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EACH FOR ALL AND ALL FOR EACH

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Thought for the Month

It is not, however, because of these idealistic considerations that the leaders of the nation and the social planners have acknowledged the Co-operative Movement as the instrument of social policy. Such recognition arises out of the basic facts of our economic life. The small-sized unit of agricultural operations, the persistence of small-scale industrial production, the existence of petty trading and the economic resourcelessness of all those engaged in these pursuits call for a form of economic organisation which overcomes the handicaps that are inherent and at the same time preserves those features—material, cultural, moral—which are in consonance without traditions and our ideals. Again, the answer to this poser is that it is scarcely possible to conceive of any pattern so suited to the purpose as that provided by the Co-operative Movement.

—Vaikunth L. Mehta.

Editorial Notes

The Reserve Bank of India and Co-operative Training :

The recent celebration of the Golden Jubilee of the Co-operative Movement on a nation-wide scale has amply demonstrated the enthusiasm of the nation to expand the Co-operative Movement further in the country. The Five-Year Plan, the Community Development Programme and the National Extension Service—all of which are now in operation in several parts of the country—have given importance to co-operative organisation in socio-economic activities. This augurs will for the Movement but the measure of success in our national endeavour towards this end depends largely on the organisational effort and efficiency of a large band of co-operative workers and enthusiasts. The essence of the problem of organisation therefore consists in finding the trained personnel needed for manning the new and re-organised Co-operative institutions.

Efforts have been made for several years past in several States in the Country—like Madras, Bombay, U. P., Bengal, Hyderabad, Mysore and Travancore—Cochin to impart Co-operative training to enthusiastic men in the official as well as non-official sections of the Movement either in the same training institutes or in separate ones; but their success though not inconsiderable has necessarily had to be limited for various reasons. Thanks to the Reserve Bank of India the situation has been properly gauged : Sir B. Rama Rau, Governor of the Reserve Bank of India, said that "the one contribution most needed today for the future development of the Co-operative Movement in India" is "the fulfilment of the need for a regular and adequate supply of trained men—of members and directors of societies, of workers, supervisors and managers, of officials and administrators at all levels—on whose knowledge of the technique of co-operation and responsiveness to its spirit, on whose efficiency in a word, will depend the speed and effectiveness with which the Co-operative structure is built up, extended and strengthened on a country-wide basis."

It was in a spirit of helpfulness and co-operation that the Reserve Bank, even at an early stage of the implementation of the Five Year Plan's co-operative development programme, instituted at Poona, courses of training such as could be availed of by the co-operative departments and the co-operative institutions of different States all over India. This proved a good beginning from the response the course has had from all States. Even at the inception of this All India Scheme of Co-operative Training at Poona, it was

realised that training facilities of this type would have to be provided on a much larger scale as early as possible. This was what was stated on behalf of the Reserve Bank at that time: "That there is great need and considerable further scope for organising such training on an All India basis is indisputable if account is taken, on the one hand, of the paucity of trained co-operative personnel in most States, and on the other, of the big and ever growing tasks that will have to be discharged by the Co-operative Movement, that is to say, by co-operators, co-operative institutions and co-operative departments. Depending, therefore, on the creation of an effective demand proportionate to the undeniable need, there is scope not only for expanding the present centre (at Poona) but for eventually establishing more than one such training centre on an All-India basis.

It was in pursuance of this plan of progressive expansion that a Central Committee for Co-operative Training was jointly set up by the Reserve Bank and the Government of India under the Chairmanship of Shri V. L. Mehta, whom Sir B. Rama Rau, Governor of the Reserve Bank, mentioned as "one who is not only among our most distinguished co-operators, but who, as Minister for Co-operation in Bombay not long ago, is well known to have given to co-operative training almost the first claim on his attention." It has been decided by the Central Committee to impart co-operative training at three levels, "higher," "intermediate" and "subordinate." The "higher" personnel are to be trained at the Co-operative College at Poona and the "Intermediate" personnel at four Regional Training Centres set up in four zones in the country, the training of the "subordinate" personnel being left to the States themselves. One of the Regional Centres is located in Madras. A note on the centre located in Madras is published elsewhere in this issue.

Here we have for the first time in the history of co-operative effort in India a co-ordination of all relevant authority for imparting co-operative training and a comprehensive effort at an integrated programme of co-operative training for the whole country. The success of this enterprise, however, depends on the measure of enthusiastic response from individual co-operators, institutions and departments. We appeal to them all to give their best response to the training courses offered ; for any absence of the response will have serious repercussions on the organisational efficiency in our co-operative plans and programmes.

Soviet Consumers' Co-operation 1953*

N. BAROU,

Ph. D. (Econ.), London.

Detailed plans have been published for the next three years (1954-56) which, when fulfilled, should considerably improve the standards of living and should help to bridge the differences between urban and country supplies.

A new language is being used in these discussions and pronouncements about the rights of consumers and their position in Soviet life. The Minister of Trade, Mr. Mikoyan, stresses the rights of the consumer in the following words:

"When our Soviet citizen goes into a shop his spirits must be uplifted by successful shopping, by the quality and appearance of the article he has bought; he must be convinced that his shopping will bring satisfaction to the members of his family at home, both grown-ups and children. This mood depends to no small degree on how he is served, in what form the articles are presented to him, and how much time he spends on his shopping. Hence the demands on trade workers to be obliging and courteous to the customer".

Many Transformations

The special decree regarding measures for improving Soviet trade stresses the necessity of maintaining and developing co-operative democracy. It demands regular reporting by the boards of the co-operative societies to the meetings of share-holders; it advocate establishment of special shop land restaurant commissions elected by the members which would control the work of each unit in the societies; and finally it demands that no illegal transfer and recall of elected workers and specialists in the organisations of the consumer co-operative movement should take place.

In order to understand the new position and tasks of Soviet consumers' co-operation, one must remember that it is only 20 years younger than the British cousumers' co-operative movement. It began in July 1863, when the first retail society was formed in Kinor in the Urals. At the end of the first war it already operated 25,000 local retail societies and a strong wholesale society.

*Extract from the Review of International Co-operation January 1954.

During the 36 years of its Soviet period the movement however has gone through many transformations and stages. It practically closed down during the short period of nationalisation of private trade and was re-established in 1921 when Lenin wrote in the Petrograd *Pravda* on the 20th October of that year: "We are correcting now a number of mistakes by our new economic policy. Following this change of attitude the Ninth Congress of the Communist Party instructed its Central Committee to formulate conditions for improving and developing the structure and activity of the co-operatives in accordance with the programme of the Party".[1]

During the period of the new economic policy (1921-27) the great majority of consumers' co-operative societies were reestablished and the movement grew very considerably.

The introduction of planned economy in 1928, aiming at a rapid industrialisation of the country was followed by the development of collective farming and rationing.

Because of the scarcity of food and consumer goods the rationing system devoloped on the lines of preferential treatment of the urban population and of wage and salary earners in the occupation most essential for the country's industrial development. This resulted in the formation of special co-operative trading units for the workers of industrial enterprises, the number of which had grown to 33,400 in 1932. With the improvement of general supplies, preferential rationing became less impertant and the number of special workers' co-operatives dropped in 1935 to 9,800. The turnover of these 'closed co-operatives', which represented 50 per cent of the total trade, fell to 20 per cent.

Rural Consumers' Societies

A new policy in regard to consumers' co-operation was started in 1935 when the urban co-operative societies in 645 of the chief towns were transferred to the Commissariat of Internal Trade, and became a part of the State trading machinery. The *Centrosoyus* (Co-operative Wholesale Society) had to devote itself "solely to the organisation of distributive co-operative societies in rural districts". This system continued until the outbreak of the war, and in 1940 the rural consumer societies developed a very large chain of stores, shops and district and rural universal stores, numbering altogether 227,300 units, and operated 26,600 bakeries.

[1] N. Barou "Co-operation in the Soviet Union". pp. 51-52, 1948.—

The war and the destruction caused by the German Occupation had a great effect on rural consumers' societies: Fifty-four per cent of the total number of local consumer societies and 4 per cent of district consumer societies stopped their activities. The number of shops and stores of consumer co-operatives has not even now reached the pre-war level in the areas which were under occupation, where the trade network has not yet been completely restored and constitutes, as compared with the pre-war level, 88 per cent in the Ukrainian S.S.R., 80 per cent in the Belorussian S.S.R., and 82 per cent in the Smolensk region.

Membership fell from 38 million to 28 million, and the number of shops remaining open has fallen to 96,000. When the country was liberated from the occupation forces the movement re-established itself very rapidly, and at the beginning of 1944 about 24,000 consumer societies of different types were again in operation.

At the end of the war the consumers' co-operative movement again started to operate not only in rural districts but also in urban settlements. The movement functions not only for the distribution of consumer goods but also for buying agricultural produce from the collective farms and the private crops of collective farmers, on behalf of the Government and industrial enterprises. Co-operative membership is growing and according to available information, it has over 26,000 societies with 32 million members, and 250,000 retail trading establishments. and marquees, inculding 25,000 canteens, restaurants and refreshment shops.

During the last three years 19,000 new shops were opened, a large number of them co-operative shops.

The Three-year Plan

It is planned to increase the number of shops in 1954–56 by 40,000 of which 23,000 would be co-operative shops. In addition, the consumers' co-operative movement is authorised to open 1,700 shops for trade in building and industrial, material, a thousand new bakeries, 11,000 restaurants, tea-rooms and buffets and 500 mobile shops. It is interesting to note that every rural co-operative consumer society is requested to establish one universal store and in the larger inhabited places it must also open special stores for the sale of footwear, ready made clothing and building materials.

Special attention must be paid to the establishment of a network of trading units at the collective farm markets. The consumer societies should accept from the collective farms the sale of agricultural produce on a commission basis. This innovation is of considerable interest and importance and is motivated as follows:

"It is known that during the period when the collective farmer are engaged in field work the conveyance of goods to the market decliness If there were to be organised, together with the sales by collective farmers themselves, a disposal on commission of collective farm produce by the co-operatives on instructions from collective farms and collective farmers, there would be no such reduction in the supply of produce to the markets during the harvesting period.

"Co-operatives could ensure for the collective farmers the same profit as they would obtain on the market, could reduce the transport overheads of collective farmers and release their manpower during the period of field work. Co-operatives must prove in practice the profitability of this form of trade to the collective farms and collective farmers".

Training Specialists

The banking system of the Soviet Union is instructed to open for the cousumers' movement special credits to enable it to proceed with reorganisation and various ministries are repuested to give land for building and to put at its disposal the necessary buildings. It was also decided to incrase by three times during the years 1954-'56 the cold storage warehouses and equipment in the consumers' co-operative, by 4½ times the necessary equipment in the shops, and 5½ times the transport equiqment.

Considerable efforts will be made in trainning new co-operative personnel. It is intended during the 3 years 1954–56 to train 20,300 specialists in technical schools, 46,500 in commercial co-operative schools, and 100,000 in special short-term schools. In addition it is intended to train 50,000 as apprentices in co-operative units of different types and about 500 people per annum in universities.

One can summarise the main tasks on which the consumers' co-operatives have to concentrate their efforts, as follows:

1. They must ensure uninterrupted trade in the commodities for productive purposes, for building, repairs etc.

2. They must ensure supplies of the main goods in demand by the rural population. They must do away with shortages in

every-day commodities such as paraffin, matches and salt, which are being allocated to the co-operatives in unlimited quantities.

3. They must study the demands of the population, especially the rural population, for goods, to see individual demands are not disregarded, and pay special attention to display, design and advertisement.

4. They must pay all necessary attention to the expansion of the trade network in rural areas and collective farm markets.

5. They must establish repair shops for consumer goods in places where there are insufficient repair units belonging to producer co-operatives.

6. They must make a great effort in improving the trainning and education of co-operative personnel and the quality of service rendered by them to the membership.

7. They must maintain and develop the democratic structure of the movement and the responsibility of its elected organs to the co-operative shareholders.

The Principles of Co-operation

SRI O. R. KRISHNASWAMI, M.A., B.COM., F.R.E.S. (LONDON)

The word "Co-operation" is derived from "*Co*" and "*Operari*" which simply mean "to work together" or to "endeavour for some common purpose." There is some confusion as to what is meant by "Co-operation." This confusion is partly due to the fact that different kinds of Co-operative Institutions have proved a success in different countries. In the attempt to preserve the unity of conception, the various definitions of co-operation have been kept so vague as to be almost completely un-informing. Besides, *Co-operation*, as a movement, ***has come into existence spontaneously as a practical solution for obvious difficulties rather than as an embodiment of a distinct theory of economic organisation.*** Hence the difficulty in defining "Co-operation" clearly and accurately.

Co-operation may, however, ***be defined as a voluntary and democratic association of human beings based on the principles of equality*** (of opportunity and control) ***and equity*** (of distribution) ***for the attainment of the satisfaction of their common economic needs connected with their economic well-being.***

It is evident that Co-operation is a union of human beings, which cannot be viewed apart from the human beings composed in it as in the case of a Joint Stock Company which is essentially an artificial person created by-law. It is true that there is the necessity of registering a co-operative organisation under a statute so as to provide it with the advantages of the "legal entity". Even then, the human element is not denied its prominent manifestation in the structure of the association.

Principles of Co-operation:—The subject of principles of Co-operation is one which was answered more in silence than in precise expression. Even the Co-operative Societies Act has not attempted to touch the matter. In Section 4 of the Madras Co-operative Societies Act, 1932, it has been stated that "........................ a society which has as its object the promotion of the economic interest of its members in accordance with *Co-operative Principles* ....may be registered." But no where it explains wha- these principles are though in its various Sections there are indit cations of the general features that go to make a society co-operative.

The only source of information available as regards this matter, which is also the best is the foundation laid down by the Rochdale Pioneers through their famous principles. Following the foot-prints of the famous Pioneers of Rochdale and also adopting the definition stated above, the Principles of Co-operation may be deduced as follows :—

The basis of Co-operative organization is human element, but not capital. Accordingly *the first characteristic of co-operation is that it is an association of human beings.* In it, persons join together only as human beings but not as capitalists or otherwise. Perhaps, *Co-operation is the only organization which retains man as man.* Ownership of capital is not the main criterion for the membership of a Co-operative Institution. Of course, capital is a means; but it is not the end in itself. Human personality counts far more than the man-made capital which is nothing more than a mere tool in the hands of man. So it is rightly said that a Co-operative Society is a "Union of Persons," but not of capital.

The second principle is that the association is optional and voluntary. Co-operation is based on the option and voluntary willingness of the persons joiningt ogether. There is no compulsion in co–operation. Each person is free to give his support to the association as he likes. Everyone joins the association on his own accord but not through coercion or force of others. It is common knowledge that any piece of activity, for its successful operation, must have the whole-hearted endeavour on the part of the doer. The "*will*" of the doer is the deciding factor in an action. Co-operation, which is natural, takes cognizance of this fundamental tendency of human nature. In fact, the co-operative bias is assured in the association mainly through its voluntary nature.

The third principle of Co-operation is the equality on the basis of which persons meet together in the association. The principle of equality is rather in the nature of a corollary to the first principle. When men join together as men it is but natural that they do so on a footing of perfect equality. But the term equality does not mean equality in possession of wealth or skill. *It is only an equality of opportunity and control.* Members are given equal opportunities in getting their common needs satisfied through the operations of their Society. The equality of control is guaranteed through the principle of democracy inherent in the management of co-operatives.

The fourth is the Principle of Universality i.e. open membership. It means that there is freedom to every person to join the association if he is convinced of its advantages. The membership is not confined to a privileged few. It is neither restricted nor limited. The credit for evolving the principle of open membership which is the life-blood of co-operation goes to the Rochdale Pioneers.

Another distinctive Principle of Co-operation is its faculty of *reconciling two conflicting interests in an economic activity.* Any economic activity, or its performance, requires two parties having conflicting interests. Take for instance, the sale of a commodity. In this activity there is the buyer on the one hand and the seller on the other side. The former is always interested in buying at a cheap rate, while the latter is interested in selling his goods at a rate as high as possible. Thus the interest of the buyer is in conflict with that of the seller. This conflict of interest is reconciled by co-operative endeavour. In a consumer's co-operative, the buyer and the seller is the same person and thus the antagonistic interests of the two parties are automatically reconciled. Similar is the case with the credit activity. A co-operative credit institution harmonises the conflicting interests of the borrower and the lender by virtue of its being an association of borrowers themselves. *This blending element inherent in co-operation makes it more "humane" than the other forms of organizations like capitalism and communism.*

The next remarkable characteristic of Co-operation is that *it is an association for the promotion of economic interests of its members.* This is clearly stated in Section 4 of the Madras Co-operative Societies Act. A Co-operative Institution aims at satisfying the common economic needs of its members who individually could not get them satisfied efficiently. In fact, the existence of certain wants to which the then prevailing system of economic organisation did not afford any satisfactory solution was the starting point of the co-operative endeavour in many countries. Thus in England the Rochdale Pioneers united together to escape from the exploitation of the retailers and capitalists. The farmers of Germany combined to obtain cheap credit. Co-operation, therefore, stands for associated effort for the satisfaction of common economic needs and adopts as its motto, "each for all and all for each".

The business of a co-operative institution is confined to its members only. This constitutes an important *Principle of Co-operation.* Co-operation stands for the promotion of economic interests of its members. As such it restricts its business to its members alone. If its business is extended to non-members also, that would mean profit seeking which is opposed to the ideology of co-operation. ***A Co-operative,*** as said by Mr. J. C. Ryan, ***is only a mutual business club and not a commercial establishment.***

Service is yet another Principle of Co-operation. A Co-operative institution is not set up with a view to earn profits, but to render service to its members by way of facilitating satisfaction of their common economic needs. It serves the cause of promotion of their economic interests. It protects the weak from the competition of civilization. It helps the poor to stand on their own legs. It endeavours to train the common man to manage his own affairs by himself.

Encouragement of thrift is another Principle of Co-operation. Co-operation does not aim at doing away with capital. Capital is as much necessary for Co-operatives as for any other organised business. However in Co-operation man hires capital and pays a nominal remuneration for its service. Capital is the result of saving and saving presupposes thrift. Therefore co-operation promotes the practice of thrift among its members. "Without thrift, no credit" is the watchword of co-operatives, especially of credit Co-operatives. "*Encouragement of thrift*" is the support with which co-operation can overcome the competition of capitalism.

The next important feature of Co-operation is that it retains the individuality of its members. Although there is no place for absolute selfishness in co-operation, a member is not required to sacrifice any part of his individuality or his spirit of enterprise. But he is expected to help others while helping himself. He is not encouraged to enrich himself at the expense of his associates. The two extreme tendencies of selfishness and unselfishness are hormoniously blended together in a happy manner in co-operation. *Self-help through mutual help* is the guiding principle of the association.

Anothor unique Principle of Co-operation is the canon of Equity that is adopted in distributing the surplus of a co-operative institution among its members. This principle is based on justice. If anybody thinks that in Co-operation which is based on the Principle of Equality, the surplus (i.e, profit) would be distributed equally among members, that would be only a false notion about co-operation. The surplus of income over expenditure in a co-operative institution is

distributed among the members according to the degree in which they make use of their association. It is because that the surplus is created by the active participation of members in the business activities of the society. The degree of participation but not the fact of mere membership is the deciding factor in creating a surplus in a co-operative institution. So the distribution of surplus is based on the canon of equity but not on equality. For instance, in consumers' co-operatives, the profit is distributed among members according to the purchases made by each. But the dividend on share capital, which is only in the nature of interest paid on borrowed capital, is declared in proportion to the paid-up share capital of each member,

The last, but not least, important principle is the Principle of Democracy involved in the management. The system of "one member one vote" is applied in the management of co-operatives. All the members have equal rights in the management of their association irrespective of their contribution of capital and the ultimate authority vests in the general body of members. *Co-operation is an organization of the members, for the members by the members.*

The South India Co-op. Insurance Society, Ltd., Madras*

SRI V. PARTHASARATHY, B.A., B.L.,
President of the Society.

I deem it an honour and a pleasure to welcome you all to-day to the new premises of the South India Co-operative Insurance Society to participate in this pleasant function.

On an occasion like this it is customary to make a survey of the past and to attempt to peep into the future.

I may state that the record of the work of the Society is of such magnitude and quality as to evoke appreciation. The total business in force of the order of about Rs. 4¾ Crores, the life fund of Rs. 1¼ Crores, successive valuations disclosing increasing strength and stability and above all the quality of the service and the spirit animating the Society present to you in outline the picture of an organisation that has been the product of careful planning and judicious development.

I may however state that though the Society is a success judged by any test applicable to an Insurance concern, we are aware that we cannot rest on our oars. There is hard work ahead to make Co-operative Insurance realise its unbounded potentialities of social welfare.

Co-operation and Insurance are alike in one respect. The key note of both is service. The Co-operative movement is a service which must not cease to be business. An insurance organisation is a business concern which must be run as a social service. It is a realisation of this aspect of Co-operation and Insurance that forms the back ground of our activity and that animates our hopes for the future.

With a view to make Co-operative Insurance more effective and beneficial it is essential to have an integrated scheme of multipurpose activity for primary co-operatives. As self help and thrift are the cardinal features of co-operative set up, it is necessary that all primary co-operatives should foster thrift among their respective members and to utilise the savings of its members for offering insurance protection to them. There are numerous co-operative societies of workers, weavers, fishermen, agriculturists, etc., and our objective is to evolve an organisation under which each member of the primary societies is brought into a Scheme of Co operative Insurance.

*Speech given on the occasion of the opening of the new premises "*Co-operative Insurance Building*", 5-6, Mount Road, Madras, on Monday, 7-6-54.

This great Co operative organisation is meant not merely to offer insurance protection to its members. The data collected by us in regard to mortality must be utilised for a higher purpose than merely to ensure business efficiency. I believe that all Insurers are charged with the function of promoting the longevity and the population in our country and preventing all avoidable disease. It is our ambition to achieve a state of things whereunder each policy holder should get expert advice on diet, on water-borne diseases and on the latest methods of treatment etc. I hope the day is not very far off where our policyholders would have free medical examination and check up once a year. It is our earnest endeavour to place greater and greater emphasis on our service to policyholders. All these schemes can materialise only if the entire structure of the co-operative movement can be harnessed for a vigorous drive for co-operative insurance in this end and other states. May I appeal to all Co-operators to extend their help to the Society in an increasing and sustained manner?

I thank the Hon'ble Sri V. V. Giri for accepting the invitation of the Board of Directors to open this building. I am very gratefu to the Hon'ble Sri Rajamannar for having consented to preside over this function. I also thank every one of you present here for the interest evinced by you in Co-operative Insurance.

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

SRI V. VENKATACHALAM, M.A., B.L.,
Secretary of the Society.

The Seventh of June 1954 will be recorded as an eventful day in the history of the South India Co-operative Insurance Society. On an occasion like this, we feel legitimately proud and happy to reflect in retrospect the several phases of our career. From humble beginning the Society has grown from strength to strength on well laid foundations. In January 1932, the late Sri Hon'ble V. Ramadas Pantulu was instrumental in starting this Society and finding a habitation for it in No. 1, Armenian Street on a modest rent of Rs. 75 per mensem as joint tenant with the Madras District Co-operative Central Bank, which was started in the same year and of which institution also he was the President. When the Society's business began to develop, the accommodation in No. 1, Armenian Street was found inadequate and after a period of fourteen months, it had to shift its office to a more spacious premises in Mookur Nallamuthu Street on a monthly rental of Rs. 100, and there it stayed till December 1935. During the four years of its existence, the Society had developed its business in such a measure as to warrent its desire to secure a fairly large accommodation in an important business centre, though at an increased rental, Therefore in January 1936 the Society shifted its office to the top floor of the Chartered Bank Buildings, on a monthly rental of Rs. 250. It came back to the locality where it had its birth in 1932 and stayed there for about 16 years. After a successful career of about 20 years, it was high time for the Society to possess its own habitation. The Chartered Bank of India were also not in a position to renew the lease any further, as they required the whole premises for themselves. All these circumstances hastened the purchase in May 1951 of a bungalow with about 52 grounds in Teynampet at a very favourable price. The Society had planned to construct suitable office accommodation in Teynampet property. As circumstances would have it, the plan did not materialise. Fortunately for the Society, the premises in which we are at present assembled was offered for sale and its location in an important business centre as well as in the heart of the City of

*Secretary's Report read on the occasion of the opening of the New Premises "Co-operative Insurance Building" of the Society at Mount Road on 7-6-54.

Madras, induced our Directors to negotiate and purchase it, with the approval of the Registrar of Co-operative Societies, Madras and in consultation with Sri L. Venkatakrishna Iyer, present Chief Engineer for Andhra State, in the month of March 1954 for a sum of Rs. 4.25 lakhs. The area of the property is about 9 grounds and the building as you will all notice is a very sturdy and imposing structure built on strong foundations capable of bearing an additional floor or two.

The investment of a certain portion of the Life funds of insurance concerns in the purchase of house properties has been an approved and well established policy of Life Insurance business in this country as well as outside. If proper care is exercised in exploiting potentialities of such properties, the net yield on such investments will not be less than four to five per cent at any time, besides affording strength and security to the institutions. We are glad to report that the Reserve Bank of India has agreed to occupy from July 1st and pay a rent of Rs. 900 p.m. for our Teynampet building for running the Co-operative Training Centre. The Society is grateful to Rev. Fr. Basenech, Mr. Ryan and the other Members of the Local Committee for persuading the Reserve Bank of India to choose our building for conducting the Co-operative Training Centre. Incidentally, this has also solved our investment problem. The Society can feel happy and rest content that it has not been put to the necessity of selling its first born.

We are also happy to report that the first and ground floors of this premises have been let on a monthly rent of Rs. 1,700 to the Indian Airlines Corporation. Taking into account the rent we have to pay for the portion occupied by us, the net yield on our investment in this house property will be round about 4 per cent. There is plenty of open space and area that could lend itself for remodelling by construction of modern office accommodation and such investments will yield not less than 6 per cent nett.

We believe that it will not be out of place to mention here a few details in brief about the Society's business and its development. Started in the year 1932 it has successfully steered clear of the several handicaps during its infancy and grown quite sturdy and strong in these 23 years of its existence. At present, it occupies a foremost position among the institutions of such type and also ranks among the first thirty insurers in this country. The Society can feel legitimately proud in being one of the few insurers that have declared bonus to its policyholders during the war period. The area of operations of the Society extends throughout the Indian Union. Outside the States of Madras and Andhra, it has branches in the States of Bihar, Uttar Pradesh and Hyderabad. It has also extended its business activities to Orissa and West Bengal. In Madras and Andhra State, it has branches at Rajahmundry, Coimbatore, Madura, Anantapur and Cuddalore. The Life Fund of the Society at present amounts to over a crore and twenty-five lakhs. The business in force on the books of the society at the end of 1953 is nearly Rs. 4½ crores. The premium income for 1953 is Rs. 24 lakhs. One of the main features of the investments policy of the Society is to provide funds for the long-term needs of the Co-operative Movement. A sum of Rs. 22 lakhs has been invested in the Debentures of Co-operative Land Mortgage Banks of Madras, Andhra and Bombay States and about Rs. 21 lakhs in Co-operative House Mortgage Banks.

The Society has been started specially with a view to serve the needs of the rural population and persons of small and limited means. To enable Co-operative Insurers to serve such needs the Insurance Act permits them to issue policies for sums even below Rs. 1,000 which Capitalist Insurers are not permitted to do. The Society has been successful through the sister co-operative concerns in this State and outside to promote thrift and self help among members of Co-operative Societies and much more remains to be done in that direction. The favourable experience in mortality and interest yield in recent years has made it possible to make insurance cheap by reduction in premium rates and we fondly hope that this feature in addition to the present strength and stature of the Society will enable it to serve the needs of the insuring public in a larger measure.

The Society is singularly fortunate in having Hon'ble Sri V. V. Giri to perform the opening function of this new Building to-day. May we recall here that the Society had the good fortune to have its first Branch at Rajahmundry opened in 1938 by Sri V. V. Giri when he was the Minister for Co-operation in this State and that branch is flourishing splendidly. May his blessing and good wishes on this occasion ensure a bright and prosperous future for the Society.

The Society is also grateful to Hon'ble Sri P. V. Rajamannar for consenting to preside on this memorable occasion. His interest in Co-operative Movement is well-known and we all value very much his presence here to night.

Amenities of Co-operative House Construction Societies

Financial powers of Co-operative House Construction Societies in the matter of providing obligatory amenities and discretionary amenities.

SRI K. C. GOPALAN, M.L.,
(Retired District Judge, Madras.)

The topic is of growing interest and importance, just because Co-operative House Construction Societies do want to accomplish the best they can for their members. A careful survey of the relevant provisions, principles, and authorities is attempted here.

2. A Co-operative House Construction Society, registered under the Madras Co-operative Societies Act, is a statutory corporation with the privileges and the fetters attaching to that status. And whether such a corporation has a particular power, depends exclusively on whether that power has been expressly given to it by the statute regulating it, or can be implied from the language used. The question is simply one of construction of the statutory language and not one of the presumption. Accordingly, what is not permitted to a statutory corporation is forbidden to it. The said principle applies alike, (i) in determining the objects (or ends or purposes) which a statutory corporation may pursue, and (ii) in determining the financial powers (or ways and means) which it may pursue for the attainment of such objects. Indeed, an impugned financial power may be not only consistent with, but reasonably conducive to the proper objects, and yet not so necessary as to be implied when not expressly given. And a single shareholder can bring a civil suit in his own right, on the ground of an ultravires measure of the corporation: (1950) Appeal Cases 550 at 556; (1910) Appeal Cases 87, at 94, 96, 97; 36 Madras 113 at 114, 115).

3. Now for the topic of this article, the relevant financial provisions in the Madras Co-operative Societies Act and the Governmental Rules thereunder, are S. 65 (2)(i) of the Act and Rule II-L of the Rules. And as per those provisions, the Society has no power to levy a tax but has power to levy a fee which, under the general law, must,—like a fine,—be reasonable. One inevitable incident of every system of taxation national or local, is that some persons, according to their capacity, are to pay for benefits or services which other people receive. On the other hand, a fee is a payment for a special benefit or service done or due to the fee-payer: (Silverman's

Economics, 1948 Edition, pages 277, 297); and this is so, whether the fee is regulatory (like a statutory license-fee or audit-fee) or is commercial (like a fee for the use of municipal swimming-baths). A markedly unreasonable fee is a tax in disguise: (I.L.R. (1953) Madras 217 at 220; (1952) 1 M.L.J. 557 at 592, 593, 595 confirmed by the Supreme Court in (1954) 1 M.L.J. 596 at 615, 616, 617.)

4. A by-law of a Co-operative Society registered under the Madras Co-operative Societies, Act, must, if it is to be valid, conform not only to the Act and to the Governmental Rules but also to the general law of the land like the Constitution of India, and the well-established principle that a by-law must be reasonable. And in the State of Madras, the Co-operative Society is—unlike a Municipal or other Public Local Authority (each of which is statutorily invested with some taxing power)—but a private organization of shareholders, the net profits of which organization are divisible as per S. 35 of the Co-operative Societies Act and Rule XII of the Governmental Rules.

5. The By-laws of the Madras Co-operative House Construction Society (registered in 1947) has served as a model to similar societies of subsequent formation. By-law 40 (i), (ii), (iii) bears the heading "Repairs and Amenities". The substance of the 3 clauses of by-law 40, reads thus:

> 40 (i) Every member occupying a house shall pay an ***annual fee*** fixed by the Board of Directors, for attending to ordinary annual repairs; and if special repairs are needed, it shall be competent for the Board to levy such fee as may be necessary.
>
> 40 (ii) When the Board arranges for the supply of water, lighting, drainage or other amenities to the members, the Board may ***levy a contribution*** from members at such rates as it may prescribe by subsidiary by-law.
>
> 40 (iii) When the Board arranges for the provision of social, medical, recreative, and educational institutions for members, the Board may ***levy a subscription*** from the members at such rates as it may prescribe by subsidiary by-law.

6. By-laws 8 (a) and 39(i) and (ii) of the Madras Co-operative House Construction Society, contemplate a class of members (known to English Building Societies as 'investing' or 'unadvanced' members)

who take shares but do not want to hire-purchase any house from the Society. And in fact the M. C. H. C. Society has 3 such members. No burden under by-law 40 (i), (ii), (iii) can attach to those members as such; for, they do not seek the benefit of any of those clauses.

7. The repairs-fee expressly so styled in by-law 40(i), is in the nature of a regulatory fee during the period of the member's hire purchase tenure. It is akin to a statutory licence-fee or audit-fee; and if it is not markedly unreasonable in amount, there can be no objection whatever to its validity. The fee-payer gets the benefit of the service, though the service has a regulatory purpose.

8. The contribution under by-law 40 (ii), relates to the amenities the provision of which under the City Municipal Act (SS. 215 to 218, 169 (3), 178 (4)) and the Public Health Act (SS. 26 and 33), is a compulsory pre-requisite to the occupation of the houses sought by the members.

The said clause (ii) of by-law 40 expressly mentions 'water-supply'; but as the Municipality provides it free of cost (as per S. 165 City Municipal Act), the Society does not charge the hire-purchasing member anything on that account. Contrariwise, the said clause does not expressly mention 'roads' the supply of which is covered by the term "other amenities"; but as the Society provides this compulsory pre-requisite, it includes in the hire-purchase-amount the member's quota on this score.

Thus the contribution under by-law 40(ii) is, in essence, a fee which would be valid unless it is markedly unreasonable in amount. (It corresponds to the Betterment Levy under the Madras Town Planning Act).

9. Next as to the amenities falling within clause (iii) of by-law 40:

This clause (iii) relates to discretionary (or optional) amenities none of which the Board is under a bounden duty to provide, while clause (ii) relates to obligatory (or compulsory) amenities which the Board must provide, even as under by-law 37(i) the Board shall, with the aid of loans from Government, construct the houses. And where the Board has the option to provide particular amenities and in such order of priority as it chooses, the members may, in reason and justice, claim a like option ***whether or not to subscribe to a particular amenity.*** Such a claim by the members is all the more reasonable, because

(i) the "general purposes" element, which is the heaviest element, of the property-tax payable by the hire-purchasing-members to the Corporation of Madras, goes, as per Schedule V of the City Municipal Act, towards the health, safety, comfort, convenience, and education of the people of the city, and (ii) the Elementary Education Tax payable by the members at an extra 18 per cent over the property-tax, goes to the elementary education of the city-children.

The above view of by-law 40 (iii), accords substantially with the normal (or dictionary) meaning of the word "subscribe". And, in the context, the subscription is neither compulsory not charitable. Donations can be had from members and others for the furtherance of any purpose to which the Society's funds may be applied: (by-law 12(d): Madras Village Panchayats Act S. 55). And the subscription, which is a non-gratis payment under by-law 40 (iii), can be had from such members alone as subscribe (expressly or by necessary implication) their consent to the particular amenity. The verb 'levy' has, as per the Concise Oxford Dictionary, 2 senses (i) to raise, (ii) to impose; i.e. it may be voluntary or compulsory: ((1911) 2 Chancery 324 at 328, 329). Here, in by-law 40 (iii), the levy of subscription must be voluntary (i.e., by consent) if it is to be valid.

The aforesaid interpretation is decisively clinched by the following factor. It is settled law that the reasonableness of a by-law has to be tested by assuming that it may be put in force to the full extent and rigour of its scope; and the argument that the administration may be trusted to act reasonably is a bad ground for defending the by-law: ((1919) Appeal cases 548 at 588, the defendant-respondent wherein was a co-operative society; (1909) 2 King's Bench 127 at 136; (1918) 2 King's Bench 133 at 138). Accordingly, a subscription under by-law 40 (iii) would be a reasonable and valid fee, only on the interpretation that even where the Board of Directors arrange, as we must assume that they would in fact, as they could in law, arrange (=take steps) for all sorts of social, medical, recreative, and educational amenities,—none of which the Board was under a bounden duty to provide, the Board can raise or collect a subscription-fee, only from such members as subscribe their consent to the particular amenity. But any and every compulsory levy of subscription under by-law 40 (iii), is intrinsically and irredeemably unreasonable as a fee; and so, it is, in essence, an ultravires local tax.

10. More often than not, a praiseworthy intent prompts statutory corporations to ultravires measures (beyond their prescribed limits).

And in particular, as regards co-operative societies—whose paramount object is, in the words of S. 4 of the Madras Act, "the promotion of the economic interests of their members in accordance with co-operative principles",—the following citations from 3 text books on "Co-operatives" are of a piece with the rest of this article:

(i) "Co-operation is a method of doing business. The one circumstance without which there can be no successful co-operation, is the common need of some economic advantage. If any permanent good is to result, this need must be fully realized by all concerned." (Calvert, I.C.S., 1933 Edition, pages 14 and 15).

(ii) "Many Co-operatives on this Continent (North America) and elsewhere have failed, because they did not answer any urgent economic need. The sustaining of loyalty is a problem in any co-operative; but the problem is intensified in a society in which no economic gains are apparent. 'Co-operatism' can spread only by education and consequent conviction and persuasion. In the final analysis, the only way the co-operative movement can advance or maintain itself, is by giving its members economic gains which profit-enterprise may fail to do." (Professor Casselman of Ottawa University, 1952 Edition, pages 12, 94, 107 and 159).

(iii) "If there is one lesson that the history of the Co-operative movement in India teaches more than any other, it is the need of curbing the common human urge to try to run before one can walk steadily. Coercion to ensure the carrying out of obligations freely assumed, falls in a very different category from the imposition of obligations without the consent of those concerned." (Dr. Hough, Oxford University Press, 1953 Edition, pages 305 and 317).

11. Finally and in short, for a Co-operative House Construction Society to provide a particular 'discretionary amenity', a good and sure financial way appears to lie in obtaining beforehand—by persuasion—the written consent of a majority of the members concerned, so that the amenity may thrive by the support of the consenting members and more and more of that kind.

Multipurpose Co-op. Activity in Madras State

[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 Mekeri Co-operative Multipurpose Rural Credit Society (Nilgiris District) K. 939.

Location and area of operations :—This society was registered on 29-8-1943 and started on work on 17-4-1943. This is the 12th year of its working. It is at a distance of 8 miles from Ootacamund in Balacola Village, Balacola Post. The village is situated in the Kundah Firka in Ooty Taluk, one of the blocks selected in the National Extension Service Scheme in this district. The area of operations is confined to Mekeri hamlet in Balacola village. There are about 60 houses in the hamlet. The main occupation of the members is agriculture, *i.e.*, cultivation of potatoes, ragi, wheat, sami etc. This society is affiliated to the Mercanad Co-operative Supervising Union at Daveshola and the Coimbatore Nilgiris Co-operative Central Bank Ltd.

Membership, Paid up share capital and investments :—The authorised share capital of the society is Rs. 15,000 made up of 15,000 shares of rupees one each. There are 64 members with a paid up share capital of Rs. 4,845 as on date. The society has taken shares to the value of Rs. 1,500 in the Central Bank and Rs 250 in the Nilgiris Co-operative Marketing Society. The society has a reserve fund of Rs. 1,256-11-0 invested full in the Central Bank. The maximum borrowing power of the society is Rs. 50,000, while the total net assets of the members of the society amount to Rs. 6,22,172. The maximum credit limit of an individual is Rs. 1,000 and all loans exceeding Rs. 250 to members should be for purchase of manure for cultivation through the society.

Loan Transactions :—During the year 1953-54 the Society issued Rs. 40 832-8-0 as loans to its members. Loans outstanding from the members on 30-4-1954 amounted to Rs. 43,463-8-0. The Society borrowed Rs. 33,540 from the Central Bank upto 30-4-1954 and the borrowings to the Central Bank amounted to Rs. 33,359-0-0 on 30-4-1954.

Controlled Credit Scheme :—This is one of the society's working under the controlled credit scheme in this district. The society has appointed its president as a Marketing panchayatdar to the Nilgiris Co-operative Marketing Society. It obtained 929 bags of manure worth Rs. 30,192-8-0 from the Nilgiris Co-operative Marketing Society and distributed them to its members for raising potato crops during 1953-54.

This society has adopted by-laws for undertaking social and recreational activities. It has issued hundi boxes to its members. The Society earned a net profit of Rs. 674-1-0 during 1952-53 The Society was sanctioned a scriptory grant of Rs. 120 for the second half year towards the maintainance of a clerk employed by the Society. The Society is running a library also.

Sri K. Linga Gowder is the president of the Society from its inception. He takes keen interest in the working of the Society and is responsible for the good working of the Society. He is an enthusiastic agriculturist and an ardent co-operator and also a member of the Governing Body of the Mercanad Co-operative Union.

2. The Sulur Multipurpose Co-operative Society (Coimbatore District).

The Sulur Multipurpose Co-operative Society No. 546 in Palladam Taluk of Coimbatore Circle was registered on 18-1-1911 and started on its work on 12-4-1911. It is one of the oldest societies in the circle working fairly well for 43 years. This society is affiliated to the Sulur Co-operative Supervising Union and the Coimbatore Nilgiris Co-operative Central Bank Limited, Coimbatore. The area of operations of the society is confined to the Sulur village.

2. *Share Capital and Investment* : There are at present 819 members on rolls with a paid up Share capital of Rs. 17,113 the authorised share capital being Rs. 40,000 consisting of 4,000 shares of Rs. 10 each. The society has taken shares to the value of Rs. 2,500 in the Coimbatore Nilgiris Co-operative Central Bank, Limited, Rs. 1,000 in the Coimbatore Co-operative Marketing Society and Rs. 100 each in the Tirupur Co-operative Sale Society and the Coimbatore Co-operative Printing Works, Limited, respectively. The maximum borrowing power of the society is Rs. 1 lakh. The value of the net assets of the members is estimated at Rs. 26,15,476.

3. *Loan Transactions* : Loans to the tune of Rs. 72,749 were outstanding against the members at the end of the year 1952-53. During the year the society borrowed Rs. 42,300 from the Coimbatore Nilgiris Co-operative Central Bank and rapaid a sum of Rs. 21,738 leaving an outstanding of Rs. 92,911 at the end of the year.

4. *Multipurpose Activities* : The Sulur Multipurpose Co-operative Society was selected as one of the Societies for dealing in non-credit activities such as distribution of foodgrains, sugar, kerosene, improved seeds, etc. During the year 1952-53, the society purchased goods to the value of Rs. 2,27,186 and effected sales to the tune of Rs. 2,32,155 and it earned a net profit of Rs. 2,586 for the year.

Besides dispensing credit and supplying agricultural and other common requisites to its members, the society has undertaken the manufacture and sale of jaggery on an agency basis without any financial commitments to itself. Provision has been made in the by-laws of the society to enable its ex-tapper members to under take the manufacture of jaggery and to issue small loans to them to the extent of Rs. 50 each. 4 ex-toddy tappers have been admitted as members in the Society and they have been issued licences under the Madras Sweet Toddy Rules 1939 for tapping of cocoanut trees for sweet juice and the manufacture of jaggery.

The Panchayatdars of the society are enthusiastic and take keen interest in the working of the society.

The Society owns a building worth about Rs. 50,000. The Sulur Land Mortgage Bank is also housed in the same building for a nominal rent of Rs. 225 per annum.

3. The Alampoondi Multipurpose Rural Credit Society (South Arcot District).

The Alampoondi Multipurpose Rural Credit Society was registered on 12-1-1918 and was started on its work on 5-2-1918.

As on 30-6-1953 there were 94 members with a paid up share capital of Rs. 1,708.

Investment :—Out of the total reserve fund of Rs. 6,160 to the credit of the society, a sum of Rs. 5,540 has been invested in the South Arcot District Co-operative Central Bank. The society has taken shares to the value of Rs. 600 in the South Arcot Co-operative Central Bank and Rs. 150 in other co-operative institutions.

Borrowings :—A sum of Rs. 1,831 was repaid by the society towards Central Bank loan leaving a balance of Rs. 1,783 under Long term loans and Rs. 1,031 under cash credit on 30-6-53. The society is encouraging small savings of members and others by recurring deposits. The society received Rs. 189 under Fixed deposit Rs. 103 under accumulative deposit and Rs. 8 under Hundi deposit. A sum of Rs. 553 under Fixed deposit Rs. 11 under hundi deposit, Rs. 52 under recurring deposit and Rs. 329 under accumulative deposit was due by the society at the end of the year.

Loans outstanding against members :—A sum of Rs. 2,716 was disbursed to members as short term loans. A sum of 3,845 (Rs. 1,406 under short term and Rs. 2,439 under medium term) was collected from the members leaving a balance of Rs. 6,231 (Rs. 4,676 short term Rs. 1,555 medium term) at the end of the year.

Multipurpose activities :—The society purchased ammonium sulphate to the value of Rs. 2,333-15-0 and effected sales to the tune of Rs. 2,310 During 52-53 the society worked at a net profit of 393-8-0.

General :—The financial position of the society is sound. The society has got reserve fund of Rs. 6,160 to its credit. The other reserves of the society amounts to Rs. 193. The society has also invested Rs. 750 in the shares of co-operative institutions. All the members loans are recoverable and there are no bad debts in the society. The society has proposed to construct a godown for stocking the produce of the members for a better market. A site to the extent of 0·12 cents has been secured free of cost by the society from a member and the document has since been registered in favour of the society. A godown will be constructed by the society soon.

G.O's. and Circulars

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

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

R. C. No. 196097/53 A. *Dated 27-4-1954.*

Sub :—Co-operative Central Banks and other societies—Special bylaws relating to service conditions of Employees—Amendment to the model—Further Instructions Issued.

Ref :—Registrar's Memorandum R.C. 196097/53 A, dated 15—3—1954.

The attention of the Deputy Registrars is drawn to the Registrar's memorandum cited above. Except for the imposition of fine, the model special bylaw amended in accordance with the provisions of the Madras Shops and Establishments Act do not contain the procedure to be followed by the societies for inflicting punishments such as Censure, with-holding of increment or reduction, on their employees and for the termination of their services before the expiry of six months of their service or for dismissal during the subsequent six months of their probation or regular service. The Registrar considers that it will be against the principles of natural justice, if the societies do not follow the recognized procedure in all cases of disciplinary action against their employees. The following further instructions are therefore issued for the guidance of the Societies in this behalf :—

2. (*a*) In cases where the punishment proposed to be inflicted is only a Censure or stoppage of increment, the employee on whom the punishment is proposed to be inflicted, should be given a notice by the authority competent to award the punishment, informing him of the grounds on which it is proposed to inflict the punishment on him and asking him to state, within a specified period, his objections if any, to the action proposed. After obtaining his explanation, the authority who issued the notice should examine it and dispose of the matter on its merits. (*b*) When the punishment proposed is reduction to a lower category in service or of pay, regular charges should be framed against the employee concerned and he should be asked to submit his explanation to the charges on or before a date to be specified in the memorandum of charges. If along with his explanation he prays for a personal hearing or wants some witnesses, to be examined in defence of his case, the request should be complied with. The authority who framed the charges should, then examine the explanation including the Depositions, if any, recorded from the employee or his witnesses and dispose of the charges on their merits. Every order disposing of the charges should contain a summary of the charges framed, the explanation submitted by the employee and the findings thereon of the authority who disposed of them.

(c) In cases where the services of an employee or employees have to be terminated for want of vacancies or as a result of any retrenchment programme of the society, the employee or employees concerned should be given a month's notice or a month's wages in lieu of such notice. (Vide the amended model special bylaw No. 6 (i) (b). In all other cases, where an employee has to be removed or dismissed from service for inefficiency or for any other reason on which disciplinary action can be taken against him, the procedure indicated in paragraph 2 (b) above, should be strictly followed. As regards treating "suspension" as a substantive punishment, instructions will be issued separately, in due course.

3. The Deputy Registrars are requested to communicate at once these instructions to the Central Co-operative banks and other societies in their jurisdiction.

J. C. RYAN,
Registrar.

Regional Co-operative Training Centre, Madras

The Planning Commission considered that the co-operative movement, which has to deal with the Agricultural Finance of the country was undeveloped in several States and that the absence of adequate trained staff in the department and the co-operative institutions was a limiting factor in the growth of the movement. Therefore the Government of India in collaboration with the Reserve Bank of India, constituted a committee called the "Central Committee for Co-operative Training", consisting of leading non-official co-operators, official of the Planning Commission, Ministry of Food and Agriculture, the Reserve Bank of India and the Co-operative Departments of the various States, for formulating plans and for organising and directing arrangements in regard to the training of the personnel employed in the co-operative department and Co-operative Institutions in the several States at all levels, namely, "Higher" "Intermediate" and "Subordinate". The Central Committee decided to continue the training of "Higher" Co-operative personnel (persons holding key posts in the Co-operatives and in the Departments) at the Co-operative College, Poona and to set up four zones for training "Intermediate" Co-operative personnel. The training of Subordinate personnel (auditors, supervisors and clerks) has been left to the States themselves. The Reserve Bank of India has taken the financial responsibility for working the training schemes for the higher and intermediate personnel. For the Southern zone comprising the States of Andhra, Coorg, Hyderabad, Madras, Travancore-Cochin and Mysore, it has been decided to set up a Regional Co-operative Training Centre at Madras. The Training Centre will be under the control of a Regional Committee consisting of an Educationist, the Registrars of the Andhra and Madras States, a Non-official Co-operator of Madras and the Chief Officer of the Agricultural Credit Department, Reserve Bank of India, Bombay. The Principal will be its Member-Secretary. A Deputy Registrar of the Madras Co-operative Department has been appointed as the Principal of the Training Centre. This Centre is intended for training Accountants, Superintendents, Managers, Secretaries, and Assistant Secretaries of big co-operative Societies as well as Departmental Officers of the grade of Co-operative Sub-Registrars. The special features of the training are, Specialised training in particular branches of Co-operation, Free tuition, Free lodging and Monthly stipend and Travelling Allowance.

The Training Centre at Madras will be located at No. 82-B Mount Road, Teynampet in the building belonging to the South India Co-operative Insurance Society, Madras. A hostel for 45 students is attached. The Centre will commence work on the 5th July 1954 As training centres in other regions have not yet been set up, students from States other than those in the Southern zone have been selected to undergo training in the Madras Centre. Sri V. Govindan Nair, an officer of the Madras Co-operative Department has been appointed as the Principal of the Training Centre and is expected to join his post on 1st July 1954.

J. C. RYAN,
Registrar.

Co-operative News

Golden Jubilee Celebration of the Co-operative Movement in N. A. District.

The Golden Jubilee of the Co-operative movement was celebrated in Vellore on a grand scale by the Co-operators of the town on the 17th, 18th and 19th April, 1954

On the 17th morning a well arranged procession with placards and festoons decorated in the lorries of the Central Stores and the N A. Dt. Motor Transport Co-operative Society Ltd., Vellore passed through the main streets of Vellore Town and to the Co-operative Central Bank Ltd., Vellore, where a meeting of Co-operators from the District was held with Sri B. Bakthavatsalu Naidu, M.L.A., Dy. Speaker of the Madras Legislative assembly and President of the Vellore Co-operative Central Bank in the chair.

Mr. K. M. Singaravelu Mudaliar former President of the Central Bank hoisted the Co-operative flag. Mr. P. S. Rajagopal Naidu welcomed the Co-operators from all over the District, and spoke on the part played by the Co-operatives in improving the condition of the masses socially and economically.

The oath of affirmations for the occasion was taken, all standing.

Mr. M. Ananthanarayanan M.A., I.C.S., District Judge, inaugurated the celebration and opened, the N. A. District Co-operative Printing works Limited.

Mr. M. S. Seshachalam Iyer, Tiruvannamalai declared open the Co-operative Exhibition. He stressed the value of marketing societies. About 10,000 people visited the exhibition.

Messrs. G. Swami Naidu, B.A., B.L. Advocate, Tirupattur and R. Hariharan, Arni spoke on the activities of the movement for the last 50 years.

Mr. B. Bakthavatsalu Naidu distributed 8 prizes for supervisors who did good work in the year '52–53.

In the course of his Presidential speech, Mr. B. B. Naidu spoke on various improvements and benefits made in the rural parts by the Co-operative movement for the last 50 years and exhorted the co-operators to follow the co-operative principles.

Mr. T. Krishnamurthy Goundar, Vice President of the Central Bank Ltd., Vellore proposed a vote of thanks.

On the 17th there was a dance recital by Kumari Nirmala. Govindaswami and Party enacted a few scenes from "Katta Bomman". On 18th Miss S. S. Lakshmi, B.Sc., gave a music performance and on 19th Miss Vyjayanthi.

On the occasion of the Golden Jubilee celebration, on 17th Sri A. Venkatesan, I.A.S., District Collector, laid the foundation stone for the Godown of the N. A. District Central Co-operative Stores. Sri S. L. Raghava Mudaliar, M.L.A., presided, Sri P. S. Rajagopal Naidu, President, N. A. District Co-operative Central Stores welcomed the guests.

NOTICE

Volume No. XLVI, Madras Journal of Co-operation.

With this issue the *Madras Journal of Co-operation* completes Vol. XLV. Subscribers are requested to remit their subscription for the next Volume i.e. No. XLVI commencing from July 1954 and ending with June 1955 in advance so as to reach this office before the 25th July 1954. If for any reason remittance is not received before that date, the July issue will be sent by V. P. P. which means an additional avoidable expense of annas three to themselves and some unnecessary work to the office.

If subscriptions are remitted by cheques drawn on banks other than the Madras Clearing Banks, the minimum bank commission of four annas may kindly be added also to the subscription.

P. NATESAN,
General Secretary,
The Madras State Co-operative Union,
379, Netaji Road, Madras-1.

TO MEMBER SOCIETIES.

All member societies are earnestly requested to pay the Annual Contribution due to the Madras State Co-operative Union either by Money Orders or by cheques drawn on the Madras Clearing Banks only before the 25th July. If they choose to send cheques on mofussil banks, they will please add the minimum bank commission of annas four to the amount of the cheque.

P. NATESAN,
General Secretary,
The Madras State Co-operative Union,
379, Netaji Road, Madras-1.

The N. A. District Co-operative Motor and Power Pump supply society Ltd., celebrated the Golden Jubilee by laying the foundation stone for the building of the society. Sri S Panjakshara Chettiar, B.A., B.L., M.L.A., laid the foundation Stone, and Sri A. Ramachandra Reddiar, M.L.A., presided. Sri P. Doraisami Naidu, Director of the society welcomed the gathering.

• • •

The George Town Co-operative Bank Ltd., Madras, as part of its Celebration of the Golden Jubilee of the Indian Co-operative Movement honoured its two distinguished members—Dr. P. Natesan, M.B.B.S., its President and Sri R. S. Subrahmanya Iyer, B.A., L.T., its Vice-President—by having their portraits unveiled. The meeting held at the T.T.V. High School, Madras on 27-6-54 was very largely attended. Sri Ranganatha Iyer, Director of the Bank welcomed the gathering. Prof. R. Krishna Murthy, M.A., Principal, Pachaiyappa's College, unveiled the portraits. In the course of his speech he described the distinguishing qualities of the two distinguished co-operators. Sri Desikan, another Director of the Bank proposed a vote of thanks. (The proceedings will be published in the next month's issue of this Journal.)

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