Extracts

Value of Members' Meetings

A recent number of *News for Farmer Co-operatives*, issued by the Co-operative Research and Service Division, Farm Credit Administration, U. S. Department of Agriculture, publishes an article on the value of annual general meetings in co-operative societies, based on recent research among a number of agricultural co-operative societies in the United States. In view of the general interest of this article it is produced in part below.

Most co-operative leaders attach high value to the co-operative's annual business meeting—a perfectly desirable attitude on the part of managers and directors. However, the average co-operative member is often less aware of or enthusiastic about the value of the annual meeting. This difference was reflected sharply in two recent studies by the Farm Credit Administration: Miscellaneous Report 140, "*Educational Practices of Farmer Co-operatives*" and Circular C-140, "*Patrons' Appraisal of Co-operative Relations*".

In the first study 237 co-operative managers or their representatives rated the annual meeting the most helpful educational practice at their disposal. In the second instance when a companion study was made to get the views of 2,750 representative members of Southern States Co-operative, Richmond, Va., the annual meeting ranked very much lower.

While the managers gave the annual meeting top rating among all the informational practices listed, the members rated it only fifth in importance. The members placed the co-operative house organ, personal contacts, circular letters and annual reports ahead of the co-operative's annual meeting.

Except for the annual meeting there was little difference between the way the members and managers ranked the other informational devices. Both groups gave high rating to the co-operative's regular publication, personal contacts, circular letters and annual reports. Fewer had experience with educational exhibits and radio programmes.

An important reason contributing to the lower rating given annual meetings by members is the relatively small percentage that attend these occasions. Three out of every four (73 per cent.) in the current study had not attended the last annual meetings of their local co-operatives. What is more, 45 per cent. apparently had never attended any annual meeting. Whatever the reasons for their absence, such persons can hardly be expected to regard the annual meeting as a major help unless they were present to share in the proceedings. This points to the need to work for maximum attendance at annual meetings and for using supplementary educational methods to reach those who cannot attend meetings.

This problem of obtaining satisfactory attendance at membership meetings is one that perplexes many organisations.

A part of the answer seems to rest in planning each meeting to permit a maximum of participation by each member. The current study showed that members with experience as directors or advisory board members were three times as likely to have attended the most recent annual meeting as were members-at-large. Presumably these directors and advisory board members had a larger part in planning and conducting

EXTRACTS

these meetings. Calling on a larger number of members to participate in one capacity or another would undoubtedly increase the attendance.

A number of members reported that notices of local meetings failed to reach their attention. This shows the need for announcing each meeting in a variety of ways and in sufficient time to encourage full attendance.

The voluntary comments of the members considered in this study yielded many personal reasons why co-operative members sometimes fail to attend the local meetings of their co-operative organisations.

A sizeable number cannot come to meetings because of physical ailments. These are the members who are too old, too ill, too hard of hearing, or who see too poorly to venture to public gatherings.

A considerable number of others do not attend co-operative meetings because of poor roads, inadequate transportation, inability to drive a car, or because of other occupational responsibilities.

Several members indicated that their farming responsibilities did not leave them time to attend any meetings, that they had to retire early in order to be ready for the next day's work. A few complained about the meetings lasting too late. A number of part-time farmers had non-farm interests which interfered with their attending many co-operative meetings.

Many members had concrete suggestions for conducting more satisfactory membership meetings. A selected number are quoted below.

"Improve membership meetings by making programmes as colourful-interesting and impressive as possible."

"Have statistics on placards and get that part of the programme over quickly."

"Allow more time for questions and discussion."

"Induce folks to say in meetings some of the things that they say outside."

"Have an adequate public address system so that those present can hear."

"Hold meetings to a reasonable length."

"Serve refreshments to stimulate attendance and create more fellowship."

The above suggestions—coming directly from the members for which the annual meeting is designed—deserve careful consideration.

In summary, annual meetings are important but their value is confined primarily to the faithful co-operative members who attend. This points to the need for increasing member attendance and for using supplementary methods to get pertinent co-operative information to members who cannot come to meetings.

(From Co-operative Information of I. L. O., Geneva)

CREDIT

The Vizianagaram Co-operative Bank, Ltd.

The Opening of the New Building

The opening ceremony of the new building of the Vizianagaram Co-operative Bank, Ltd., was held on 26-3-52 under the President ship of Sri G. Viswanatham Chetty, B. Com. (Edin.,) F.R.E.S. (London), Joint Registrar of Co-operative Societies of Madras.

The function started with the chanting of *vedic* hymns by pundits. Dr. B. V. Sanjeeva Rao, President of the Bank welcomed the co-operators and others who assembled there. In the course of his address he narrated the history of the Bank. Some forty years ago, 28 enthusiasts of the town founded the Bank, one of them being Sri Pola Narayana Pantulu. From 1914 to 1928, the Bank slowly grew under the Presidentship of Sri Y. Narasimham Pantulu and the Secretaryship of Sri V. Somasundara Rao. The membership grew to over 200 and the share capital exceeded Rs. 1 lakh. After 1928 there was a voluntary sectionalisation of the Bank, and it began cater to the needs of the lower middle classes, artisans and petty traders only. Modern banking business was introduced with features like jewel loans. In 1935 the reserve fund was over Rs. 50,000. Between 1935 and 1942 the Bank progressed further and had a reserve fund of Rs. 60,000 and a building fund of Rs. 21,000. Today it has a reserve fund of Rs. 89,000, a building fund of Rs. 38,000 and loan business of Rs. 14½ lakhs. Sri Viswanathan Chetty, Joint Registrar, sponsored the idea of owning a building which has now taken shape.

Sri Pola Narayana Pantulu one of the founders described the circumstances in which the Bank was started and developed. Early this century there was a Bank at Vizianagaram which benefited only a few. The middle classes and the poor had to go to money-lenders. With a view to help them, Sri Y. Narasimham Pantulu started this Bank in 1914. Since then the office-bearers were elected from those who had a close touch with the middle classes, artisans, etc. The Bank has helped a number of members in the matter of house-repairs, running business, celebrating domestic functions, etc. The Bank has current, savings, homesafe, deposit accounts, etc., for the benefit of the rich and the poor and lend on surety, mortgage, etc. Thrift has been well taught to the members throughout its life. Its membership is now over 4,000.

In his Presidential Address Sri G. Viswanatham Chetty, Joint Registrar spoke as follows:—"The Co-operative movement of Madras has made rapid strides in recent years.

Our Urban Credit Movement is nearly 5 decades old and forms an integral part of the credit structure of the State. There are 221 Urban Banks in the State doing business with their own resources. The loans taken by them from Central Bank amount to Rs. 60.88 lakhs (1950-51) against their total working capital of Rs. 685.78 lakhs. All the Urban Banks have been permitted to lend on the security of the Central Land Mortgage Debentures and other securities. The Banks which have a working capital of Rs. 1 lakh and over and which have a qualified paid-secretary have been permitted to discount the cheques of select members.

THE VIZIANAGARAM CO-OPERATIVE BANK, LTD.

This Bank was the first Urban Bank in this district. It adopted simple bylaws and commenced business on a modest scale, and showed in the first year a profit of Rs. 877. One remarkable feature of its working was that it was allowed to finance the other Co-operative Societies in the district in the absence of a District Financing Bank. This shows that it was well in its saddle even from the inception and had enough funds. Even after the Central Bank came into existence this Bank continued to give cash-credit accommodation to the Central Bank! Later when sectional societies like the Samasthanam Bank and the College Bank were formed, this Bank confined itself to financing business-men, wage-earners, artisans and lower-middle classes. It had its Silver Jubilee in 1938 and recorded a further progress thereafter. It has now 6,108 members with a paid-up share capital of Rs. 3.70 lakhs, deposits of Rs. 11.68 lakhs. Its reserve fund is Rs. 89,000 and loans outstanding Rs. 14.49 lakhs.

Co-operative Banks like joint stock banks should have its own building though not palatial in order to be able to attract deposits.

Indeed the Rural Bank Enquiry Committee of 1950 felt that Urban Banks in municipal and major Panchayat areas would be the best agency for tapping urban and semi-urban savings. In accordance therewith the Registrar proposed to the Government the provision of financial assistance to urban banks as loans or subsidies to enable them to put up buildings of their own. It is hoped that the Government will in due course give their approval. The State then would be covered with a network of well housed urban banks.

I take this opportunity to make three suggestions to you: Every one of you should encourage savings by promoting thrift habit in a larger measure especially among the people of small means by means of daily deposits, *hundi* boxes, recurring deposits, etc. This will help keep the poor thrift-minded. Secondly the Bank may help increase agricultural production by giving loans for installation of pumpsets and improvement of irrigational facilities to the agriculturist members. Thirdly the Bank should provide finance to the poor for pursuing cottage industries."

G.Os. & CIRCULARS

G.Os. and Circulars

Copy of G. O. Ms. No. 30 from Development Department dated 3-1-1952
Acts and Rules—Co-operative Societies Act—Rules—Definitions and rule XI (1) (c)—Levy of audit fees—Exemption of Co-operative training institutes and language federations—Amendments—Confirmed

Read:—G. O. Ms. No. 4770 development dated 26-10-51.

From the Registrar of Co-operative Societies dated 25th December 1951 Rc. No. 145705/50-L.

Order:—No 30, Development, dated 3rd January 1952.

In the notification published at page 589 of the Rules Supplement to Part I of the Fort St. George Gazette, dated 6th November 1951, the Government of Madras published under sub-Sections (1) and (2) section 65 of the Madras Co-operative Societies Act 1932 (Madras Act VI of 1932) certain draft amendments to the rules issued under the Act. No objections or suggestions have been received by the Government. The amendments published are here by confirmed. The appended notification will be published in the Fort St. George Gazette.

(True Copy.)

APPENDIX NOTIFICATION

In exercise of the powers conferred by sub-Sections (1) and (2) of section 65 of the Madras Co-operative Societies Act, 1932 (Madras Act VI of 1932), His Excellency the Governor of Madras hereby makes the following amendments to the rules published with Development Department Notification No. 264 dated the 1st August 1938, at pages 1178-1185 of Part I of the Fort St. George Gazette, dated the 1st August 1933, as subsequently amended, the same having been previously published as required by sub-section (3) of the said section.

AMENDMENTS

1. In the definitions at the commencement of the said rules—
 (i) after clause (ff), the following clause shall be inserted, namely:—

“(fff) “language federation” means a society the main object of which is to propagate the principles of Co-operation by convening conferences, publishing journals etc.”; and

(ii) after clause (j) the following clause shall be inserted, namely:—
 “(jj) “training institute” means a society the main object of which is to impart training in the theory and practice of Co-operation to the employees of societies and candidates seeking employment in societies”

2. In the proviso to sub rule (1) of rule XI of the said rules, for clause (e) the following clause shall be substituted, namely:—

“(e) to any audit union, district federation, language federation supervising union or training institute, or”.

(True copy)

Endt. D. 33330/52-N.

OFFICE OF THE REGISTRAR OF
 CO-OPERATIVE SOCIETIES, MADRAS.
 Dated 19-3-1952.
 Copy of G. O. communicated to the Madras State Co-operative Union.
 V. GOVINDAN NAIR,
 for Registrar.

G.Os. AND CIRCULARS

Copy of G. O. (Ms) No. 1363, Development Department dated 31-3-1952
Acts and Rules—Co-operative Societies Act—Awards passed in Mysore State—Execution in Madras State—Madras Co-operative Societies (Amendment) Act, 1949—Brought into force on 8th April 1952—Notification Issued.

Read of following:

(a) G. O. (Ms) No. 5115, Development, dated 18-10-1949.

(2) From the Government of Mysore, Department of Food and Agriculture, No. AF. 10768 dated 3-3-1952.

Order:—

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

NOTIFICATION.

In pursuance of sub-section (2) of section 1 of the Madras Co-operative Societies (Amendment) Act, 1949, (Madras Act XVI of 1949), His Excellency the Governor of Madras is hereby pleased to appoint the 8th day of April 1952 as the date on which the said Act shall come into force.

OFFICE OF THE REGISTRAR OF
 CO-OPERATIVE SOCIETIES, CHEPAUK,
 Madras. Dated, 10-4-1952.

Endt. No. 5176/52-L.

Copy communicated along with a copy of the Madras Co-operative Societies (Amendment) Act 1949.

J. C. RYAN,
 Registrar.

ACT No. XVI OF 1949.

An Act Further to amend the Madras Co-operative Societies Act 1952

Madras Act VI of 1932.

Where as it is expedient further to amend the Madras Co-operative Societies Act, 1932, for the purpose here in after appearing; It is hereby enacted as follows:—

Short title and commencement.

1. (a) This Act may be called the Madras Co-operative Societies (Amendment) Act 1949.

(2) It shall come into force on such date as the Provincial Government may, by notification in the Fort St. George Gazette, appoint.

Amendment of Section 57-C. Madras Act VI of 1932.

2. In section 57-C of the Madras Co-operative Societies Act, 1932, after the words “in the Province of Orissa”, the words “or in the State of Mysore” and after the words “in that Province”, the words “or State, as the case may be.” shall be inserted.

(By Order of His Excellency the Governor).

K. V. RAJAGOPALAN,
 Secretary to Government Legal Department.
 (True Copy)

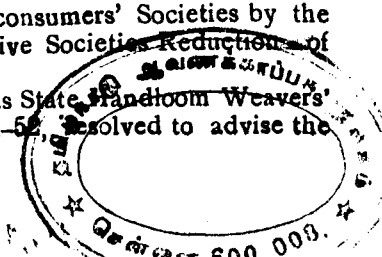
Memorandum of the Registrar of Co-operative Societies, Madras.

SRI J. C. RYAN, M.A., I.A.S., Registrar.
 R.C. No. 59422/52-K I.

Dated 4-5-52.

Sub.—Handloom Cloth—Sale to consumers' Societies by the primary Weavers Co-operative Societies Reduction of price—Instructions—Issued.

The Executive Committee of the Madras State Handloom Weavers Co-operative Society, which met on 21-4-52, resolved to advise the



THE MADRAS JOURNAL OF CO-OPERATION

primary Weavers' Co-operative Societies to supply goods to consumers' Societies at the same rates at which they supply to the State Handloom Society. A copy of the resolution is communicated to all the Deputy Registrars. They are requested to advise the primary Weavers' Co-operative Societies in their charge to supply handloom goods to consumers' Societies (such as Co-operative Wholesale Stores, primary Stores etc.) at the same rates at which the primaries supply to the State Handloom Society. This will help the primaries in disposing of their accumulated stocks. The Deputy Registrars are requested to take urgent action in the matter.

J. C. RYAN,
Registrar.

The Madras State Co-operative Union SUPERVISORS' EXAMINATION—PRACTICAL TRAINING. SUPPLEMENTAL LIST. Tanjore Centre. Practical Training—Part IV,

S. No.	Name of the Candidate	Regd. No.
1.	Venkataraman, S.	4074

(This candidate having passed his theory examination in full at March 1951 examination has now completed his examination by passing his Practical Training Examination.)

AVAILABLE FOR SALE.

Hand Painted Attractive Pictorial Colour Posters.
(With slogans in English, Tamil or Telugu)

Very useful for Co-operative Propaganda & Exhibition.

- 1 Help to Build the Co-operative Commonwealth
- 2 Many lines of Efficient Service
- 3 Loyalty to your Society is Protection to your interest.
- 4 Co-operation Grows on Good Soil
- 5 Co-operation the key-stone of National Progress
- 6 Co-operation Helps forge Country's Future
- 7 Co-operative Effort
- 8 Merchant & Money-lenders' Web
- 9 Put Your Shoulder to the Wheel
- 10 Co-operative Way of Life—Rs. 10.

Price: 1 to 9 at Rs. 8 a Poster. No. 10 only Rs. 10.
Size: 20" x 14". Postage Extra

Prepared by:
The Madras State Co-operative Union,
379, Netaji Road, MADRAS-1.

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

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

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

Attractive terms to Co-operative Institutions
and Exporters.

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

AVAILABLE FOR SALE.

MAGIC LANTERN SLIDES
(Prepared By The Madras State Co-operative Union)

COLOURED SLIDES. Price.

- | | Rs. |
|--|-----|
| 1. The Evils of Drink and Benefits of Co-operation (33 Slides) ... | 50 |
| 2. Thrift and Co-operation (40 Slides) ... | 60 |
| 3. Rural Reconstruction in Alamuru (62 Slides) ... | 93 |
| 4. Prohibition & Co-operation in Salem Dt. (40 Slides) ... | 60 |
| 5. Ramayana (36 Slides) ... | 45 |

Packing & Postage extra.

Please write to:

The Madras State Co-operative Union,
379, NETAJI ROAD, MADRAS-1.

Attention!!! Artisan Co-operatives

We want if you produce :—

Handloom Textiles of all kinds; Leather goods;
Arts and Crafts; Honey and any other type
of village industries products.

We can supply you :—

Yarn; Chemicals; Dyestuffs; Raw Hides & Skins;
Tanning materials; Leather; Honey or anything
you want from Bombay.

ALWAYS AT YOUR SERVICE.

Telegram: Sahayog Provincial Industrial Co-operative
Association Ltd.
Telephone: 34519 9, Bake House Lane, Fort, Bombay-1.

JUST OUT!

Agricultural Finance in India

(With Special reference to Co-operative Movement)

By D. K. RANGNEKAR, M. COM.,

Foreword by

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

The book is the first comprehensive Indian publication on the subject of rural finance. The Five-Year Plan formulated by the Planning Commission has given top priority for the development of agrarian economy, and this only emphasises the urgency for a scientific and objective study of the problem of agricultural finance. The long-felt need for such a study has been ably met by Mr. Rangnekar's work. The author, who was for some time a Professor of Commerce at the M. J. College of Commerce, Bhavnagar, is a financial journalist of repute and at present on the Editorial staff of the *Times of India*. He has brought to bear on his work all his intelligence and expert knowledge of the subject, of which he has made a special study.

The book deals thoroughly with the problem of rural finance, agricultural credit needs and agencies, marketing finance, rural indebtedness and savings, the operation of debt relief and tenancy laws, the working of co-operative banks and societies, the system of long-term credit. Special sections have been devoted to the discussion of Financial Reconstruction, the Role of the Reserve Bank of India, and Crop Insurance.

Pages 245, Cloth Bound, Price Rs. 15.

Published by: The Co-operators' Book Depot,
9, Bakehouse Lane, FORT, BOMBAY

Co-optex

HANDLOOM FABRICS

are preferred because of their:

- * QUALITY
- * DURABILITY
- * DESIGN
- * FASTNESS
- * PRICE

DHOTIES — SAREES — SHIRTINGS — TOWELS
FURNISHING FABRICS—TABLE LINEN—BED SHEETS
KERCHIEFS, ETC.

Visit the nearest Emporium for your selections

THE MADRAS STATE HANDLOOM WEAVERS' CO-OPERATIVE SOCIETY LTD.

EGMORE

MADRAS

Patronise this ancient cottage industry of our country
on which 10 million people subsist

*For Life Insurance and to plan
for your future
Let your choice be*

**The South India Co-operative
Insurance Society, Ltd.,**

82-B, Mount Road, Teynampet P.O., Madras-18

An Ideal Co-operative Institution
which enjoys several Unique
Features in its Constitution
and Management

A Purely Policy-holders' Concern
with

SERVICE AS ITS MOTTO.

Stability, Soundness and Economy
are the guiding factors of its
Administration and Management

*Supervision and Control by the
Registrar of Co-operative Societies, MADRAS.*

THE SALEM CO-OPERATIVE CENTRAL BANK, LIMITED.

No. 151

THE PREMIER BANK TO BE REGISTERED IN THE
PRESIDENCY IN 1909.

GRAM : COOPCENBANK " P. B. No. 8. PHONE: No. 2.

Our Reserves exceed Rs. 15 lakhs

Profit for 1950-51 Rs. 1,25,393-4-0

Maximum dividend paid all these years.

Transactions over Rs. 75 lakhs.

Current Deposits=1% Savings Deposits=1 1/2%.

Fixed and Provident Deposits accepted at favourable rates. Loans are
issued mainly to Agricultural Co-operative Societies. Investments in this
Bank help our National Industry-Agriculture.

Supporting the Bank is the patriotic duty of every one who has savings
to invest.

Maintains a large field staff to ensure the soundness of its assets.

All Banking business transacted.

Interest allowed on Fixed Deposits	6 months	3%	P.A.
"	1 year	2 1/2%	"
"	2 years & above.	2 1/2%	"
"	3 years & above.	3 1/2%	"
"	4 years & above.	3 1/2%	"

For further particulars apply to: The Secretary.

P. MANICKAM, B.A., D. KRISHNAMURTHY GOUNDER.
C.A.I.I.B., D. COM. (I.M.C.), M.L.A.,
Secretary. President

**THE
RAMNAD DISTRICT CO-OPERATIVE CENTRAL BANK, LTD.,**

No. 5184,

16, North Veli Street, Madurai.

TEL: {GRAMS: "RAMCENBANK" POST BOX No. 96.
{PHONE 444.

Branches:

Karaikudi. & Aruppukottai.

Authorised Capital Rs. 10,00,000

Share Capital Rs. 8,65,000

Reserve Funds Rs. 3,14,000

Working Capital Exceeds one Crore

Deposits are accepted at the following rates.

Fixed deposits:	6 months 2 1/2%	3 years 3 1/2%
	1 years 3%	4 years 3 1/2%
	2 years 3 1/2%	5 years 4%

For amounts of Rs. 5,000 and above

from 4 months onwards 3%

Savings deposits 1 1/2%

Current deposits upto 5,000 1%

Provident fund deposits 3 1/2%

Season deposits are accepted in the Karaikudi Branch at decent rates.

All kinds of banking business transacted.

D. N. Duraisamy, A. Ramachandran, B.A., B.L.
Deputy Registrar and Secretary. President.

THE
Tiruchirapalli District Co-operative Central Bank, Ltd.,
 No. 178.
 Fort Station Road, Teppakulam P.O., Tiruchirapalli.

ESTABLISHED IN 1909
 Tel:—"CO-OP. BANK." Post Box No 324. Phone No. 189.

Branches:—KARUR &ARIYALUR.
 Authorised share capital ... Rs. 10 lakhs
 Paid up share capital ... " 3.40 "
 Reserves ... " 9.38 "
 Working capital ... " 1.3 crores

Loans are issued mainly to rural population through village co-operative credit societies within the District. Numerous executive staff are maintained to ensure the soundness of the assets. Investments in this Bank help our national industry, agriculture.

Interest allowed on Current Accounts (upto Rs. 25,000 only)	1/2	% P.A.
do Savings Deposits (upto 5,000 only)	2	% P.A.
do Recurring Deposits	3	% P.A.
do Provident Deposits	3	% P.A.
do Fixed Deposits 6 months	3	% P.A.
do do 1 Year	3 1/2	% P.A.
do do 2 Years and above	3 1/2	% P.A.

All banking business transacted. For further particulars apply to :

The Secretary,

The Tiruchirapalli District Co-op. Central Bank, Ltd.,
 Fort Station Road, Teppakulam Post, Tiruchirapalli.

T. S. MUTHUKUMARASWAMI PILLAI,
President.

Telegrams:—"JILLABANK"

Telephone No. 203

The Malabar District
Co-operative Bank, Limited.
 KOZHIKODE-2.

Share Capital:		Rs.
Authorised	...	15,00,000
Paid up	...	9,00,125

Reserve Funds:		
Statutory	...	3,75,000
Others	...	2,06,750

ALL SORTS OF BANKING BUSINESS DONE
 &

EVERY KIND OF DEPOSITS ACCEPTED
 AT FAVOURABLE RATES OF INTEREST

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

Telegrams "COOPFIRE"

Telephone 4361.

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

MADRAS 1.

President:

SRI T. M. CHINNAYYA PILLAI, M.A., B.L.

Transacts Fire Insurance of all
 Descriptions and Motor
 Vehicle Insurance

Insure with us and Banish Worry.

For particulars apply to:

P. SHANMUGAM, B.A.,
Secretary.

Post Box No. 1249.

Madras 1.

TELEGRAMS: "CENMORBANK"

TELEPHONE: 8230

The Madras Co-operative Central Land Mortgage Bank, Limited.

LUZ, MYLAPORE, MADRAS.

President:

SRI BHOGARAJU VENKATARATNAM,

Authorised Capital	...	Rs. 50 Lakhs.
Paid up Capital	...	Rs. 20,25,600.
Reserves	...	Rs. 30,94,300.

The Bank is the Apex Co operative Bank for long-term agricultural credit and issues debentures on the security of first mortgages transferred to Primary Land Mortgage Banks and its assets.

The principal of and the interest on these debentures are guaranteed by the Government of Madras. They are TRUST SECURITIES and are also approved under the Insurance Act, 1938. A REDEMPTION FUND (SINKING FUND) is constituted to pay off debentures on maturity.

Summary of Balance Sheet as on 30-6-'51.

Liabilities.		Assets.	
	Rs.		
Paid up Share capital.	17,84,700	Cash on hand & balance with Banks.	18
Reserve and other Funds	28,61,242	Loans to Primary Banks	79
Debentures	5,08,77,100	Sinking Fund Investments	30
Deposits, Loans and Overdrafts	10,08,275	Other Investments	59
Sundry Liabilities	8,57,122	Sundry Assets	18
Profit	8,60,205		
Total Rs.	5,71,98,644	Total Rs.	5,71,98,644

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

Secretary.