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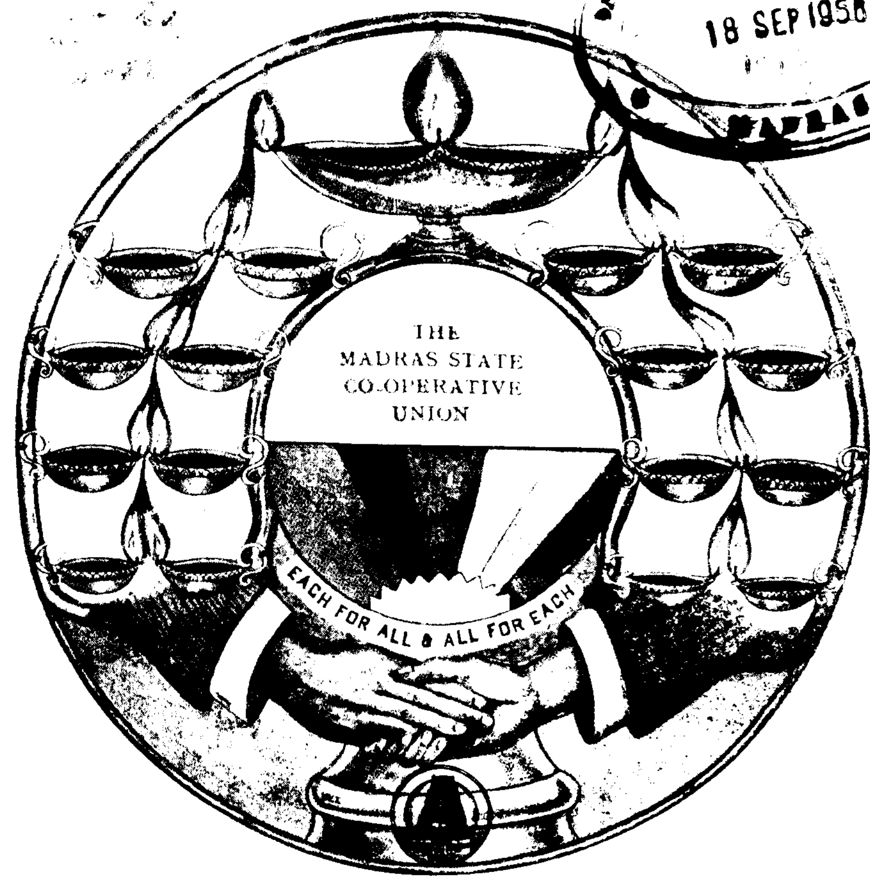

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Thought for the Month

Co-operation gives rise to a number of non-economic satisfactions including a strong friendly or family spirit and a sense of pride and power which is impersonal and so disinfected. Co operation, in short, not only plays a large part in the economic machinery of the world, but a large part in the minds, the characters and even the hearts of men and women of many lands, colours and cultures, to whom it is a unifying bond subsisting through great wars and deep political cleavages.

Margaret Digby—
'*The World Co-operative Movement.*'

Editorial Notes

FINANCING OF WEAVERS' CO-OPERATIVES

FINANCING OF WEAVERS' CO-OPERATIVES—THE PRIME NEED.

The handloom industry is the biggest cottage industry of our country. There are nearly 28.7 lakhs of looms in India, of which 22 lakhs are reported to be commercial looms. One of the chief requirements of the handloom industry and probably largest in terms of money, is the working capital required for production and marketing of handloom cloth. But with the vital role, that has been assigned to the handloom industry in the future economy of the country viz. to produce 3 000 million yards by 1960–61, the provision of working capital of the order of Rs. 30 crores has become urgently necessary. So, the problem of financing the weavers' co-operatives—its volume, the resources and the agencies—have now acquired a pivotal importance. We have published elsewhere a brief report of a conference held at Bombay on the 7th July, 1956, in which the representatives of the Co-operative Financing Institutions, Development Secretaries and representatives of the Reserve Bank of India have participated.

TRENDS IN FINANCING HANDLOOM INDUSTRY

Though we have not yet been appraised of the conclusions, we have been given a general idea of the trend of disscussions at that conference. Three broad trends are observable. Firstly, the Government of India are, of the view, that working capital is 'business finance' and it would be advisable, that the weavers' co-operatives relied on the normal financing agencies for commercial credit, instead of the Government of India for concessional credit. Secondly, hereafter, all loans to weavers' co-operative societies throughout the country would bear an uniform rate of 3 per cent interest, the difference between that rate and the rate at which normal financing agencies could lend money being subsidised from the Cess Fund. Lastly, it has been recognised that there is a need to guarantee the losses resulting from the non-recovery of loans issued to weavers' co-operative societies and thus create the necessary confidence among the co-operative banks to liberalise their financing policy regarding the weavers' co-operative institutions.

THE PROPER AGENCY FOR BUSINESS FINANCE.

The view of the Government of India that the working capital loans to weavers co-operatives is in the nature of "business finance" requires careful examination. The All India Handloom Board is of the view that finance for the handloom industry is mainly in the nature of rehabilitation finance for the present. There is considerable force in that view. But there is a growing volume of expert opinion, which seems to favour the idea that commercial credit required by the handloom industry must at some stage or other come out of the normal financing agencies and that it is both expendient and necessary that arrangements be made as early as possible by the weavers co-operative societies to draw their credit requirements from the Reserve Bank of India, through the Co operative Banks. If the latter view gains force, then the State Governments should make expeditious arrangements to switch over the new system of financing handloom weavers organisations, through the medium of co-operative banks. Two things are essential, if the Reserve Bank takes the role of the main credit agency through Sec. 17 (2) (bb); firstly, the rate of interest should be on a par with interest charged for agricultural credit, in view of the fact that such loans are fully guaranteed by the State Government concerned both with respect to principal and the payment of interest and in view of the fact that handloom industry is getting rapidly stabilised and rationalised as a result of the several measures initiated by the All India Handloom Board. Secondly, there should be a free flow of funds from the Reserve Bank to Co-operative Banks to finance the weavers' co-operatives, without any undue-rigid and restrictive conditions, like the pegging of credit limit to the quantum of paid-up share-capital and reserve funds.

HANDLOOM FINANCE CORPORATION—A DISCUSSION.

There is again an issue, which of late has been gaining some importance. There is a feeling among the representatives of the weavers' co operative societies that the Co-operative Banks are following a very rigid and cautious approach in their lending policy to weavers co-operatives in order to avoid or minimise losses resulting from non-recovery of loans. That view may, to a certain extent, be true. For example, out of Rs. 152.3 lakhs to be made available upto 30th June 1955 (Rs. 44,10 lakhs from own resources and Rs. 108.20 lakhs from Cess Fund), all the Co-operative Banks in the Madras State have made available to weavers co-operatives only Rs. 109.16 lakhs.

But the fact remains, that many of the weavers' co-operatives are quite new and have very little business experience. Hence the hesitancy, which is reflected in the cautious policy adopted by the financing banks. It is, no doubt, true that to achieve the target of handloom production of 3,000 million yards, by 1960–61, there should be a considerable expansion of the handloom industry. Every loom, whether in the co-operative fold or outside it must be activised and must be made to work at least for 300 days in the year and this means, that there must be a copious flow of credit to the handloom industry during the Second Five Year Plan period. The need, therefore, for augmenting the uninterrupted credit flow to the handloom industry through the co-operative credit mechanism, becomes quite clear and patent. But the cautious policy of the Co-operative Banks has given rise, in certain circles, to a demand for the creation of a separate corporation to finance handloom weavers' co-operative organisations. This demand is, indeed, unfortunate at this juncture. For one thing, it should be borne in mind that the provision of working capital to the weavers co-operative societies from the Cess Fund by the Government of India is at best a purely temporary measure; and so, the argument that a separate financing organisation should be created to channel the money from the Cess Fund does not seem to have much force; further, if the Reserve Bank takes up the responsibility of financing the weavers co-operatives, through Sec. 17 (2) (bb), it will insist that it should be routed through the State and District Co-operative Banks, in which case, a separate Handloom Financing Corporation seems to be unnecessary. Again, whatever may be the merits of the case for the creation of a separate Financing Corporation for weavers outside the co-operative fold, it is absolutely clear that there is no need for a separate Financing Corporation for financing weavers co-operative societies. On the other hand, if the present handicaps and bottlenecks in the system of financing the weavers' co-operatives by the co-operative banks are removed, and the free flow of credit to the handloom industry through the co-operative credit mechanism is ensured and facilitated, it would be a great advantage to the handloom industry. For in our State, we have the unique record of Co-operative Banks financing the weavers co-operatives, even before the advent of Cess Fund schemes. Further, the Government of India are quite anxious to route all working capital sanctioned from the Cess Fund through Co-operative Banks and we will have the proud privilege of effecting the change-over as

effectively and smoothly as possible, when the Reserve Bank of India ultimately takes the responsibility for financing handloom co-operatives.

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REASONABLE RATE OF INTEREST

The question of the reasonable rate of interest at which credit should be made available to weavers' co-operatives is one of vital significance. In our State, the weavers' co-operatives get credit at 4 per cent, whatever the source of credit, whether it be from Cess Fund or Banks' own resources. It is learnt that the conference at Bombay has tentatively recommended that for the present, all loans for the weavers' societies shall bear 3 per cent interest and in order to enable the Co-operative Banks to advance funds to weavers' societies at the uniform rate of 3 per cent, the difference between the rate at which they could lend money and the rate of 3 per cent must be subsidised by the Government of India from the Cess Fund, irrespective of the source from which funds are provided by the financing banks. This is a very welcome decision. Business finance at 3 per cent must be a great boon to the handloom industry. We are not sure how long the interest subsidy will continue. We would like to emphasize, that so long as Cess Fund is in operation, the interest subsidy should be continued.

GOVERNMENT GUARANTEE—ITS PRIME NEED

We may have a sound credit machinery; we may also have credit at cheap rates. What is even more important is that we should ensure that the credit mechanism is active and facilitates a free flow of funds to the handloom industry. We are aware that the Co-operative Banks have followed a very cautious approach in their lending policy to weavers co-operative societies in order to avoid or minimize losses resulting from non-recovery of loans. The need of the hour is a dynamic credit policy in order to plan for the large scale expansion of the handloom industry in future years. In our State alone, nearly Rs. 1.75 crores of business credit from the Cess Fund should be pumped into the handloom industry, upto the end of the first year of the Second Five Year Plan. At present several bottlenecks in the financing of weavers societies are reported. Some banks sanction loans upto the extent of paid up share capital, exclusive of Government loans; old societies are sanctioned loans on the basis of investments made by them in the Central Banks under share-capital and Reserve Funds; some banks advance loans at the rate of Rs. 80 per active loom, though a minimum of Rs. 200 per loom has been sanctioned; a few banks insist on the execution of personal guarantee bonds by the Board of Directors, besides the regular deed executed by the societies for the loans. These and similar bottlenecks must be eliminated. But it should be clear that these bottlenecks, and the cautious approach in the credit policy of the Co-operative Banks stem from the fact that the weavers co-operatives are new enterprises without any business stability or experience. The Boards of the Financing Banks are apprehensive that if they pursue a dynamic lending policy, they will land themselves in very difficult situations; they want to avoid or minimise losses resulting from the non-recovery of loans. They are, therefore, inclined to pursue a cautious policy. But such a rigid policy of safe finance will not meet the credit needs of an expanding industry. It is, therefore, necessary that the Government should come forward to meet the losses, if any, sustained by the Banks, as a result of liberalising their lending policies in respect of weavers societies. The Co-operative Banks have, in the past, been requesting the Government to guarantee the entire losses, resulting from the non-recovery of loans, irrespective of whether the money has been drawn out of the Cess Fund or, Reserve Bank or, Co-operative Banks' own or other resources. In order to create the necessary confidence among these Banks, the conference has recommended that the principle of guaranteeing the losses be accepted; but the quantum of guarantee has not yet been determined. In the matter of financing the weavers societies, there are three parties—the Government of India, the State Government and the Co operative Banks, who should share the losses. There is one fact, which should be remembered; that the handloom industry is rapidly getting stabilised and is expected to be a very stable industry soon. Therefore, the margin of risk to be shared by the three parties is very limited. There need be no apprehension that the quantum of risk to be guaranteed would be heavy. As at present, Government of India have guaranteed the recovery of loans given to weavers co-operative societies upto 50 per cent in each case, subject to an over all limit of 5 per cent in respect of the funds lent by the Government of India. But the Co-operative Banks feel that there is a need for the enhancement of the guarantee limit. The following shall, therefore, be an acceptable formula. The Government of India should offer to meet 50 per cent of the losses in individual cases arising out of non-recovery of loans, subject to a maximum limit of 10 per cent of

the total funds disbursed to the handloom industry by the co-operative banks, irrespective of the source from which the funds have been drawn, provided the State Governments agree to bear the remaining 50 per cent. This should also apply to losses arising out of non-recovery of loans advanced to Apex Weavers Co-operative Societies. If the Co-operative Banks should be made a partner in sharing the losses, in due course, then, in respect of any individual loss, the co operative banks may be asked to bear 10 per cent, while central and State Governments should bear 50 per cent and 40 per cent each respectively. This would be an ideal arrangement for sharing losses to the satisfaction of all the three parties concerned.

THE CESS FUND

We have been often reiterating in these columns that the Cess Fund has been the bulwark of strength to the handloom industry. The new tempo of activity in the handloom sector, has been in no small measure due to the fillip given to the industry through the implementation of the schemes sanctioned from the Cess Fund. And again, equal in importance to the pegging of mill production of cloth has been the impost of the excise levy of 3 pies per yard of mill cloth. The excise levy or the cess has had the indirect effect of creating a differential margin of 12½ per cent in favour of the handloom industry. Apart from the revenue earning capacity of the Handloom Cess, its effect in giving an indirect protection to the handloom industry has been immense. The Cess Fund is of considerable importance to the growth of the handloom industry and the Government of India should continue to levy the Handloom Cess, till the handloom industry is able to acquire enough economic strength as to withstand the competition of the mill industry. And it will, at least, take a decade or two to achieve that position. Meanwhile, if the provision of working capital to the handloom industry is taken over by the normal financing agencies, then a major demand on the Cess Fund will decline, in which case the mill industry may agitate for the reduction in the rate of Cess on mill-cloth. It is a very unfortunate position to contemplate. We, therefore, plead that the Government of India should take active measures to work out schemes for the intensive development of the handloom industry, in consultation with the All India Handloom Board. The Cess Fund must be fully utilised, till the handloom industry is able to find its own feet.

Decennial Celebrations of the Chandrasekarapuram Co-operative Stores, Ltd.

It is learnt that the Decennial Celebrations of the Chandrasekarapuram Co-operative Stores, Ltd., will be held on the 4th August, 1956, under the distinguished Chairmanship of Sri T. T. Krishnamachari, Union Minister for Industries and Commerce at Chandrasekarapuram (Tanjore Dist). Sri A. Palaniappa Mudaliar, Registrar, Sri Medai Dalvoi Kumaraswami Mudaliar, President, The Madras State Co-operative Bank, Ltd, Sri C. R. Srinivasan, Editor, '*Swadesamitran*' and others are expected to participate in the celebrations.

The Chandrasekarapuram Co-operative Stores, started in December 1944 has an unrivalled record of excellent consumer service to the rural neighbourhood of Chandrasekarapuram, Sundaraperumalkoil, Valangiman, Papanasam and Kumbakonam. It serves a clientele of 9,000 rural families with all the consumer requirements from groceries to cycles and the entire gamut of agrarian needs. It has an average annual turnover of Rs. 8 lakhs, a gross profit of Rs. 6.01 per cent of sales and a net profit of Rs. 1.97 per cent of sales. While the above statistics indicate the extraordinary business strength and efficiency of the Stores as a business organisation, its membership of a thousand and odd and its working funds of over Rs. 60,000 reflect the inherent economic vitality of the store as a growing business institution. In fact, it is the only shining example of a consumer store working in a rural area.

It is understood that in connection with the Decennial Celebrations, a well documented and excellent monograph entitled "*Chandrasekarapuram Co-operative Stores, Ltd.—A Great Experiment*" written by Sri C. M. Janarthanam, Associate Editor, *The Madras Journal of Co-operation* has been published.

THE GEORGE TOWN CO-OP. CENTRAL BANK, LTD., MADRAS.

The election of Directors to the Board of Management of the George Town Co-operative Bank. Ltd., was held on 1-7-1956 at the premises of the T. T. V. High School, Mint Street, G.T. Madras, and the following 11 members were elected as Directors for the triennium commencing from 1-4-1956.

1. Dr. P. Natesan; 2. Sri P. R. Desigan; 3. Sri P. A. Krishnaswamy; 4. Sri R. S. Subramanya Iyer; 5. Dr T. Selvasekaran; 6. Sri P. Ranganathan; 7. Sri N. T Murugappa Mudr.; 8. P. Seshadri Iyengar; 9. Sri S. Seshachala Iyer; 10. Sri M. A. Badsha and Sri B. Manickavasaga Mudaliar

At the Meeting of the Board of Directors held at the premises of the Bank on 3-7-1956 the following Directors were elected as Office-bearers:

1. Dr. P. Natesan, President.
2. Sri R.S. Subramanya Iyer, Vice-President.

Role of Co-operative Societies in Rural Communities

SRI K. SUBRAHMANYAM NAYUDU, M.A., I.A.S.,
Registrar of Co-operative Societies—Andhra State

GENERAL

Andhra is predominantly agricultural and nearly 70 per cent of the people depend on agriculture for a living in one way or another. With one-eighteenth of the population of India, five per cent of the country's area and fifteen per cent of water resources, Andhra has great potentialities for increased production. Its economy is mainly rural. Credit, reasonably cheap and timely, is basic to production. For ages the private money-lender has continued to be the main source of credit to small and medium cultivators, artisans and other sections of the rural community. The co operative system was introduced in Andhra, as in the rest of India, over fifty years ago as an alternative to the exploitative credit arrangements which private money-lenders provided. Money-lenders were and are still a necessity in our rural economy but society pays an admittedly high price—often indefensible even on economic grounds—for his services. Apart from providing credit at reasonable cost, co.operation helps the rural community in obtaining agricultural requirements such as seed, manure, etc., in marketing agricultural produce, in securing irrigation facilities, in providing employment facilities to landless labour, artisans, etc. Co.operative action in the life of the rural community in Andhra has become more pronounced with the advent of Community Projects and National Extension Service.

A general idea of the spread of the co.operative movement in the State may be had when it is said that there are over 11,000 co-operatives of all types with 14.22 lakhs members and working capital of over Rs. 350 million. Credit, particularly agricultural credit and in some measure marketing, naturally occupy a major place in the scheme of co-operative development in what is essentially an agricultural State.

Role of Co-operatives in Provision of Agricultural Finance

Short and medium-term finance :—Andhra has over 6,500 rural credit co-operatives with 5.89 lakhs members which cover over 55 per cent of villages and 17 per cent of rural population. They

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had a paid up share capital over Rs. 86 lakhs and working capital of about Rs. 600 lakhs. During the year ended 30th June 1955 they issued loans amounting to Rs. 389 lakhs, the bulk (96 per cent) of which was for productive pusposes, that is, for financing seasonal agricultural operations. Loans as a rule bear a rate of interest not exceeding 6¼ per cent.

Some of the societies often suffer, as they generally do in the other states as well, from obvious limitations by reason of their small area of operations, inadequacy of resources, poor business turnover, or lack of adequate margins. They are not, therefore, able to provide adequate and timely credit. In order to correct the deficiencies, a bold attempt at re-organisation of the rural credit system, on an experimental basis, is being made in Andhra. "Rural banks" are being started in select areas. They operate on the basis of limited liability, over wide but compact areas with large membership, strong capital structure, substantial local deposits and representative management; they are housed in suitable buildings and run by trained personnel. Besides providing short-term and medium-term loans for agricultural production, these banks give loans against agricultural produce, jewels, etc., and accept deposits of all kinds. In other words, the objective is to transform, where conditions permit, the old type of small, uneconomic village credit co-operatives, which often function essentially as retail borrowers' groups depending almost entirely for funds upon central financing agencies, into really self help rural banking organisations, promoting, encouraging and tapping local savings and rendering modern banking services to the village community and to create a new feeling of pride and confidence among villagers. The formation of such rural banks, otherwise called larger sized societies, has been recommended by the Rural Credit Survey Committee of the Reserve Bank of India as the future pattern of co-operative rural credit. Andhra anticipated this earlier. There are to-day 12 rural banks in Andhra—ten of them having been started during the last one and half years—with 12,767 members and a paid up share capital of Rs. 945 lakhs. These banks have made a good beginning and succeeded, in a commendable measure, in tapping and pooling local savings and deposits from all classes—well-to-do and middle class farmers—and the deposits now held by these 12 banks amount to Rs. 20.87 lakhs against a sum of Rs. 31.73 lakhs outstanding as loans against members. These banks may prove to be successful agents for

drawing slowly into the movement rural money—though the problem of rural savings in a rural community consisting of a large number of small (and uneconomic) holders is admittedly difficult—and for channelling it for local agricultural development and production. In due course, this new co-operative enterprise may bring into existence a network of broadbased banking institutions for tapping rural savings and providing cheap seasonal credit and other banking services to the villagers. It is hoped that private money-lenders, at any rate the more enlightened of them possessed as they are of 'their share of love' for their State, will, in keeping with the spirit of a socialist society, place their money as well as their services at the disposal of the village community through these banks. It is by bringing the well-to-do and the needy into some kind of economic relationship through a broad based co-operative system that the problem of rural credit may be expected to be solved in some satisfactory manner. This is a process of institutionalising the agriculturist and professional money-lender and deserves every support.

In a sense, we have in this manner anticipated the recommendations of the All India Rural Credit Survey Committee. The All India Rural Credit Survey undertaken by the Reserve Bank of India has revealed that credit made available by co-operatives is about 3 per cent of the total annual borrowings of cultivator, while in Andhra it is about 6 per cent. Yet, the achievement is small, which is due to fundamental deficiencies—structural, financial and administrative—in the existing system of small uneconomic units. With a view to overcome these deficiencies and make co-operation, which is the only alternative, succeed, the Survey Committee has recommended a scheme of integrated credit, which in effect, constitutes the reorganisation and strengthening of credit structure with larger units covering wide but compact areas, adequate turnover, paid management, State partnership and link-up of credit with marketing.

Consistent with these recommendations and the goal of co-operatives handling 50 per cent of all credit business in 15 years, a programme for reorganisation and expansion of the credit system is envisaged in Andhra's Second Plan. The programme is integrated with the objectives of the Planning Commission, viz., membership of every rural family in at least one co-operative society, doubling of agricultural production, etc., and provides for the establishment of

500 larger sized societies including rural banks, coverage of about 90 per cent of villages and 45 per cent of population and provision of finance to cultivators to the extent of Rs. 170 million annually, i.e., about 20 per cent of the total borrowings of cultivating classes.

This programme aims at bringing into existence a network of broadbased credit institutions for tapping rural savings and providing cheap seasonal credit to the villagers.

Long-term finance—Role of Land Mortgage Banks: Andhra has 57 primary co-operative land mortgage banks federated into the Andhra Co operative Central Land Mortgage Bank and with considerable State help by way of guarantees for debentures etc., they play an important role in our rural economy by providing cheap loans to agriculturists for periods varying from 10 to 20 years for permanent land improvement, reclamation, discharge of prior debts, etc , and since their inception, lent out over Rs. 60 million of which about one half has been repaid. The loans outstanding as on 30-6-1955 amounted to over Rs. 30 million. Their lending rates, depending as they do upon the terms at which they can raise funds through floatation of debentures, ranged between 5¼ per cent and 6½ per cent (which is their current rate).

A significant feature is the high priority given to loans for productive land improvement and development (such as sinking of irrigation wells, repairs to, and construction of tanks for agricultural purposes, installation of oil engines, electric motors and pump-sets, etc.) rather than for the discharge of old debts which since the economic depression of the 1930's constituted the principal purposes of their loan policy. The results of the banks' endeavours in this direction may be judged by the fact that the percentage of loans issued for productive purposes to total loans increased from 37 in the year 1953-54 to 69 in the year 1954-55. Last year they issued loans exceeding Rs. 48 lakhs.

In Andhra, large tracts are being steadily brought under major, medium and minor irrigation projects alongside of extension of electricity to rural areas. An idea of the size of this programme may be had from the fact that Rs. 560.10 million on irrigation and power projects and Rs. 70.0 million on intensive agricultural development are proposed to be spent during the Second Plan period. An additional 5.68 lakhs acres of land are expected to be brought under the plough and an increase of 18 per cent over the current level of production by the end of the Second Plan period is aimed at. This

large programme of land development and extensive and intensive farming needs an equally large supporting programme of long-term finance apart from production finance. Mortgage banks hope to continue to make a notable contribution to their programme and aim at a progressive annual increase in the provision of long-term capital which would be of the order of Rs. 155 lakhs annually in the year 1960-61.

Role of Co-operatives in Agricultural Marketing

Production credit will be fruitful of results, if the farmer should reap the benefit of his labour and get a good price for his produce While agricultural price levels are beyond their control, marketing co-operatives can in some measure prevent middlemen's exploitation, reduce marketing costs and ensure to the farmer a larger share in the rupee paid by the consumer. Andhra has about 150 marketing co-operatives at all *mandi* centres—some of them owning godowns for storage—providing marketing finance to farmers, helping them in holding over or selling produce to the best advantage, and supplying, as a measure of promotion of agricultural production, chemical fertiliser and manures, agricultural implements, etc. During the year 1954-55 they lent out about Rs. 10 million against agricultural produce and supplied 22,800 tons of fertiliser valued at Rs. 7.5 million. During the last two years, they have, with Government's praiseworthy encouragement, undertaken export of agricultural produce like chillies, onions, etc.—a field which was all along closed to the co-operatives. Select marketing co-operatives exported, in the recent past, 1300 tons of chillies, and 2700 tons of onions. This is the beginning of what may prove to be a significant chapter in the history of export trade by farmers through their own marketing co-operatives.

The marketing co-operatives are conscious of the greater role they have to play in an essentially agricultural State and have a plan of development which includes measures for the strengthening of their capital structure with State participation, provision of storage and ware-housing facilities through a net work of principal and auxiliary godowns proposed to be built partly with State subsidies and loans, in all costing Rs. 7.7 million, setting up of processing plants, etc. This programme along with a parallel programme of price support on the provision of which Government appear keen would, it is hoped, give the farmer the needed incentives and contribute to his prosperity.

Role of Co-operatives in Diversified Agriculture and Industry

Andhra's sugarcane cultivation exceeds 1.12 lakhs acres and the bulk of the cane is utilised in the production of *gur* the prices of which often record violent fluctuations and upset the grower's income. An economic escape from this depression position has in some measures been sought in the organisation of cane growers on co-operative basis for production of sugar.

The Etikoppaka Co-operative Sugar Factory in the Visakhapatnam District (56 miles from Waltair) with a crushing capacity of 600 tons is a remarkable cane growers' co-operative endeavour. With over 1800 sugarcane growers a paid up share capital of about Rs. 9 lakhs and reserves of Rs. 2.50 lakhs the factory crushed in the last season over 75,000 tons of sugarcane and produced about 7500 tons of sugar. Good prices for cane, bonus on cane supplied, supply of fertiliser at fixed prices and provision of cheap and timely production finance to grower-members, have all changed the surface of the area, raised levels of income and standards of living and made substantial contribution to the agricultural prosperity of what was formerly subsistence farming area and provided a large field of employment to a skilled and unskilled labour. It has set a pace for the future pattern of Industry and the Andhra's Second Five Year Plan provides, with active State partnership and support, for five more sugar factories and arrangements are proceeding fast towards the fulfilment of this task which promotes Andhra's diversified agriculture and industry alike.

Cotton growers have emulated cane-growers and are proceeding to set up, with State aid, a spinning mill with 12,000 spindles at Tadpatri, a cotton belt in Rayalaseema, Cotton growers and handloom weavers alike stand to gain. Already, Andhra handloom weavers set up at Guntakal a co-operative spinning mill—the first of its kind in India—with 11,000 spindles and a monthly production of 500 bales of yarn at a cost of over Rs. 42 lakhs.

Dairying is an important subsidiary industry in the countryside. Milk or dairy co-operatives are organisations of producers which aim at the provision of subsidiary income to farmers. They collect and distribute milk under hygienic conditions and help the urban consumer to get unadulterated milk at reasonable prices. There are 259 milk co-operatives and unions which last year handled milk and milk products valued at Rs. 13.84 lakhs. With the consumer's greater interest and patronage and a greater faith on the part of the

producer in his own organisation and provision of modern facilities of pasteurisation and storage. these organisations are expected to play a greater role.

Cattle breeding co-operatives are helping to promote cattle wealth, in some measure, by purchasing and maintaining stud bulls. Twenty-two cattle breeding co-operatives in the State maintained 50 stud bulls which rendered 3,708 services resulting in the birth of 1,832 pedigree calves.

Role of Co-operatives in Providing Irrigation Facilities

That the co-operative technique can be applied to the problems of minor irrigation in the countryside has been successfully demonstrated by a net-work of irrigation co-operatives, particularly in the Kakinada-Peddapuram Community Project area in the East Godavari District. For instance, the Tulyabhaga Lift Irrigation Co-operative Society has set up at a cost of Rs. 55,000 four pumping units which are worked by electric power, supplies water for over 1,000 acres for second crop paddy, sugarcane. etc. and helps 440 small land-holders. The Community Project Administration gave a loan of over a lakh of rupees, on behalf of the ryots, to the State Electricity Department for provision of electric power to the area. The Biccavolu-Lingala Tank Irrigation Co-operative arranges for the pumping of water into the tank from an irrigation channel, helps itore and supply water to irrigate 465 acres of land belonging to 260 small landholders. Another farm of irrigation co-operative is intended to help members sink filter-point tube wells by providing the necessary finance for installation of pump sets to pump water for rrigating additional land or second crop cultivation. In all, there are currently 18 irrigation co-operatives in Andhra which are intended to provide irrigation facilities to about 25,000 acres of land, benefiting over 2,440 farmers. There are real self help co-operatives and make significant contribution to increased agricultural production and point the way to a more intensive effort in this important field.

Role of Co-operatives in Providing Rural Employment

In the matter of settling landless agricultural labourers, co-operatives play some part. Landless workers are settled on Government waste lands through co-operatives. With financial assistance from the State and Central Governments. twenty-six such societies have settled over 3,000 agricultural labourers (civilians and ex-servicemen) and reclaimed and brought under cultivation over 12,700 acres of waste land. The Second Plan includes an extended programme of land settlement.

Tenants' or field labourers' co-operatives obtain land on lease from Government on the basis of average rentals and sub-lease it to their members, in small economic units, for individual cultivation. Eight hundred and ninety nine such societies have secured on lease over 67,000 acres of land which have been sub-leased to about 48,000 members who raised food crops on 53,580 acres and other crops on the remaining land.

Labour contract co-operatives constitute another method of providing employment to landless labour and with all their limitations and handicaps, 14 of the 44 such societies were able to secure contracts for works such as laying roads, constructing culverts, quarry works, etc., for over Rs. 1.92 lakhs.

In a similar manner, forest coupes co-operatives too provide means of living to the landless poor; they obtain lease of forest coupes on average rentals and provide work to their members in collecting forest produce (fuel, charcoal, bamboos, etc.), Last year, these societies collected and sold forest produce worth over Rs. 1.16 lakhs.

Role of Co-operatives in the Promotion of Rural and Cottage Industries

Handloom Industry: Next to agriculture handloom industry occupies in amportant place in Andhra's rural economy. Andhra has a little less than three lakhs handlooms which provide employment to a large number of rural families. There are 659 weavers co-operatives with 1.22 lakhs looms in their fold representing nearly 40 per cent of the total looms, headed by an apex co-operative society for distribution of yarn, for the marketing of cloth, for provision of technical guidance, etc. With the financial assistance from the "Cess Fund" constituted by the Government of India and the patronage and support from the State Government, they have been, notwithstanding seasonal vicissitudes, making steady progress. The value of cloth produced and sold by them recorded an increase from Rs. 91 lakhs and Rs. 132 lakhs respectively during 1953-54 to Rs. 175 lakhs and Rs. 183 lakhs respectively during 1954-55. Their wage bill in 1954-55 was Rs. 52.35 lakhs.

Rural Industries: Co-operative organisation has been trying to tackle the problem of rural industries. With assistance—financial

and administrative—from the State and Central Governments, artisans of different occupations have been brought into tha co-operative fold. There are in Andhra, co-operatives for cumbly, tape and carpet weavers, hand spinners and weavers, mat-weavers, leather workers, coir workers, toy makers, brick-makers, oil mongers, etc. These societies have a membership of over 15,000 and, during last year, their production and sales were Rs. 6.60 lakhs and Rs. 5.47 lakhs respectively. A more effective programme is necessary and has been proposed.

Palm Gur Industry:—Prohibition has brought in its wake social and economic problems and an attempt has been made to solve some of them through co-operative endeavour. Co.operatives help a good number of ex-tappers in finding alternative employment in the manufacture of palm jaggery. There are 692 such societies in the State, providing employment to over 36,800 ex-tappers. Last year the societies produced palm jaggery valued at Rs. 10.49 lakhs.

Co-operatives among Harijans, Backward Communities and Hill-Tribes

Co-operatives have been organised for the economic welfare of Harijans, backward communities (such as fishermen) and hill tribes. In particular, there are 49 credit societies, 9 stores, 3 land colonisation societies and 7 other types of societies for the hillmen in the agency areas. They supply at reasonable prices the domestic requirements of members, purchase minor forest produce gathered by them and market it to their best advantage. The Scheduled Tribes Marketing and Development Corporation recently started under Government auspices seeks to tackle the problem of economic welfare of tribal areas in a more intensive way.

Rural Housing:—Rural housing is an integral part of improved standards of rural life and community development but the problem is indeed very vast and often times complicated. Co-operative organisation has made a beginning to tackle the problem. The progress has been rather slow. There are 30 rural housing co-operatives with over 1000 members who, with State loans of over Rs. 2.30 lakhs, have built 126 houses, and 53 other houses are in different stages of construction. Two recent schemes, one at Peddachintakunta in the K. C. Canal Community Project area and the other at Simmapeta in the Srikakulam National Extension Service Block, deserve special mention. In these two places, the villagers have formed themselves into co-operative societies to build model colonies of houses with amenities such as roads, school, park, dispensary etc. Difficulties involved in the acquisition of house sites, general lack of insufficiency of resources, want of adequate repaying ability, etc., hamper progress. Part of the solution may be found in the wider use of local building materials, utilisation of family labour for unskilled operations, provision of subsidies in exceptional cases but many of these problems belong to the realm of engineering research or State policies and are beyond the competence of co-operatives.

Conclusion :—This brief account may give one an idea of the influence of co-operative action in the different fields in Andhra's rural economy and its contribution to the economic well being of its rural communities. Andhra has a variety of co-operative institutions and the record of their performance, in relation to that in most other, States in India, may be regarded as satisfactory. In relation to tasks and the size of the problems with which they are concerned their achievements may not appear very impressive. They are capable of better performance. Reorganisation, extension of activities and adoption of new policies and procedures would give more fruitful and beneficient content to co-operative endeavour and this is what is aimed at in the Second Plan period. It is rather difficult to assess the social and economic effects of the rural co-operative activity but there can hardly be a doubt about the influence exerted by it on the rural population. Agricultural credit co-operatives, land mortgage banks and marketing co-operatives, all together with a working capital of Rs. 113.2 million and share capital, deposits and reserves (representing villagers' or the co-operative community's savings) amount to Rs. 26.6 million, have made a great impact on Andhra's rural economy. Operating as they do as an alternative credit system to the private money—lenders they have succeeded, in some commendable measure, in keeping down the rates of interest in the country-side. Villagers' contacts and business dealings with co operatives have familiarised them with a system of accounts which was hardly known to them before. The management of co-operatives, meeting of directors and of members, their discussions, all constitute a training in democracy, in the conduct of affairs of business organisations and help to promote among the participants such qualities as team spirit, tolerance, prudence, appreciation of different points of view and a spirit of compromise, which would stand any community in good stead in the management of democratic political institutions. Periodical elections of directors notwithstanding occasional heat,

excitemens or aberrations—bring home to members the value of their vote and the need to exercise discretion and judgment in the election of those to whom they intend entrusting the management of affairs. Equally do co-operatives offer opportunities of service to those who can spare time and energy and are interested in the well-being of the rural community. And it is no secret that the movement is throwing up leaders who are called upon to take responsibilities in the wider fields of national service.

Rural co-operatives have over years been bringing about a silent economic revolution in the countryside and, with the large programme of co-operative development in the Second Plan period, they would doubtless help the process of social change. Times there were when co-operators regarded the State with certain amount of suspicion and in some quarters, it was all a question of Co-operation *versus* State. In the welfare State in which we are now living it is no longer a question of Co-operation *versus* State. It is more a matter of State-cum Corporation. It is a matter of active State partnership. It is refreshing that co-operators in Andhra, as elsewhere, have accepted this concept of State partnership, but it imposes certain obligations on co-operators which it is their duty to fulfil. The State being socialist, Co-operators have to gear their policies and programmes to the fulfilment of the social policies of the State. Our Prime Minister has said that co-operatives, instead of encouraging poor people, "discourage them". He said : "the Co-operative System should be such as to help the poor people and encourage them". The National Extension Service has cast upon co-operatives an obligation that they should endeavour to ensure that atleast one member of every rural family should be made a member of a co-operative, that co operatives should look to the creditworthiness of the purpose rather than the creditworthiness of the person, that a loan should have greater relation to an anticipated crop rather than landed assets and so on. I believe, co-operative leadership in Andhra has enough resources, creative impulses and power of inventiveness and would evolve policies and techniques which would help them carry out the major objectives of social and economic planning in a welfare State, and contribute, within their own sphere, to the economic well—being of large classes of our rural community.

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Cotton Co-operatives in Gujaret

SRI M. A. VICTOR, B. A.
Co-operative Sub-Registrar

[Sri M.A. Victor, the writer of the article has recently been deputed by the Registrar to undergo a special course of training in 'Marketing' at the Poona Co operative Training College. He was also one of the Inspectors of the All India Rural Credit Survey. In this article, he gives a close-range picture of the Cotton Co-operatives in Gujaret.—*Edr.*]

Cotton—Its Importance

India occupies a prominent place in the cotton producing countries of the world and is second only to the United States of America in this respect. Out of the total world production of 333 lakh of bales of 400 lbs. each in 1949, about 30 lakh bales were produced in India. In 1949-50, the area under cotton totalled 118 lakh acres in India as against 97 lakh acres under groundnuts, 36 lakhs acres under sugarcane and 12 lakh acres under jute. To feed the large number of Textile mills in the country and to meet the demand in foreign countries, cotton is grown extensively. In 1954-55, the area under cotton totalled 183 lakhs, the production being 42 lakh bales. The State of Bombay is one of the most important States in India in the production of cotton, covering approximately 25 per cent of the total acerage under cotton in the whole of India. Systematic methods of marketing of cotton has been adopted in all the three regions of the State namely Gujaret, Karnatak and Maharahstra.

The Early History of Cotton Co-operatives in Gujaret

The organisation of co-operative cotton sale, ginning and pressing societies in Surat and Broach districts of Gujaret is a development of great socio-economic importance. Before the cotton co-operatives came into being, the practice in vogue was to sell seed cotton (Kapas) to ginning factories, or their agents or get the same ginned before sale. Dalals or agents of ginning factories used to visit villages and purchase kapas on the basis of delivery at their factories. Kapas was also purchased by them in advance of the harvesting of the crop. The purchases made by these Dalals covered upto 75 per cent of the marketable produce. A small quantity was also handled by village merchants, while some enterprising agriculturists used to sell their cotton direct at ginneries. Although there were perhaps

not many cases of false weighments the ginneries used to charge high quality allowances, particularly in periods of falling prices. Cases were also not rare when ginneries refused to buy kapas brought for sale at their premises excepting at a reduced rate. They also exploited the cultivator—seller knowing that he was not likely to try to sell his produce at another ginnery which always involved considerable loss of time and also some additional expenditure.

The Beginning

During 1918–19, the gin-owners and merchants refused to buy kapas excepting at very reduced rates, owing to the weak tendency of the cotton market. Disgusted with this state of affairs, a few enlightened farmers of Sonsak village, under the guidance of Shri Purshotam Bhai. I. Patel, a selfless social worker of the area, decided to pool their kapas for sale on a joint basis, after getting the same ginned. They sold loose cotton bales and made an appreciable profit on the transaction. In 1920 also, these farmers sold their cotton jointly and secured a good margin. The experience of these two years convinced the farmers of the area of the advantage of selling ginning cotton on a co-operative basis. Thus the first cotton sale society was formed and it was registered in 1921. The efficient working of the society created confidence in the minds of the cotton cultivators of the area and a number of societies were started. In 1930, there were 11 societies with 2,731 members (ryots) and in 1949, 26 societies with 9,206 members. At the end of the co-operative year 1952–53, there were 55 cotton sale societies in Gujaret with a membership of 15,856.

The First Ginning Factory

During the first four or five years of their existence these pioneer co-operatives had to face a formidable opposition from the gin-owners who were also cotton merchants. They were forced to pay high ginning and pressing charges and had to forego all facilities usually allowed to other sellers who were not members of the societies. Tired with these harrassments, the cotton sale societies decided to have their own ginning factory in 1925. They were able to gather the necessary share capital and loan without much difficulty and a co-operative ginning factory was established at Rander in 1926.

The working of the ginning factory was satisfactory but the sale societies had still to approach the private pressing factories for getting their loose cotton pressed in to bales, and some of them even for ginning purposes. The press owners, like the gin merchants, were not treating the societies well and in a business like manner. They charged high rates, denied the usual conveniences and spoiled the goods. The opposition from the ginning and pressing factories and the trade reached a climax in 1933 when the press owners formed themselves into an Association and decided to press cotton at only fixed rates. The rates fixed were comparatively very high. So the cotton sale societies in Chorasi and Olpad taluks in Surat District and some important farmers resolved to have their own pressing factory at Surat. Hardly 4 months were left for the cotton season. During this short period the society was to be registered, the funds raised, machinery obtained and installed and the ginning and the pressing factory put into working order. It was a Herculean task and the press owners of Surat were sure that it was beyond the range of possibility, particularly of co-operatives and ordinary farmers. However the challenge was accepted and even without waiting for the society to be registered, funds to the extent of Rs. 1 lakh were raised within a fortnight. A piece of land measuring four acres was taken on lease for 50 years for the factory of the society. Construction of the building was started. Machinery was purchased and installed and the whole factory was put in working order before the season started. Thus the first co-operative ginning and pressing society was registered in 1934. At the end of the co-operative year 1952-53, there were 13 co-operative ginning and pressing societies in Gujaret.

Marketing Society—the Next Step

As the Co-operative Sale Societies were situated in mofussil away from Surat, the chief cotton market of the area, they experienced great difficulty in keeping in touch with the trend of the market and in disposing of their members' produce to the best advantage. In 1930, the Sales and Ginning societies of the area therefore, formed the Southern Gujaret Co-operative Cotton Marketing Union Ltd. Besides guiding the societies in the sale of their cotton and arranging such sales, the Union arranges for the internal audit of its member societies and the insurance of the cotton stored with them. During 1954-55, 70,000 bales of cotton were marketed through the Union.

People's Initiative

Thus unlike co-operatives in other areas which have been organised mainly by or at the instance of the local co-operative

department, the co-operatives in Gujaret are the outcome of the people's efforts to solve their difficulties in the way of marketing their cotton profitably. The cotton grower of the area has learnt the advantage of selling his produce after ginning and pressing on a co-operative basis and stands loyally by his society. The handling of great quantities of cotton by the societies enable them to get competitive prices in the market.

A Record of Progress

At the end of the year 1952-53 (the latest year for which figures are readily available) there were 55 cotton sale societies in Gujaret with a membership 15,856. The share capital and reserve and other funds of all these societies amounted to Rs. 6.33 lakhs and Rs. 8.76 lakhs respectively. The working capital was Rs. 46.30 lakhs. The value of cotton sold and commission earned therein by the societies during 1952-53 amounted to Rs. 2.24 crores and Rs. 90.557 respectively. In addition to these 55 cotton sale societies, 13 ginning and pressing societies were functioning in 1952-53 with a membership of 8,178. The working capital was Rs. 61.52 lakhs. The quantity of cotton ginned by these societies was 6,46,255 Bengal maunds and the ginning and pressing charges earned amounted to Rs. 7 lakhs and Rs. 2,52,714 respectively. Apart from the Southern Gujaret Co operative Cotton Marketing Union Limited functioning at Surat with a branch at Seuree, Bombay there is another Union at Broach and there is a proposal to have a Union in Ahmedabad. At a not distant date, the Cotton Co operatives in Gujaret may step their processing activities a stage further by starting a co-operative spinning factory and sell yarn instead of raw-cotton. thus obtaining to the growers of cotton. profits involed in that.

Progress of the Co-operative Movement in India during 1954–55*

The Statistical Statements relating to the Co-operative Movement in India for the year 1954-55 published by the Agricultural Credit Department of the Reserve Bank of India provides a comprehensive statistical assessment of the Co-operative Movement in this country. Several illustrative graphs and diagrams add to the usefulness of the publication. The statistical data are presented in three sets of tables: the *General Statements* give detailed statistics relating to the different types of co-operative institutions functioning in the country; the *Abstract Tables* present. in a summary form, important data contained in the general statements; and the *Appendices* give comparative figures for earlier years.

2. The year 1954-55 witnessed considerable expansion in the activities of the Co-operative Movement. At the end of 1954-55, there were 2,19,288 co-operative societies of all types, with a membership of 16.02 million and an aggregate working capital of Rs. 390.52 crores as against 1,98,598 societies with a membership of 15.18 million and a working capital of Rs. 351.79 crores at the end of the preceding year. Taking the average size of an Indian family as five members, it may roughly be estimated that 80.1 million or 21 per cent of the population had been brought into the Co operative Movement at the end of 1954-55 as against 75.9 million or 20.2 per cent of the population in 1953-54.

3. There were 24 State Co-operative Banks at the end of June 1955, as against 22 at the close of the previous year two new institutions having been set up, one in Jammu and Kashmir and another in Bhopal, in pursuance of the programme for the development of co-operative credit formulated by the State Governments concerned in consultation with the Reserve Bank of India. Thus, in 1954 55. State Co-operative Banks were functioning in all Part 'A' States, in all Part 'B' States and in six Part 'C' States An important feature of all new State Co operative Banks, as also some of the reconstituted ones like Punjab, Hyderabad and Mysore, was the substantial State prrticipation in their share capital, which helped in strengthening their capital structure. During the year under review, the apex banks advanced loans to the extent of Rs. 50.24 crores as against Re. 51.77 crores at the close of 1953-54.

*Source: Press Communique issued by the R.B.I., dated 27-6-56.

On the other hand, the number of central co-operative banks, including banking unions, fell from 499 as on the 30th June, 1954, to 485 at the close of 1954-55. The decrease in number was mainly due to the policy of rationalization of central banks pursued in certain States. For instance, in Hyderabad, the number of central banks decreased from 41 to 28 during the period under review. In Himachal Pradesh, 4 banking unions were merged with the State Co-operative Bank. The total advances made by these banks recorded an increase from Rs. 61.70 crores during 1953-54 to Rs. 69.17 crores during 1954-55.

4. Agricultural credit societies, which constitute the base of the co-operative credit structure in the country, showed all round progress during 1954-55. They numbered 1,43,320 as on the 30th June, 1955, as against 1,26,954 as on the 30th June, 1954, and constituted 78 8 per cent of the total number of agricultural societies. Their membership and working capital correspondingly increased during the period under review from 58,49,380 and Rs. 54.41 crores to 65,65,416 and Rs. 62.93 crores respectively. The total advances made by the societies during 1954-55 stood at Rs. 35.48 crores as against Rs. 29.64 crores at the end of the preceding year. Non agricultural credit societies also recorded steady progress during the period under review, their number, membership and working capital having increased from 8,389, 27,38,466 and Rs. 69.89 crores in 1953-54 to 9,348, 28,47,944 and Rs. 78.32 crores respectively in 1954-55.

5. The number of State non credit societies increased from 42 at the close of June, 1954, to 60 as on the 30th June 1955. Their business turnover registered an increase from Rs. 5.74 crores during 1953-54 to Rs. 7.66 crores during 1954-55. Central non-credit societies numbered 2,599 on the 30th June, 1955 and had a membership of 18,11,782. They sold goods worth Rs. 50.45 crores during 1954-55 as compared with total sales amounting to Rs. 36.51 crores during 1953-54. The number of primary agricultural non-credit societies stood at 30,197 at the end of 1954-55. They accounted for a membership of 24,94,508 and a working capital of Rs 20.72 crores. Their sales declined from Rs. 33.74 crores during 1953-54 to Rs. 27 04 crores during 1954-55. There were 24,266 non agricultural non-credit societies with a membership and a working capital of 31,50,377 and Rs. 52.55 crores respectively at the end of 1954-55. as against 21,137 societies with a membership of 31,71,099 and a working capital of

Rs. 50.04 crores at the end of the preceding year. Their sales recorded a significant decrease from Rs. 45.00 crores to Rs. 31.65 crores during the period under review. This trend was also witnessed during the last year and was probably due to relaxation of controls and abolition of procurement.

6. The number of central land mortgage banks in the country remained unchanged at 9 at the close of 1954-55. The amount of loans advanced by these banks during 1954-55 stood at Rs. 2.43 crores as compared with Rs. 1.92 crores during the previous year. There were, at the close of 1954-55, 292 primary land mortgage banks functioning at 12 States of the Indian Union. During the year, they advanced loans to the extent of Rs. 1.45 crores as against Rs. 1.40 crores during 1953-54.

7. The price of this publication remains Rs. 3 per copy. Copies are obtainable from the Accountant, Department of Research and Statistics, Reserve Bank of India, Central Office, Post Box No. 1036, Bombay-1.

The Kodumudi Rural Co-operative Bank, Ltd.

SRI A. PALANIAPPA MUDALIAR, M.A.
Registrar of Co-operative Societies, Madras.

The Kodumudi Rural Co-operative Bank is one of the three banks started in the Coimbatore District. The Bank was registered on 15th June 1955 and started on work on 26th June 1955. The Headquarters of the Bank is at Kodumudi, which is a fertile area. The area of operations of the Bank extends over 11 villages. There is already a rural credit society in the village and a few private banks have been operating in the locality and the Rural Bank has been able to achieve good progress since its inception.

Membership and share capital:

The Bank was started on work with a membership of 199 and an initial share capital of Rs. 25,410. On 29th February 1956, the Bank had on its rolls 267 members with a paid up share capital of Rs. 31,907. Efforts are being made by the Bank to raise its paid up share capital to Rs. 50,000 at a very early date.

Deposits and borrowings:

A striking feature of the working of the Bank is that within a short period after its starting, it has been able to attract considerable local deposits in spite of the existence of private joint stock banks in the locality. The Bank has secured fixed, current, savings and recurring deposits to the extent of Rs. 74,514 by 29th February 1956 of which the fixed deposits alone amount to Rs. 66,875. This achivement illustrates as to how the local savings with the agriculturists could be tapped up if sustained efforts are made by the establishment of suitable Co-operative Banks in rural areas. The Bank has not borrowed any funds from the Central Co operative Bank and has so far been able to meet the demands of its members out of the funds raised by way of share capital and deposits.

Loans:

The Bank has advanced loans to the extent of Rs. 1,11,920 by 29th February 1956. Various kinds of loans issued by it are indicated below :—

			Rs.
1.	On the security of fixed deposits	..	11,600
2.	,, of immovable properties.		46,195
3.	,, of gold jewels	...	27,475
4.	,, of agricultural produce.		24,220
5.	,, of non-agricultural produce	...	2,430
	Total	...	1,11,920

On a representation made by the Bank, it has been permitted to amend its bylaws increasing the individual maximum credit limit from Rs. 2,000 to Rs. 3,000 on the security of immovable properties and also to issue jewel loans upto Rs. 1,000 to a member. The transactions of the Bank are expected to increase substantially with the increase in the borrowing limits of the members. The Bank also expects to develop produce loans with the construction of a godown.

General :

The bank undertakes collection of bills, cheques. etc., and provides remittance facilities to its members and constituents. This Bank has been selected for the construction of a godown at an estimated cost of Rs. 15,000 under the pilot scheme of integrated rural credit and marketing now in operation in the District. Arrangements have been made for the purchase of a suitable site and the Bank will take up the construction very soon. The construction of the godown will enable the Bank to undertake the issue of produce loans and the distribution of agricultural requirements such as chemical fertilisers, iron and steel etc.

The affairs of the Bank are managed by a Board of Management consisting of 9 members nominated by the Registrar for a period of three years. The Secretary of the Bank is a Senior Inspector of the Department and his services are provided free of cost for a period of one year for the present.

The Edappady Co-operative Rural Bank, Ltd.

SRI A. PALANIAPPA MUDALIAR, M.A.,
Registrar of Co-operative Societies, Madras.

The Edappady Co-operative Rural Bank, Ltd., in Salem district is one of the rural banks started in pursuance of a scheme approved by the Government for the establishment of separate rural credit organisations for the dispensation of medium term credit quickly and promptly and to inculcate the habits of thrift and banking among the rural folk. The Bank was registered on 23-5-55 and commenced business on 12-6-55. Sri T. M. Chinniah Pillai, a member of the Committee on Co-operation inaugurated the Bank under the Presidentship of Sri K. S. Subramania Gounder, President of the Salem District Co-operative Central Bank.

Membership and Share Capital:

Started with a membership of 475 and a paid up share capital of Rs. 28,855, the bank has steadily increased its membership and paid up share capital. On 31st March '56 it had 608 A class members 260 B class members with a total paid up share capital of Rs. 37,340. The authorized share capital of the Bank is Rs. one lakh and the Bank is expected to reach a target of Rs. 50,000 by the end of the current co-operative year.

Deposits and Borrowings:

The Bank has secured local deposits to the extent of Rs. 25,660 from members and non-members. It has also raised a loan of Rs. 51,777 from the Salem District Co-operative Central Bank for issue of loans to its members. The Bank is taking steps to develop deposit banking in the area.

Loans:

The Bank has so far issued loans to the extent of Rs. 1,10,725 as indicated below :—

		Rs.
Mortgage loans	...	76,175
Jewel loans	...	32,375
Produce loans	...	2,175
Total	...	1,10,725

Since its inception, the bank has received 169 loan applications for grant of loans on the mortgage of immovable properties for a total amount of Rs 1.67 lakhs. Loans to the extent of Rs 76,175 have been disbursed so far.

Other Activities:

The Bank has undertaken the distribution of chemical fertilisers in its area of operations. It has so far distributed about 7 tons of fertilisers valued at Rs. 2,400. It has also undertaken the collection of bills and cheques on behalf of its members and constituents. It also functions as the transmitting agency of the Salem District Co-operative Central Bank.

General:

The Board of Management consists of nine members nominated by the Registrar of Co operative Societies. The paid Secretary of the Bank is a Senior Inspector of Co-operative Societies, whose services are lent free of cost by the Government.

Business Conference of the Weavers' Co-operative Societies, held on 2-7-1956.

FINANCE MINISTER'S SPEECH

Mr. C. Subramaniam, Finance Minister, told a large gathering of delegates that increased production of food and cloth had been given due emphasis in the Second Five Year Plan. Doubts had been expressed in the past about the prospects before the Handloom Industry, and Mr. T.T. Krishnamachary, Union Industries Minister who was one of those with such doubts had today become a staunch champion of their cause.

The Minister was glad that they had formed Co-operative Societies. There were still many outside the co-operative fold, but he did not want those within the co operative fold to feel that they had a right to preferential treatment. It was not possible for the Government to discriminate. He, therefore, advised them to give up "casteism" as between those within the co-operative fold and those outside. They should work together, with interest of the industry at heart.

Referring to power looms, the Minister said there was an apprehension that these would affect handloom. He considered it an erroneous impression, and pointed out that it was not possible for handlooms to produce enough to meet the country's requirements. Therefore, power looms also had to play their part. If those engaged in handloom industry could put forth their full effort, and produce more, they could ensure a limit to the expansion of power looms.

Mr. Subramaniam wanted the handloom industry to standardise their production and maintain quality, not only for internal supplies, but also for exports. Further, new designs and varieties should be introduced frequently, for what might appear to be the popular taste to-day need not be the popular taste tomorrow. They should move with the times in catering to popular need. From that point of view, he would ask them even to encourage competition among themselves.

AMBER CHARKA.

The Minister reiterated that handloom industry was looked upon by the Government as a great asset to the nation, and that the

Government was determined to help the industry. He assured them of his wholehearted support to the cause of the industry.

Speaking about Ambar Charka, the Minister said their only concern should be to find out whether the yarn produced was suited to their needs, and was cheap enough, beyond that, they need not go into its politics or controversies, which could well be left to others to discuss.

In conclusion, the Minister emphasised the need for honesty and integrity among co-operators for the success of the movement.

Earlier, Mr. M. P. Nachimuthu, President, The Madras State Handloom Weavers' Society, Ltd., welcomed the delegates and the Finance Minister. Sri Kasi Viswanathan proposed a vote of thanks.

RESOLUTIONS PASSED

1. Resolved to request the Weavers' Co-operative Societies in this State to purchase their entire yarn requirements from the State Society under the scheme already submitted to Government. The yarn sold by the State Society should be at the local market rate worked on regional basis and in the event of the societies purchasing yarn from outside, it is enough if they take the certificate of the Officer of the yarn selling units for the non-availability of the variety of yarn in the unit.

2. Resolved to request the Registrar to permit rebate on sales from Re. 1 and over and to allow such rebate on all handloom goods irrespective of the quality whether manufactured wholly or partly with art silk or staple fibre. The rebate shall also be allowed on all exportable varieties like Madras Handkerchiefs and Lungies sold to exporters or Merchants.

3. Resolved to request the Registrar to obtain sanction from the Cess Fund to meet the establishment expenses for the first year for the societies started under the Cess Fund Scheme.

4. Resolved also to depute non-officials with knowledge of Handloom Industry to visit overseas for expansion of foreign markets.

5. Resolved to request the India Government to re consider the proposal of the All India Handloom Board for introducing Provident Fund Scheme by contribution of equal amount from the Cess Fund as an incentive for members who join the Co-operative Societies and continue to work there to ensure progressive production of hand loom cloth in the co-operative sector.

6. Resolved to request the Central Banks to lend long-term loans repayable in 5 years to the Weavers' Co-operative Societies and also to reduce the rate of interest on such loans.

7. Resolved to request the Registrar to start credit societies for the benefit of weavers wherever necessary to provide credit facilities for purposes other than those required by the weavers for production of cloth.

8. Resolved to request the Registrar to make a provision in the by laws of the existing Weavers' Co-operative Societies to give an advance upto Rs. 50 for medical and maternity relief, marriage, etc.

9. Resolved to request the Registrar to provide a working capital of Rs. 200 per loom from the Cess Fund for the existing looms in the Co-operative Societies, so that adequate credit facilities would be available to the Societies.

10. Resolved to request the Registrar to give financial assistance from Cess Fund for Primary Weavers' Co-operative Societies for opening sales depots.

11. Resolved to request the Registrar to obtain sanction from Cess Fund for re-imbursing losses incurred by Weavers' Co-operative Societies on account of their working in the depression period 1951-52, 1952-53 and 1953-54.

12. Resolved to request the State Society to publish periodically in the *Journal of Co-operation* and *Kooturavu* about the new patterns introduced by the Pattern Weaving Societies and also about the appliances and the use to which they are put, to enable the weavers' societies to copy the designs and to make best use of the appliances supplied to them.

13. Resolved to request the authorities concerned for giving concessional railway fare to the representatives of Weavers' Co-operative Societies attending conferences and exhibitions.

14. Resolved also to request the railway authorities to give priority for booking of handloom goods.

15. Resolved to request the Registrar to permit to purchase varnished healds supplied under the Cess Scheme by the Primary Weavers' Co-operative Societies themselves.

16. Resolved to request the Registrar to expedite the issue of Audit Certificates of the Societies within three months from the

close of the co-operative year as delay caused in the issue of Audit Certificate dislocates the working of the societies.

17. Resolved to request the Registrar to sanction expenditure incurred by the Primary Weavers' Co-operative Societies in participating in Handloom Exhibitions from the Cess Fund.

18. Resolved to request the authorities concerned to relax the import restrictions on the import of Dyes and Chemicals into India

19. Resolved to request the Textile Commissioner, Bombay, to examine the rising price of yarn and to control the price to bring it to the price level of 1947 or in the alternative to introduce control, so that the benefit of rebate would reach the people to whom the products of this industry are intended to be made available at a cheaper rate.

20. Resolved to convey to the Government of India that this Conference has carefully considered the Textile Policy announced by the Government, that it is disappointed at the proposal of the introduction of 14,600 automatic looms in the Mill sector and 35,000 Power looms in the Handloom sector in order to increase the production of Textiles and that the proposals for increasing power looms and the automatic looms would affect the Handloom Industry and those who are employed in it and requests the Government of India to deffer any proposal of introducing more Power looms either in the Mill or in the Handloom sectors.

21. Resolved to request the All India Handloom Board to reserve completely coloured sarees and bordered dhoties to the Handloom Industry.

22. Resolved to request the Registrar to permit the Primary Weavers' Co-operative Societies to amend their by-laws under division of profits by redcucing the Reserve Fund to 25 per cent and increasing the payment towards Bonus to 40 per cent.

23. Resolved to request the Registrar to amend the by-law relating to the penalty for non-delivery of goods in time and limit the penalty to 25 per cent of the value of the raw-materials instead of putting it at 3 pies per rupee for indefinite period of default.

24. Resolved that in view of the difficulties of the State Society and the Primary Societies in getting adequate financial facilities for production and marketing of goods and also on account of high rate of interest charged by the Co-operative Central Banks

while advancing loans to primaries, a separate Co-operative Financing Bank may be organised for financing the Weavers' Movement in this State as this organisation can easily come into existence with the vast resources available with the Primary Weavers' Co-operative Societies and Cess Fund Loans amounting to Rs. 153 lakhs sanctioned to them.

25. Resolved to request the Registrar to discourage Membership of weavers in two co-operative societies where the area of operation of the societies is the same.

26. Resolved to request the State Government to issue instructions to their departments, local boards and Municipalities to purchase handloom cloth for their use.

27. Resolved to request the State Society to experiment on the use of Auto Electric spinning units with 80s spindles.

Conclusions of the Conference on Co-operative* Marketing held at Jubilee Hall at Hyderabad from 27th to 29th November 1955.

The Conference was inaugurated by Dr. B. Ramakrishna Rao, Chief Minister of Hyderabad, and presided over by Dr. Panjabarao S. Desmukh, Union Minister for Agriculture. The agenda and the list of delegates attending the conference are attached as Appendices I and II respectively.

After the opening address the Conference divided itself into four Working Groups. The composition of the Working Groups and the subjects handled by them are shown in the List in Appendix X.

The proposals of the Working Groups were considered at a plenary session on the 28th and 29th November, 1955 and the following conclusions reached.

Agenda Item I—Regulated Markets

(a) Phased programme for extending regulation to all important markets.

The Conference reviewed the present position in respect of the regulation of markets in various States. For accelerating the progress in this regard during Second Five Year Plan and for effecting improvements in the working of the regulated markets already established, the Conference adopted the following recommendations :—

1. That the objective should be to cover all important market centres so far not regulated by the end of the Second Five Year Plan and that a phased programme be prepared in this regard by the States which have not already done so. The States where such legislation is not promulgated should also fall in line with the rest of the States.

(Action—State Governments)

2. That the Regulated Markets Acts be extended to all important agricultural Commodities and livestock and its products where this has not been done so far.

(Action—State Governments)

*The conclusions of the Hyderabad Conference are published with the kind permission of the Government of India.

3. That in view of the proved advantages of the regulated markets, municipal and other markets controlled by the local bodies be brought under the regulatory orbit.

(Action—State Governments)

4. That for the benefit of the producer-sellers, introduction of open auction system of sale and weighment of produce in the market yard, should be strictly enforced in all the markets.

(Action—State Governments)

5. That in the interests of the sellers, the persons employed for weighment should either by employees of the market committees or be paid through the market committees.

(Action—State Governments)

6. That for ensuring the use of the standard weights and measures, the administration of the State "Weights and Measures" Acts should vest with the Marketing Departments where feasible. In the alternative, the Marketing Departments should be delegated necessary powers to check, control and take necessary action against the offenders under the Act.

(Action—State Governments)

7. That in order to ensure proper selection, training and stability of service, personnel required to work as Market Secretaries should be grouped either in a common cadre formed by the State Government or be lent to the Marketing Committees. While such persons will be employees of and be responsible to the Market Committees, they shall not be removed from office without the concurrence of the State Government.

(Action—State Governments)

8. That in view of the expanded programme for development of marketing in the States and for proper execution of the schemes, included in the Second Five Year Plan, the supervisory staff of the State Marketing Departments should be strengthened on the lines, suggested by the Directorate of Marketing and Inspection in the model plan. Wherever necessary a separate Marketing Department for administering the Market Act and for promoting other marketing development work may be set up and that it should maintain close liaison with the Agriculture and Co-operation Departments.

(Action—State Governments)

(b) Representation of Co-operative marketing societies on regulated market committees.

1. That in view of the programme for development of co-operative marketing in the country, adequate representation to the co-operative organisations should be given on the regulated market committees. At least one seat should be reserved for the co-operative societies and if possible an additional seat may be provided for a co-operator, who may be a representative of the financing agency for the area.

(Action—State Governments)

(c) Development programme and creation of a resources fund therefor.

1. That all the market committees should explore possibilities of augmenting their income and develop their resources to the fullest extent possible. For the purpose, levy of charges on *Ad valorem* basis may be considered.

(Action—State Governments)

2. That the State Governments should take steps to ensure that the municipalities and local bodies reserve a reasonable percentage of income derived from octroi and toll taxes on agricultural produce including livestock, for development of market yards and provision of amenities therein.

(Action—State Governments)

3. That the Central Government may provide funds to the States for the purpose of advancing loans to the market committees for capital expenditure on easy terms.

(Action—Govt. of India)

4. That the Government assistance be given in the form of subsidies in the initial stages to the new market committees for managerial expenses.

(Action—State Governments)

(d) Advisory Service.

1. That the steps taken by the Central Government in setting up co-ordinating service for regulated markats were in the right direction and that State Marketing Officers should furnish periodically data and other information required in this behalf in the proforma prescribed from time to time.

(Action State Governments and Dte of M & I Govt. of India)

2. That the market committees or State Marketing Officers should supply to the Directorate of Marketing and Inspection descriptive monthly reports giving information on special points of interest to other States.

(Action—State Governments and Dte of M & I Govt. of India)

Agenda Item 2—Co-operative Marketing and Processing

(a) (i) Methods for Implementing Programme of Marketing.

1. That in view of the fact that large sized co-operative credit societies will in future be giving credit on a much larger scale against anticipated crops and also of the fact that such loans will have to be recovered through co operative marketing societies with which the co operative credit societies will be affiliated. steps, should be taken urgently to set up co-operative marketing societies even in advance of the large sized credit societies. These marketing societies will not only help organised selling and recovery of loans but will also stock and supply seeds. fertilizers and other production requisites to the credit societies for distsibution to the farmers.

(Action—State Governments)

2. That for carrying out the activities mentioned in 1 above effectively, the following division of functions between the co-operative credit and marketing societies may be adopted :—

(a) the Credit Society will be responsible for giving production loans will include seeds, fertilisers and implements valued in cash.

(b) the marketing societey will advance loans on the pledge of produce, arrange its sale and, wherever necessary, make outright purchases limiting such purchases to the minimum level possible. It will also act as a recovering agent for the credit co-operative.

(c) although the credit society will not itself arrange for the sale of the members' produce, it may, wherever necessary, collect the produce from its members and store it in its godown until it is sent to the marketing society. It may also give a loan on the security of the agricultural produce until the disposal of the produce by marketing society.

(d) although, as a general rule, production credit should not be provided by the marketing society, the State Government may, for special reasons, permit the marketing societeties. to advance production credit to their members.

(Action—State Governments)

3. That arrangements should be made to ensure that every agriculturalist member of a credit society who borrows money from

it, will be required to sell his produce through the marketing society to which the credit society is affiliated. This may be done by obtaining an agreement from the borrower at the time of giving a loan or by suitable legislation.

(Action—State Governments)

4. That until new godowns are constructed, marketing societies may engage godowns on hire for which a subsidy on a basis not less generous than the existing basis for godown construction may be given to this society. Government may also provide them with such godowns as they can spare. In the meanwhile requirements of building materials may be ascertained by State Governments and communicated to the Government of India, Ministry of Food and Agriculture who, should arrange for a high priority for their supply.

(Action - State Governments and Govt. of India)

5. That the Government of India should review the present basis of 25 per cent subsidy on godown construction with a view to enable co-operatives to provide godown facilities at reasonable rates.

(Action—Government of India)

6. That suitable designs for godown construction for various commodities should be prepared by the Government of India and provided to Co-operative Societies through State Governments.

(Action—Government of India)

7. That marketing co operatives should confine their activities to a few major agricultural commodities in a given area in order that more specialised attention can be given to such produce as is important to the economy of the region and more efficient service can be rendered to the members.

(Action—State Governments)

8. That the structure of co-operative marketing organisation normally consist of two tiers *viz.*, the primary and the apex body. If, however, the State Government consider an intermediate federation necessary, this may have a three tier structure.

(Action—State Governments)

9. That in order to promote co-ordination between the apex and the primary marketing societies, the latter should send prescribed returns to the apex body or federation giving information about local sales, prices, arrivals, stocks, etc., and in turn the apex or federal body should assist the primary marketing societies in the sale or disposal of their produce.

(Action—State Governments)

(a) (ii) Processing.

That in view of the fact that processing of agricultural produce is an important adjunct to marketing for ensuring the maximum return to the producer, and also that the Second Five Year Plan envisages the setting up of 36 co operative sugar factories, 77 co-operative cotton gins, about 27 oil crushing expellers and similar processing industries by the end of 1960-61, a workable method of financing co-operative processing industries should be devised. So far as co operative sugar factories are concerned, the Government of India, the State Government and the Industrial Finance Corporation have worked out a satisfactory method for financing them. The funds required for other processing industries whether taken up by a processing or marketing society, may be found in the following manner:—

BLOCK CAPITAL:

(a) Members share capital—20 to 25 per cent.
(b) Government share capital—20 to 25 per cent.
(c) Loan from State Finance Corporation—50 to 60 per cent.

WORKING CAPITAL:

Loans from Co operative Financing Banks.

(Action—State Governments)

(b) Staffing Supervision and Financing:

1. That each primary marketing society should have a full time Manager, an Accountant and a Godown-keeper. An apex society or federation may require officers and some clerical assistance in addition to the staff mentioned above. Arrangements for early recruitment of such personnel and their training should be made by State Governments.

2. That the minimum share capital of a primary marketing society should generally be Rs. 50,000 part of which will be contributed by the State Government. The maximum credit limit for such a society which ordinarily is eight times its owned capital, should not include loans given on the security of agricultural produce. The banks including the Reserve Bank may be requested to raise the above credit limits wherever justified on merits and to reduce the lending rate as far as possible.

3. That with a view to increase the credit-worthiness of the marketing societies, their owned funds should be increased wherever possible.

(Action—State Governments and Reserve Bank)

(c) Grading and Standardisation :

1. That a common cadre of trained graders be set up in order to provide grading facilities to the marketing co operatives and market committees.

2. That where such a trained grader is available at a warehouse, his services may be utilised by the co operatives as well as the market committees.

3. That proper arrangements for setting up a supervisory agency for this grading be made by State Governments.

(Action—State Governments)

(d) Location of the Marketing Society :

1. That the office of the primary marketing society and its godown should, as for as possible, be located within or near the premises of a regulated market and very close to a Railway Station or a main road in order to facilitate produce being brought to it and sent to other destinations.

(Action—State Governments)

2. That the competent authority should provide facilities to the co-operative marketing societies for construction of godowns etc., within or near to the regulated market premises.

(Action—State Governments)

(e) Stabilisation of Prices:

1. That arrangements should be made by Government for ensuring that the prices of agricultural commodities do not fall below certain minimum level in order that the co operative marketing societies can confer the maximum benefits on agriculturists.

(Action—Govt. of India and State Governments)

Agenda Item 3—Transport

1. As shortage of rail transport forms an important bottle-neck in the movement af agricultural commodities and causes wide disparities in prices, it is essential that movement of agricultural produce on behalf of the co operatives, when certified by the Registrar of co operative Societies or by an officer duly authorised by him, should be accorded a higher priority than that on behalf of private agencies. This priority should either be the same or next to that on behalf of the Government.

(Action—Government of India)

2. In view of the fact that road transport is being increasingly used for movement of agricultural commodities, it is necessary to provide the following facilities :—

(a) Public Carrier licenses should be given liberally to parties who transport agricultural produce, particularly co-operative marketing societies.

(b) Loans may be provided by Governments to enable marketing societies to purchase motor vehicles for the transport of agricultural produce. The State Governments may also arrange for purchase of these vehicles on rate contract basis.

(d) Inter-zonal restrictions within the same State for the movement of such motor transport vehicles should be removed and there should be free movement within the same State.

(Action—State Governments)

Agenda Item 4—Inter-State & Export Trade by Co-operatives

1. In order that inter-State trade may be increasingly organised on a co-operative basis, steps should, as and when possible, be taken to ensure the maximum possible co-ordination between co-operative societies of the appropriate level and type in different states. Until these organisations are firmly established, the Registrar of Co-operative Societies in each State should assist co-operative societies with information regarding commodities available with co-operatives and the prices at which they can be had.

(Action—State Governments)

2. For promoting export trade on a co-operative basis, primary marketing societies should be grouped into regional federations as far as possible in order to undertake the export on a large scale. Until such time as such organisations come into existence, the Registrar of Co-operative Societies should recommend to the Government of India to the Ministry of Food and Agriculture the names of suitable co operative organisations already operating in the State, the commodities with which they are dealing and the extent to which they can export the various commodities. These lists will be subject to revision from time to time in the light of further development of co-operation and experience gained.

(Action—State Govt. & Govt. of India)

3. In recommendig suitable co operative societies for export quotas, the State Governments should take suitable precautions to

ensure that the quotas are fully utilised for the benefit of primary producers, who are members of Co-operative Marketing Societies.

(Action—State Governments)

4. That the Government of India and the State Governments should from time to time take such steps as may be necessary to ensure early promotion and progressive increase of inter-State and foreign trade by organised co-operative institutions at different levels.

(Action—Govt. of India and State Govts.)

Agenda Item 5—Warehousing

1. In order that the interests of rural producer are kept in mind as the main objective in formulating the storage and warehousing programme as a whole, including that pertaining to the State and Central Warehousing Corporations, the selection of the centres at which godowns and warehouses are to be established and the actual phasing of the programmes, should be governed by the following principles :—

(a) There should be sizeable quantities of surplus produce for sale.

(b) There should be a need for storage facilities in the locality.

(c) The place should be close to a terminal market; due regard should be paid to the availability of transport facilities by rail, road or water.

(d) There should be a nucleus of co-operative marketing organisations and possibilities of their further expansion in or around the proposed warehousing centres.

(e) There should be existing or potential banking facilities in order that loans could be advanced against the produce in godowns or on warehouse receipts.

(Action—State Governments and Govt. of India)

2. As construction of godown may involve delay, the possibility of hiring suitable accommodation for starting warehousing should be examined. Where such facilities are available, a beginning should be made with hired accommodation.

(Action—State Governments)

3. Certain number of warehouses should also be set up at centres, from which exports of agricultural commodities take place

and in deficit areas where there is a large demand for a particular produce. In this as in other contexts, the needs of the co-operatives should receive special attention.

(Action—State Governments)

4. The provisional list of centres already prepared should be re-examined in the light of the above observations, and of other relevant considerations ; and a revised list should be supplied by the State Governments explaining in each case the reasons for selection of the centre as well as the relative priority proposed for each.

(Action—State Govts. and Govt. of India)

5. In order to expedite the construction of new warehouses proceedings for the acquisition of land should be instituted under the emergency provisions of Land Acquistion Acts and by the appointment of Land Acquisition Officers with the Warehousing Corporations.

(Action—State Government and State Warehousing Corporation when set up)

6. Wherever acquisition of land for co-operative societies has not been recognised as a public purpose, steps should be taken to accord such recognition.

(Action—State Government)

7. The State Governments should furnish to the Government of India a list of principal agricultural commodities in each region in respect of which warehousing facilities are considered necessary, keeping in mind the phased programme of the establishment of warehouses and the priorities for the warehousing of these commodities.

(Action—State Governments)

8. The State Governments should assess the phased requirements of the essential building materials in short supply such as iron, steel, cement, slack coal required for the purpose of construction of warehouses and intimate them to the Government of India in the Ministry of Food and Agriculture, who should arrange for the highest possible priority for these demands.

(Action—State Governments and Govt. of India)

9. As the godowns and warehouses are being built in the interest of the primary agricultural producer, he should be helped to derive the benefits of storage and warehousing to the fullest

possible extent by according concessional charges to co-operative societies.

(Action--State Governments and Warehousing Corporation when set up)

10. With a view to making the warehouses popular and promoting negotiability of warehouse receipts, there should be a local advisory committee for each warehouse, where the interests concerned should get due representation.

(Action--State Governments)

(To be Continued)

Conference of the Co-op. Wholesale Stores, held at Coimbatore on 14-6-56.

PROCEEDINGS OF THE CONFERENCE OF THE PRESIDENTS AND SECRETARIES OF THE CO-OPERATIVE WHOLESALE STORES AND DISTRICT SUPPLY AND MARKETING SOCIETIES ETC. HELD ON 14-6-56 AT 2 P.M. IN THE PREMISES OF THE COIMBATORE CENTRAL CO-OPERATIVE STORES, LTD., COIMBATORE.

The Registrar of Co-operative Societies presided over the Conference.

23 delegates representing 16 Wholesale Stores, District Supply and Marketing Societies and District Marketing Organisations, Madras State Co-operative Bank, Madras State Co-operative Union and the Tamil Nad Co-operative Federation as noted in the annexure attended the Conference. The Joint Registrar and Joint Registrar (Resettlement) also attended the Conference.

At the outset, the delegates introduced themselves to the Conference and Sri R. Venkatasami Naidu, President of the Coimbatore Central Co-operative Stores traced the genesis of the Conference and welcomed the delegates. The Registrar then explained to the conference the working of the Co-operative Wholesale Stores in the revised set up, the need for an apex body for coordinating their activities, etc. The subjects marked for the conference were then discussed.

2. The progress in the reorganisation of the Co-operative Wholesale Stores into District Supply and Marketing Societies was reviewed and it was decided that all the Central Stores should reorganise themselves before August 56. The position of the Malabar District Co-operative Produce Sale Society and the Malabar Co-operative Wholesale Stores in the revised set up was discussed. The question of the division of their functions on a commodity or territorial basis was not considered feasible; nor did the suggestion for amalgamation into one institution find favour with them. The representative of the sale society said that the district set up of Malabar would undergo a change after the reorganisation of States and in that case, the two societies might be able to function with a different territorial basis. It was, therefore, agreed that this might be left over to be decided by the two institutions after the reorganisation of the States takes place. In the case of the Tanjore Co-operative Marketing Federation and the Tanjore Central Co-operative

Stores, the question of demarcating their functions on a commodity basis came up for discussion. It was decided to hold a joint meeting of the Presidents of the 2 institutions to explore the possibility of effecting an amicable settlement.

3. The procedure to be followed by the District Supply and Marketing Societies or Central Stores in the export trade, the distribution of the profits earned in the transactions, the passing on of the profits to the producers, etc., were discussed. The allocation of the export quota given to the District Supply and Marketing Societies or Central Stores among the primary marketing societies would be done by a committee consisting of the President of the District Supply and Marketing Society or Central Stores, the Deputy Registrars of the two circles in the district and a representative of the Central Co-operative Bank of the district. The President of the District Supply and Marketing Society or the Central Stores will be the Chairman of the Committee. The Special Deputy Registrar for Pilot Scheme will also be a member of the committee in the districts in which the scheme is in force.

There was a lot of discussion over the allocation of profits among the District Supply and Marketing Societies, primary marketing societies and the producers. It was suggested by a few members that any decision regarding the sharing of the profits should be done only in consultation with the primary marketing societies as they are also a party to the transactions. It was finally agreed that the District Supply and Marketing Societies or Central Stores might make outright purchases of the commodity to be exported from the primary marketing societies. The District Supply and Marketing Societies or the Central Stores as the case may be will maintain separate accounts for each export i.e. for each half year generally and arrive at the net profits in the transactions. After arriving at the net profits earned in the export of each half year, the profits should be distributed in consultation with the primary marketing societies, that supplied the produce, taking care to see that the bulk of the profits is passed on to the producer-members after taking only a reasonable portion of the profits for the services rendered by the primary and District Societies in the export of the produce.

4. The next subject that was discussed was about the organisation of an apex society at State level to coordinate the activities of the District supply and marketing societies. It was generally agreed that there was need for such an organisation. But there was

difference of opinion as to when it should be organised. There was a lot of discussion on this matter also. One section of the conference held the view that the State Co-operative Supply and Marketing Society might be started in the second or third year of the plan period by which time all the District Co-operative Wholesale Stores would have reorganised themselves into District Supply and Marketing Societies and would have established themselves fairly well. Some others were of the opinion that a beginning might be made even now by organising the State Society and commencing business if need be on a small scale. Finally it was decided that a committee consisting of the following members be formed to consider all aspects involved in the formation of the apex society and to take steps to organise the same.

1. Sri R. Venkatasami Naidu
2. Dr. P. Natesan
3. Sri P. S. Rajagopal Naidu
4. Sri K. S. Subramania Gounder
5. Sri A. P. C. Veerabahu

Sri R. Venkatasami Naidu will be the convener of the Committee.

5. Besides the above subjects, matters relating to the distribution of iron and steel, chemical fertilisers, sugar, cement and penicillin through the co-operatives were also considered. As regards distribution of ammonium sulphate, it was pointed out that in each a co-operative is reorganised as wholesaler-cum-retailer and 33 1/3 per cent of the quota is given to it. It was decided to continue the existing arrangements. With regard to iron and steel distribution, it was decided to request Government to appoint the co-operatives as wholesalers as well as retailers in respect of agricultural requirements.

6. It was also resolved to request Government to utilize the co-operatives for the distribution of imported cement.

7. Similarly it was decided that Government might be requested to entrust the co-operative wholesale stores or District Supply and Marketing Society with the sole distribation of Pennicillin and Streptomycin in each district.

8, With regard to the distribution of sugar it was pointed out that Government have already passed orders requesting the South India Sugar Mills Association to release reasonable quantities of sugar to established co-operative supply and marketing societies and no further action was therefore necessary.

9. It was also resolved that the District Supply and Marketing Societies might undertake supply of articles to jails and Government institutions and that the supply should be made with only 5 per cent margin over the cost price and limited to the retail rate chargeable to their members, etc., as per G.O. Ms. No. 3296, Home Department, dated 10-11-1954.

A. PALANIAPPAN
Registrar.

ANNEXURE

DELEGATES PRESENT AT THE CONFERENCE OF THE REPRESENTATIVES OF THE CO-OPERATIVE WHOLESALE STORES AND DISTRICT SUPPLY AND MARKETING SOCIETIES, ETC., HELD ON 14-6-1956.

1 Sri R. Venkataswami Naidu, President, Coimbatore Co-op. Central Stores
2 ,, G. V. Doraiswami, Secretary, Coimbatore Co-op. Central Stores.
3 ,, K. S. Subramania Gounder, President, Salem Co-op. Wholesale Stores.
4 ,, M. A. Thandavaraya Pillai, Secretary, Salem Co-op. Wholesale Stores.
5 ,, B. Venkatachalam Pillai, President, Tiruchi Central Co-op. Stores.
6 ,, S. Kandaswamy, Secy., Tiruchi Central Co-op. Stores.
7 ,, P.S. Rajagopal Naidu, President, North Arcot District Co-op. Central Stores.
8 ,, R. Rajasanthanam, Tanjore Dist. Co-op. Central Stores.
9 ,, A.M. Madurai Puli Gounder, President, Madurai-Ramnad Co-op. Wholesale Stores.
10 ,, E. A. Ponnuswami, Secretary, Madurai-Ramnad Co-op. Wholesale Stores.
11 ,, A. P. C. Veerabahu, President, Tirunelveli Dist. Supply and Marketing Society.
12 ,, A. Sivam, Secretary, Tirunelveli Dist. Supply and Marketing Society.
13 ,, T. K. Menon, President, Malabar Co-op. Wholsale Stores.
14 Dr. V. K. Nair, Director, ,,

15 Sri M. K. Nanja Gounder, President, Nilgiris Co-op. Central Stores.
16 ,, N. Suryanarayanan, Secretary, Nilgiris Co-op. Central Stores.
17 ,, R. Rangaswami Iyyengar, President, Pudukottah, Co-op. Central Stores.
18 ,, R. Adisesha Naidu, Secretary, Tanjore Co-op. Marketing Federation.
19 ,, K. P. Ramunni Menon, Business Manager, Nilgiris Co-op. Marketing Society.
20 ,, C. Mukundan, President, Malabar Dist. Co-op. Produce and Sale Society.
21 ,, R. K. Panikkar, Secretary, Malabar Dist. Co-op. Produce and Sale Society.
22 Dr. P. Natesan, Vice-President, Madras State Co-op. Bank and Secretary, Madras State Co-op. Union.
23 Sri M. S. Palaniappa Mudaliar, Secretary, Tamil Nad Co-op. Federation, Coimbatore.

Proceedings of the Inaugural Function of the Co-operative Agricultural Bank, Cheyyur, held on 20-6-1956.

INAUGURAL ADDRESS.

SRI A. B. SHETTY, M.L.A.,

Minister for Health, Government of Madras.

The Agricultural Co-operative Bank which is being inaugurated to-day is the second of the two Banks proposed to be worked in this pistrict as pilot institution in connection with the scheme for establishment of large-sized credit societies in the State. As you are all aware, the village credit society is the base of the co operative credit structure. There are at present 10,500 credit societies in our State. Nearly one-third of these societies have worked at a loss. If these village societies have not succeeded better in catering to the needs of the agriculturists, it is because of their small area, limited transactions, lack of paid staff to attend to their day to day administration and such other causes. To remedy the present deficiencies and place the village co operatives on a sound footing, it has been suggested by the Rural Credit Survey Committee that the societies should be reorganised into large-sized primary credit societies. Steps are accordingly being taken to establish large-sized societies by the reorganisation and amalgamation of the existing small societies. The societies have to cover a group of five to ten contiguous villages dealing with a large clientele and have sufficiently large transactions. Such societies cannot for obvious reasons be based on unlimited liability. They will accordingly function on guaranteed liability, the liability of the members being restricted to a multiple of their share capital. These societies will not merely supply credit but also supply domestic and other agricultural requisites of their members and undertake the marketing of their produce as their agents. They will issue short-term loans for cultivation purposes as well as medium-term loans for purposes ancillary to agriculture. The loans will be issued on the security of anticipated crops and on the pledge of agricultural produce, deposits, jewels, etc. This new feature in the working of these institutions will make co-operative credit available to the small farmers and even to tenant farmers and thus effectively aid agricultural production.

In the Second Five Years Plan, 12,000 large-sized societies are proposed to be established in the country and Madras will have 400

Sri A. B. Shetty, Minister for Co-operation is seen addressing on the occasion of the inauguration of the Cheyyur Agricultural Co-operative Bank Ltd., on 20-6-56

Sri R. K. Patil, Leader of the Chinese Study Team on Agrarian Producer Co-operatives is seen discussing with the representatives of select Co-operatives and officials at Madras on 13-7-56.

Sri K. Kamaraj, Chief Minister of Madras inaugurated the Malayadipalayam Co-operative Agricultural Bank Ltd., Coimbatore District on 14-6-56.

Photo taken on the occasion of the Conference of the Presidents and Secretaries of Co-operative Wholesale Stores and District Co-operative Supply and Marketing Societies held on 14-6-56 at Coimbatore.

societies at the r.te of 80 societies per year. In the Chingleput District, 7 such societies are to be formed in 1956-57. Of these, one had already been started at Utiramerur and yours is the second Bank that is being started today. With the starting of your Bank, all the 12 large-sized societies proposed to be formed under the pilot scheme sanctioned by the Government in the six districts of South Kanara, Malabar, Coimbatore. Chingleput. Ramanathapuram and Tirunelveli have begun to function. Those which have begun to work already have made good headway as their transactions will indicate The Government will give subsidy to the societies towards the cost of the employment of staff and they will also give financial assistance for the construction of godowns at a cost of Rs. 15,000 each. The Government will also invest share capital of Rs 10,000 in each of these large-sized societies, such share capital being invested through the financing Banks concerned. With these arrangements, the large-sized societies or the agricultural banks as they are named in this State, will derive great strength and cater to the needs of the people.

Since the primary objective of such an agricultural bank is to serve the credit needs of the agriculturists, it is necessary that a survey should be made of the needs of all the families in the area of your Bank. Every family should become a member of the Bank and it should be the objective of the Bank to supply the credit needed by all the members for cultivation on their lands. The members to whom the loans are given should enter into an agreement with the Bank that they will sell their produce through the nearest marketing society. I understand that the nearest marketing society for you is Madurantakam. This marketing society has already been selected for financial assistance by way of a loan and subsidy for the con. struction of a godown at a cost of Rs. 30,000. The integration of credit with marketing is the essence of the scheme and this integra. tion cannot be brought about unless the agricultural bank and the marketing society work in close unison. The agricultural bank, should serve not only as suppliers of credit but also endeavour to tap local deposits. Members and others should be persuaded to deposit money and they should be encouraged to practise thrift.

Under the Second Five Year Plan, it is proposed to cover 75 per cent of the villages, serve 50 per cent of the rural population and meet 21 per cent of their credit requirements. In Chingleput districts the percentage of villages covered is 60, the percentage of population served is 18.7 and the loans issued amount to Rs. 20 lakhs per annum. More villages and families will have to be brought within the co-operative fold.

Sri Vedachala Mudaliar, the President of the Kancheepuram Central Bank, can give valuable assistance to this Bank. Under the wise guidance of Sri Vedachala Mudaliar, Sri V. K. Ramasami Mudaliar and their fellow workers, this scheme is bound to work successfully. I have great pleasure in inaugurating this agricultural bank and wishing it a long life of usefulness to the rural folk in this area.

G.O.'s and Circulars

L. M. BANKS—AMENDMENT TO SPECIAL BY-LAWS

Memorandum of the Registrar of Co-operative Societies, Madras
SRI A. PALANIAPPA MUDALIAR, M.A.,
Registrar.

Rc. 145327/55-J. Dated 30-9-1955.

SUB: Land Mortgage Banks—Special by-laws relating to service conditions of employees—Amendment to the model special by-laws suggested.

REF: (i) Registrar's Memo No. 3688/54-J. dated 19-5-54.
(ii) G.O. Ms. No. 582, Department of Industries. Labour and Co operation, dated 21-2-55.

In the memorandum cited, the Registrar suggested amendments to the special by-laws relating to the service conditions of employees of land mortgage banks with a view to making them eligible for exemption from the provisions of the Madras Shops and Establishments Act, 1947. In their order cited, Government have issued amendments to the special by-laws relating to the service conditions of employees of co-operative societies laying down the circumstances under which the employees might be placed under suspension. In order to bring the model special by-laws of land mortgage banks in line with the amendments made by Government, the Registrar directs the model special by-law 12 of the land mortgage banks should be amended on the following lines—

(i) Delete the words "Suspend or" occuring in the table in special by-law 12(b).

(ii) Delete clause (h) in special by-law 12.

(iii) Reletter clause (e), (d), (e), (f), and (g) in a special by-law 12 as clause (e), (f), (g), (h) and (i) respectively and before clause (e) so relettered, insert the following as clause (c) and (d).

(c) "Notwithstanding anything contained in these special by-laws, the President shall be competent to place any member of the establishment under suspension from service, pending enquiry into grave charges where such suspension is necessary in the interest of the bank. He may, at his direction sanction to the employee suspended, a subsistence allowance at a rate not exceeding ¼ of his substantive pay during the period of his suspension. No employee

Travelling allowance etc., would be preferred. In his memorandum cited as item 5 (as amended by the memorandum cited as item 6), the Registrar suggested the following maximum rates of Travelling Allowance, daily allowance and sitting fees for the directors of Primary Land Mortgage Banks.

	For inspection of hypotheca and other work connected with the banks' business.				For attending Primary Land Mortgage Banks Conferences and General Body meeting of the Central Land Mortgage Bank.		
	Railway fare.	Road mileage where there is no bus.	Bus fare.	Daily Allowance and sitting fees.	Railway fare.	Road mileage.	Daily Allowance.
Profit Banks.	Single IInd Class.	Three annas per mile.	Actual fare.	Rs. 3 per day.	Single II Class.	Three annas per mile.	Rs. 6 per day.
Loss Banks.	Do	Do	Do	Gratuitous or not more than Rs. 2 per day.	Do	Do	Do

The Registrar considers that these rates may remain as they are. The Deputy Registrars, are requested to advise the Primary Land Mortgage Banks to amend bylaw 28 as suggested above and also to fix the rates of Travelling Allowance, daily allowance and sitting fees subject to the maximum laid down above.

3. The form of Travelling Allowance bill for the use of Land Mortgage Banks is enclosed.

A. PALANIAPPAN,
Registrar.

FORM OF TRAVELLING ALLOWANCE BILL

1. Name and designation.
2. Headquarters.
3. Journey performed (a) from (b) to
4. Purpose of journey.
5. Distance travelled by Road.
6. Mileage, if route is uncovered by bus.
7. Actual bus fare if route is covered by bus.
8. Railway fare.
9. Daily allowance for halts.
10. Sitting fees for attending Board meetings.
11. Total.

Total claim Rupees

(in words).

"Certified that I have actually travelled by ..... class and that I have not claimed travelling allowance or other allowances from any other institutions in respect of the journey covered by this bill."

"Certified also that the claim made in this bill are in accordance with the bylaws of the Bank.

Director/Member,

Passed Board Resolution No. dated.

Paid by me

Treasurer.

Received Rupees

(in words)

Director/Member.

L.M. BANKS—HOUSES AS COLLATERALS

Copy of Government, Department of Industries, Labour and Co-operation, Memorandum No. 116104 BI/55-3 dated 4—1—1956.

SUB.—Land Mortgage Banks—Acceptance of house property as collateral security—Particulars relating to houses in Municipal and Panchayat areas—Furnishing of-

REF:—From the Registrar of Co-operative Societies, Letter No. R.C. 155362/55-J dated 26—11—1955.

A copy of the letter cited from the Registrar of Co-operative Societies is communicated to the Inspector of Municipal Councils and Local Boards. He is requested to direct Municipal Councils and Local Boards to permit the Supervisors of Land Mortgage Banks to look into all necessary registeres available in their offices and take extracts therefrom in the presence of responsible officials of the local authority concerned.

(True Copy).

Office of the
Endt. 155362/55-J. Registrar of Co-operative Societies,
Madras, Dated: 14-1-56.

Copy communicated to Deputy Registrars, Land Mortgage Banks and Deputy Registrars on general duty (in duplicate).

Copy to Co-operative Sub Registrars, Land Mortgage Banks hrough Deputy Registrars, Land Mortgage Banks.

Copy to the Secretary, Madras Co-operative Central Land Mortgage Bank Ltd., Madras.

Copy to the Editor "Journal of Co-operation" Madras.

V. S. THANGASWAMY,
For Registrar.

L.M. BANKS—BONUS TO EMPLOYEES.

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

SRI A. PALANIAPPA MUDALIAR, M.A.,
Registrar.

R. Dis. 154795/54-J. Dated 9-2-1956.

SUB:—Land Mortgage Banks—Payment of bonus to employees of land mortgage banks—Conditions imposed in by-laws—Relaxation of—Instructions Issued.

REF:—1. Letter No. 5022/54-55 dated 1-12-1954 of the Madras Co-operative Central Land Mortgage Bank Limited, Madras.

2. G. O. 271, Industries, Labour and Co-operation' dated 21-1-1956.

At the conference of representatives of land mortgage banks held at Madras on 24-7-1954, it was resolved to request Government through the Registrar to permit amendment to by-laws of land mortgage banks providing for the payment of bonus to their staff out of net profits equal to a month's salary by relaxing the conditions laid down in model by-law 56 of the banks. In consultation with the Madras Co-operative Central Land Mortgage Bank and the Deputy Registrars for Land Mortgage Banks, the Registrar took up the matter with Government, who were requested to permit the reduction of the maximum rate of dividend payable by land mortgage banks from 4 per cent to 3 per cent for all purposes including the purposes of payment of bonus to their employees subject to the condition that only such of the land mortgage banks as have built up an owned capital of not less than 1/12th of their total liabilities should be declared eligible to pay a month's salary as bonus to their employees. Government have accepted the Registrar's proposal and approved the draft amendment to model by-law 56 suggested by the Registrar. The Deputy Registrars, Land Mortgage Banks are requested to bring this fact to the notice of the land mortgage banks and advise them to amend by-law 56 on the lines indicated in the annexure.

Draft Amendment to Model By-law 56 of Land Mortgage Banks.

As Existing.	As Suggested to be Amended.
By-law 56 (ii) "Out of the remainder, a dividend subject to a maximum of of 4 per cent per annum on the paid up value of each 'A' class share may be paid to members. Proportionately to the amount of paid up share capital held by each and also to the period during which the paid up share capital was so held during the year provided that no such dividend shall be paid to 'B' class share holders.	*By-law 56 (ii)* "But of the remainder, a dividend subject to a maximum of 3 per cent per annum on the paid up value of each "A" class share may be paid...................... "B" class share holders.
By-Law 56 (iii) "Out of the reminder, bonus not exceeding one months salary may be paid to the members of the establishment of the bank provided.	*By-law 56 (iii)* "Out of the remainder, bonus not exceeding...................... provided.
(1) the owned capital (share capital plus Reserve Fund) of the bank is not less than 1/10th of its total liabilities.	(1) the owned capital (share capital plus reserve fund) of bank is not less than 1/12th of its total liabilities;
(2) the bank declared dividend at 4 per cent to its share holders before the bonus is paid; and	(2) the bank declared dividend at 3 per cent to its share holders, before the bonus is paid; and
(3) the approval of the Central Mortgage bank, on the recommendation of the Deputy Registrar for Land Mortgage Banks is obtained for such payment.	(3) the approval of the Central Mortgage Bank on the .....payment.
By-law 56 (iv) "Out of the remainder, such sum as may be decided upon by the general body not exceeding 10 per cent of the net profits. may be carried to a building fund, provided however that the owned capital (share capital plus	*By-law 56 (iv)* "Out of the remainder, such sum as may be decided upon by the general body not exceeding 10 per cent of the net profits may be carried to a building fund, provided. however that the owned capital (Share capital plus

As Existing.	As Suggested to be Amended.
Reserve Fund) of the bank is not less than 1/10th of its total liabilities and provided also that if at any time, the bank decides to negotiate for the purchase of a site or to construct a building, it shall obtain the previous sanction of the Registrar and the Madras Co-operative Central Land Mortgage Bank.	Reserve Fund) of the bank is not less than 1/12th of its total liabilities .. .. Madras Co-operative Central Land Mortgage Bank.
By-law 56 (v) Out of the remainder, such sum as may be decided upon by the general body shall be carried to a bad Debts Reserve provided however that the owned capital (share capital plus Reserve Fund) of the banfis is not less than 1/10th of its total liabilities. The amount to the credit of the Bad Debts Reserve shall not be drawn upon except with the previous sanction of the Madras Co-operative Central Land Mortgage Bank and of the Registrar.	*By-law 56 (v)* Out of the remainder, such sum as may be decided upon by the general body shall be carried to a Bad Debts Reserve Provi- dent) however that the owned capital (share capital plus Reserve Fund) of the bank is not less than 1/12th of its total liabilities. The amount.......... .... Registrar.
By-law 56 (vi) "Out of the remainder, a sum as may be decided upon by the general body not exceeding 10 per cent of the net profits may be carried to a dividend equalisation fund to be available for distribution in any subsequent year to enable the bank to declare a dividend upto 4 per cent provided.	*By-law 56 (vi)* "Out of the remainder... ... . upto 3 per cent provided ;
(1) the owned capital (share capital plus Reserve Fund) of the bank is not less than 1/10th of its liabilities ;	(1) the owned capital........ 1/12th of its liabilities.
(2) this fund shall not be drawn upon in respect of any year during which the bank has worked at a loss and	(2) this fund...... .... at a loss ; and
(3) the bank should restrict its dividend to 4 per cent.	(3) the bank should restrict its dividend to 3 per cent.

A. HIRUDAYASWAMY,
For Registrar.

L.M. BANKS—GRANT OF FOURTH LOANS

Copy of G.O. Ms. No. 867 from Department of Industries, Labour and Co-operation dated 1-3-56.

SUB :—Land Mortgage Banks—Grant of Fourth Loans—Proposals Orders passed.

READ AGAIN :—1. G.O. Ms. No. 1256, Development dated 27-3-45.
2. G.O Ms. No. 1466, Development dated 23-3-48.

READ ALSO :—1. From the Registrar of Co-operative Societies, letter Rc. No. 83761/55-J. dated 4-9-55.
2. From the Registrar of Co-operative Societies, Letter Rc. No. 83761/55. J. dated 5-1-56.

ORDER.

The Government accept the proposals of the Registrar of Co-operative Societies to permit the Madras Co-operative Central Land Mortgage Bank to issue a fourth loan in genuine cases for productive purposes subject to the condition that the prior debts incurred for land improvement purposes, which are sought to be wiped out with the fourth loan should not have been contracted prior to the date of application for the loan. The existing standards prescribed in respect of maximum borrowing power, security and repaying capacity should, however, be strictly observed.

(True copy)

Endt. Q. 83761/55. Office of the Registrar of Co-operative Societies, Madras. dated 6-3-56.

Copy communicated to the Madras Co-operative Central Land Mortgage Bank Ltd., Madras.

V. S. THANGASWAMY,
For Registrar.

CONSUMER STORES -EXEMPTION FROM SUPERVISION FEES

Copy of Memorandum No. 11719-BII/55-4 Department of Industries Labour and Co operation dated 21-2-1956

SUB :—Co-operative Societies—Stores societies—Supervision fees—Exemption—Extension to stores societies closing accounts for calender or financial year.

READ AGAIN :—G.O. Ms. No. 2327 Industries, Labour and Co-operation dated 9-7-1955.

READ ALSO:—From the Registrar of Co-operative Societies Letter Rc. No. 39280/5581 dated 30-11-1955. From the Registrar of Co-operative Societies. Letter Rc. No. 39280-55-S 1. dated 25-1-1956.

In the circumstances stated, the Government accept the Registrar's recommendation and direct that the exemption granted in the G. O. read above be made applicable also to Co-operative stores societies which have adopted calendar year 1954 or financial year 1954-55 for closing their accounts.

(True Copy)

Endt. R.C. No. 39280-55-S-1.

Office of the Registrar of Co-operative Societies, Madras, dated 29-2-1956.

Copy communicated to the Deputy Registrars on general duty for information and necessary action in continuation of Registrar's endorsement of even No. dated 24-7-1955.

V. VENKATACHALAM,
For Registrar.

News and Notes

CHEYYUR CO-OPERATIVE AGRICULTURAL BANK

A second large sized co-operative society in Maduranthakam taluk in Chingleput District at Cheyyur styled as Cheyyur Co-operative Agricultural Bank was inaugurated on 20-6-56 evening at Cheyyur by Sri A. B. Shetty, Minister for Co-operation. Sri Rao Bahadur M. Vedachala Mudaliar, President of the Kancheepuram Co-operative Central Bank presided over the function. Sri V. K. Ramaswamy Mudaliar while welcoming the Minister pointed out the usefulness of such agricultural banks in promoting agricultural production and hoped that the bank will serve the needs of the ryots in that locality. Sri A. B. Shetty, Minister for Co-operation inaugurating the bank observed that the formation of large sized societies was an important step in the direction of revitalising the co-operative credit organisations at village level.

Sri A. Palaniappa Mudaliar, Registrar of Co-operative Societies. Madras observed that the large sized societies in the Madras State were called co-operative banks, that 12 such societies had been organized in the pilot areas and that these agricultural banks were intended to serve the bulk of the credit needs of the cultivators, whether they owned lands or cultivated the lands as tenants. The Agricultural Bank at Cheyyur will serve the villages, which were not hitherto touched by co-operative credit societies. Government will provide the society with financial assistance for the employment of managerial staff, construction of godowns, etc. The formation of such societies was necessary in order that the finance provided by the Reserve Bank of India and the Madras State Co-operative Bank at concessional rates of interest for agricultural production might be availed of by these societies. He also stressed the need for the agriculturists to sell the produce through the Maduranthakam Sale Society.

THE MAYURAM CO-OPERATIVE URBAN BANK, LTD.

The Annual General Body meeting of the Bank and the function of unveiling the portraits of Mahatma Gandhi, Jawaharlal Nehru, Sri Maruthavanam Pillai of Menangudy and the Late Sri N. R. Samiappa Mudaliar of Nedubalam took place on 24-6-56 in the Bank premises. The function was very nicely celebrated in a specially decorated pandal under the presidency of Sri R. Kanakasabai Pillai, President, South Arcot Co-operative Central Bank. Sri C. Maruthavanam Pillai unveiled the portrait of Mahatma Gandhi. Sri C. Kanakasabai Chettiar unveiled the portrait of Jawaharlal Nehru, Sri T. M. Narayanaswami Pillai, Vice-Chancellor University unveiled the portrait of Sri C. Maruthavanam Pillai and Sri P. T. Rajan, M.L.A., unveiled the portrait of late Sri N. R. Samiappa Mudaliar. Sri T. Tirugnanam Pillai, President of the Bank narrated the growth of the Bank from the beginning and of the valuable timely financial help rendered by Sri C. Maruthavanam Pillai, who was the then Vice President of the East Tanjore District Board and also about the valuable services of Late Sri N. R. Samiappa Mudaliar in the Co-operative field. The President of the meeting and Messrs. P.T. Rajan, T. M. Narayanaswami Pillai, C. Maruthavanam Pillai and C. Kanakasabai Chettiar spoke about the valuable services rendered by the above said leaders. Sri T. M. Narayanaswami Pillai spoke in detail about the co-operative movement and stressed the necessity for the formation of a Central Board of finance and financing co-operatives under the control of Central Government. After the President's concluding speech, vote of thanks was given by Sri T. Abathotharanam Chettiyar, Vice-President of the bank.

The meeting was largely attended by the elite of the town, members of the Bank and officials. The meeting terminated with the singing of National Anthem.

THE KRISHNAGIRI TK. CO-OPERATIVE MARKETING SOCIETY LTD., POCHAMPALLI.

The opening ceremoney of the Building constructed at a cost of Rs. 9,000 by local development scheme for conducting the auction sales of the Krishnagiri Taluk Co-operative Marketing Society Ltd., Pochampalli was done under the Presidentship of Sri A. Duraisamy Gounder, M.L.A. on 22-6-1956 at 4 p.m.

Sri D. Krishnamurthy Gounder, M.L.A., President of the Sale Society welcomed the guests. Sri K. S. Subramaniya Gounder, President of the Salem Co-operative Central Bank Ltd. Salem hoisted the Co-operative Flag,

Sri S. Nithyanandam, B.A., (Hons.), Joint Registrar of Co-operative Societies, Madras, opened the newly constructed building and also unveiled the portrait of Sri D. Krishnamurthy Gounder, M.L.A., President of the Sale Society. The Joint Registrar has addressed the gathering on various benefits to be derived under the Second Five

Year Plan and requested the audience to strive their best to co-operate for the success of the plan.

Sri K. Vellaya Gounder proposed a vote of thanks.

YANAM FISHERMEN COOPERATIVE SOCIETY.

Sri D. N. Doraiswamy Mudaliar, Registrar of Co-operative Societies, visited Yanam area and inaugurated the fishermen co-operative society at Yanam on 27-6-56 in the presence of Sri Amir Muhammud, Administrator, Yanam. Sri M. R. Srinivasan, Director of Fisheries, Pondicherry and other prominent officials and non-officials of the place attended the function.

The Registrar explained at length the growth of co-operative movement in the former French territories and the various steps taken by Pondicherry Administration to improve the lot of fishermen at Pondicherry, Karaikal and Yanam through co-operatives formed for them. The Registrar also organised another fishermen society to meet the needs of the entire fishermen folk of Yanam area.

CREDIT FACILITIES FOR HANDLOOM INDUSTRY.

Mr. Nityanand Kanungo, Minister for Consumer Industries, Government of India said in Bombay that the Government had plans to give a helping hand to the handloom industry so that in times to come it might stand on its own feet.

He said the fundamental fact was that the handloom industry or any sizeable section of the community could not be maintained on doles for decades. Personally he had no doubt the handloom weaver would survive and add strength to the national economy.

Mr. Kanungo was presiding over a conference of State Government officials and representatives of Co-operative Banks, called to consider the report on credit facilities for the handloom industry prepared by a committee, headed by Mr. V. Nanjappa, Textile Commissioner.

He said: "financing of handloom industry is not a new thing. For the last 30 years financing has been done. Whether it is adequate or not, it depends upon circumstances in different States. But it was quite obvious that the co-operative movement as such could not find the necessary finance for the handloom industry.

"This size of the financing to be done is not small. In fact, it is anticipated to be about Rs. 30 crores. This amount of Rs. 30

crores is certainly not an over estimate. It is rather an under-estimate as it does not provide for market fluctuations, when the societies will have to hold quite a sizeable amount of stocks.

" However, that being the nature of the problem, there has been a certain view that the cess fund should finance as much as it can. But the cess fund is so meagre considering the extent of the probelem that if we depend on it, we shall be nowhere.

" It is fortunate that by an amendment of the Reserve Bank Act, it has been possible for the Reserve Bank to agree to provide the bulk of the finance, under conditions, which I think, are liberal."

Shri T. T. Krishnamachari, Union Minister for Commerce and Industry is reported to have said that the Reserve Bank of India had agreed to make credit facilities available to the hand oom industry at two per cent interest through State Co-operative Banks.

Explaining the assistance to be given by the Government to help development of small scale industries during the Second Plan period, the Minister said that the Government had also agreed to guarantee a portion of the losses of the banks if any, and to subsidise the rate of interest so that loans were available to the handloom weaver at not more than three per cent interest. The Minister added that under the recent liberalized terms, the Central Government had contributed about Rs. 2 5 crores to provide for the credit requirements of other types of small industries. On the basis of the results of the State Bank Pilot Project Scheme, it was intended to evolve a suitable pattern of credit to small industries from institutional sources.

AMBER CHARKA

The Amber Charka Committee appointed by the Government of India is reported to be of the view that Amber Yarn is fairly even and strong and suitable for weaving on handloom The Government of India have accepted the recommendations of the Committee.

The committee has recommended, among other things, that the Amber Charka programme should be organised through co-operatives and that it should be integrated with the Community Projects and National Extension Service Centres, wherever they are well-established.

It is reported that the Conference of State Ministers and Representatives of All India Boards dealing with cottage industries, convened by the Union Ministry of Production discussed among other things, the problems of industrial co operatives. The conference

also considered at length the Amber Charka programme recently sanctioned by the Central Government.

STUDY TEAM TO CHINA TO REPORT ON AGRARIAN CO-OPERATIVES

It is learnt that a six-man delegation led by Shri R. K. Patil, former member of the Planning Commission, will leave for China sometime in July to study the system of agricultural producers' co-operatives there.

The other members of the delegation are: Shri B. J. Patel, Honorary General Secretary, All India Co-operative Union, Shri M. P. Bhargava, Co-operation Adviser, Union Ministry of Food & Agriculture, Shri D. K. Borooah, M. P. Shri. H. V. Tripathy, M.P., Shri H. D. Malaviya, Secretary, Economic Research Department, All-India Congress Committee Office.

TRAVANCORE-COCHIN

It is reported that the Travancore-Cochin State Co-operative Advisory Council, headed by Shri G. Parameswaran Pillai, India's former Trade Commissioner in Australia, at its recent meeting held at Trivandrum has decided to work out a scheme for reorganisation of existing co-operative societies in the State by eliminating uneconomic units and amalgamating them with more efficient societies, wherever possible. The council felt that, where more than one society was functioning as economic and efficient units in the same locality and with membership which did not overlap, such societies might be left undisturbed for the time being, until in due course the principle of organising large-sized societies could be more effectively implemented.

The scheme of integrated credit with marketing was also to be introduced simultaneously with reorganisation of societies.

The survey conducted by the State Department of Co-operation in respect of over 2,000 co-operative societies in various parts of the State revealed that nearly 50 per cent of societies had share capital of less than Rs. 1,000.

The council also felt that there should be greater Co-ordination between work of N.E.S. block officers, Community Project authorities and Central Financing Agencies.

The Council also recommended that immediate steps should be taken on governmental level to remove the present anomalies in the distribution of agricultural credit.

ASIAN CO-OPERATIVES WIN INTERNATIONAL INTEREST.

1957 Conference Planned To Improve Contacts

In readiness for a conference to be held in Asia in the winter of 1957, the International Co-operative Alliance (ICA) is now shaping plans to improve its contacts with Asian co-operative movements.

The decision to hold an Asian Conference was taken earlier this month, when the executive of ICA met in Copenhagen. ICA was founded in London in 1895 as an international association of Co-operative organisations of all types. Its objects include the propagation of co-operative principles and methods throughout the world, and it seeks to promote a non-profit making system of production and trade based on mutual self help.

The recommendation for the 1957 conference, at which a strong ICA delegation will meet representatives of Asian co-operative movements to discuss the methods and scope of ICA action in the region, was put forward by the Technical Assistance Sub-committee as a result of the report submitted by Dr. George Kehler on his mission of inquiry in South and East Asia.

The sub-committee will give further consideration to Dr. Keler's report at the next meeting in Stockholm in July. It will prepare recommondations for the delegation to the proposed Asian conference, which will have as the main item on the agenda the establishment of an ICA regional office to maintain close liaison with Aisan co-operative movement.

SEMINAR NEXT MONTH

A grant towards the cost of a seminar on co-operative education for international understanding has been made by UNESCO. The seminar will be held at Innsbruck, Austria, in the first two weeks of June. UNESCO has also allocated a sum which will enable four women from India, Ceylon, Malaya, and Eastern Nigeria to take part in the seminar. The ICA development fund will cover the cost of the attendance of the second Indian student at the seminar.

In the latter part of June, the 26th International Co-operative School will meet in Austria for lectures and study visits on consumer, agricultural, artisan, and housing co-operative movements in that country.

I.C.A. JUBILEE TRIENNIAL PRIZE

FOURTH AWARD, 1957.

The International Co-operative Alliance has announced its decision to present the fourth award of the Triennial Jubilee Prize at the 20th Congress of the International Co-operative Alliance to be held at Stockholm in August 1957. The prize will be of a cash value of £100 to £250. All works on Co-operation published subsequent to September 1954 by anyone of the members of the All India Co-operative Union or any national author of Indian Union are eligible for consideration for the award of the prize.

The All India Co-operative Union would select from among such works as are submitted to it, which in its opinion sufficiently conform to the spirit and the aim of the Jubilee Prize and refer them to a Jury of literary experts to be constituted by it for considering whether any of the works selected by the Union merit consideration by the International Jury for the award of the prize and if so for recommending such works. The decision of the Jury in regard to making recommendation to the International Jury shall be final.

If the International Jury judges any of the works submitted by the Union appropriate for the award, the recipient would be invited to the Co-operative Congress of the I.C.A. for receiving the prize in person. All entries for consideration shall be sent to the All India Co-operative Union to reach it not later than the 15th of September, 1956.

The Madras State Co-operative Union

(The Madras State Tamil Nadu Malabar South Kanara Co-operative Union, Madras)

MADRAS—1

M. S. C. U. EXAMINATION RESULTS—MARCH 1956.

The following is the list of Candidates with their Register Numbers who have come out successful at the Co-operative Training Institutes Examination, in Theory, held in the month of March 1956 at Coimbatore, Tanjore and Madras Centres and in the Practical Examination held in June 1956 by various Co-operative Central Banks.

(*Denotes Supplementary Candidates).

(+Denotes Supplementary Candidates, who passing the part or parts, have completed the Examination.)

First Class

Coimbatore Centre

S. No.	Name of the Candidate	Regd. No.	S. No.	Name of the Candidate	Regd. No.
1	Kalinga Hebbar, A.	6572	6	Padmanabhan, P. S.	6614
2	Kochappan, K. C.	6579	7	Rangaraju A	6646
3	Kuppuraju. S. M.	6592	8	Rathnasabapathi, M.	6652
4	Mallikarjun, B. K.	6595	9	Vikramanunni Nair, C.	6697
5	Mathai, K V.	6599	10	Viswanathan, A.	6699

Tanjore Centre.

S. No.	Name of the Candidate	Regd. No.	S. No.	Name of the Candidate	Regd. No.
11	Kalyanasundaram, P.	6745	13	Rajappan, A.	6796
12	Pechimuthu, S.	6792	14	Ramaswamy, S.	6807

Second Class.

Coimbatore Centre

S. No.	Name of the Candidate	Regd. No.	S. No.	Name of the Candidate	Regd. No.
1	Abdul Hadee, K. M.	6534	11	Balavenkatasubramanian, S.	6547
2	Achutha Menon, V. M.	6535	12	Bellan, R.	6548
3	Antonysamy. L.	6536	13	Bellie Gowder Mallan,	6549
4	Ardhanari, N.	6538	14	Bhojan. K.M.	6550
5	Balachandran, K. P.	6541	15	Bhojan. Kadanad, M.	6551
6	Balakrishnan Nair, K	6542	16	Chennimalai Gounden, C.	6552
7	Balan Kidav, K. P.	6543	17	Damodaran, T.P.	6553
8	Balaraman, K.	6544	18	Damodaran Nambiar, M. M.	6554
9	Balasubramanian, C. P.	6545			
10	Balavenkataraman, S. V.	6546			

Coimbatore Centre—(*Contd*).

S. No.	Name of the Candidate	Regd. No.
19	Damu, Anju Kandathil	6555
20	Dasan Kannoth Erayi,	6556
21	Devadas, U.	6557
22	Dharma Raja K.	6558
23	Gajanana Nayak, K.	6559
24	Gopalan, V. N.	6560
25	Gopinathan, K.	6562
26	Gopinathan Nambiar, T.V.	6563
27	Gopalakrishna Aithal, U.	6564
28	Halan A M.	6567
29	Jaganathan, T M.	6569
30	Janardhana Achary, B.	6570
31	Jayaseelan, D.M.	6571
32	Kaliyannan, R.	6573
33	Kaman, K.	6574
34	Kesavan, A.P.	6577
35	Kesavan, K.K	6578
36	Kotekar, Rama Rao,	6580
37	Kottan Kundena	6581
38	Krishnan Kutty, M.	6583
39	Krishnaswamy, K.	6585
40	Kundan, J. K.	6587
41	Kunhammad, T. K.	6589
42	Kunhi Kanna Kurup, C.R.	6591
43	Laxminarayana Putturya, K.	6593
44	Lazarus D'Souza	6594
45	Mannar, G. T.	6797
46	Marudhachalam, C.	6598
47	Mathan. H.	6600
48	Murugesan A.	6602
49	Murugesan, N.	6603
50	Muthusubramanian, N.	6605
51	Nachimuthu, O K.	6607
52	Nallayan, N.	6608
53	Narasinga Rao, R.	6609
54	Narayanan, N.	6610
55	Natarajan, C.	6612
56	Natarajan, K, A	6613
57	Palaniswamy, K. P.	6616
58	Palaniswamy, M	6617
59	Palanisamy, T.	6619
60	Palaniswamy, V. P.	6620
61	Panambur Bhaskar Rao	6621
62	Parameswaran, V.	6622
63	Ponnuswamy, P. K.	6625
64	Ponnuswami, V. S.	6626
65	Poovankavil Abdulla	6628
66	Prabhaker Naik, K.	6629
67	Radhakrishnan, N.	6630
68	Radhakrishnan Nair, P.	6631
69	Raghavan, R.	6632
70	Raghavendran, N.	6634
71	Rajan, P.	6635
72	Rajarathinam, M.	6636
73	Rajasekaran, K S.	6637
74	Ramachandran, K.	6638
75	Ramachandran S.	6639
76	Ramakrishna, Bhat, U	6641
77	Ramakrishnan P. R.	6642
78	Ramaswamy, C	6643
79	Ramaswamy, K	6644
80	Rangaswamy, M. R.	6647
81	Rangaswamy, V.	6648
82	Rathakrishnan, R	6649
83	Rathnakaran Nair, K	6650
84	Rathnaswamy, E. K.	6653
85	Rayappan, K A.	6654
86	Sadasivam, S. C.	6655
87	Sadasivam, V.	6656
88	Sahasranaman, V. A.	6657
89	Samiappan, S.	6659
90	Sampath Kumar, V.	6660
91	Shanmugham, D	6663
92	Shanmugam, P.	6665
93	Shanmugasundaram, D.	6666
94	Siddhan, P.R.	6667
95	Singaravelu, S.	6668
96	Sitharama Kalluraya, P.	6669
97	Sivaji, K	6670
98	Sreedhara Menon, M.	6673
99	Sree Rama Bhat, H.	6674
100	Srinivasan, A	6675
101	Subban, G. N.	6677
102	Subburathnam, K. S	6678
103	Subramanian, C. A.	6680
104	Subramaniam, C G.	6681
105	Subramanian, G. R.	6682
106	Subramanian, N.	6683
107	Subramanian, P.	6684
108	Sundara Gowda, P.	6685
109	Sundaram, A.	6686
110	Sundaramurthi, C.	6688
111	Thimmappa Rai, N	6690
112	Vasudeva Nayak, A.	6692
113	Venkatasubramanian, B.	6695
114	Vincent Castelino,	6698

Tanjore Centre.

S. No.	Name of the Candidate	Regd. No.
115	Abdul Jabbar, A.	6702
116	Amirthalingam, S.	6703
117	Ananda Paul, S.	6704
118	Angappan, S.	6705
119	Annadurai, K.	6706
120	Aramvalartha Sundaram, K.	6707
121	Arumugam, A.	6709
122	Arumugam, N.	6710
123	Balasubramanian, S.	6713
124	Bala Subramaniam, T.D.	6714
125	Balasubramanian, V.	6715
126	Balasundaram, A.	6716
127	Basaviah, S.	6717
128	Chakkarapani, L. R.	6718
129	Chithambaram, C.	6719
130	Chidhambarathanu, V P.	6720
131	Devaraj, R.	6722
132	Dhanaraj, V.	6723
133	Elanchazian, V.	6724
134	Essakky, P.	6725
135	Francis Xavier Arokiasamy, L.	6726
136	Ganesan, V. (Kivalur)	6727
137	Ganesan, V (Mannargudi)	6728
138	Gopalakrishnan, S. (Madurai)	6729
139	Gopalakrishnan, S. (Tanjore)	6730
140	Govindarajulu, S.	6731
141	Govindarajan, B.	6732
142	Govindasamy, P.	6733
143	Gulam Hussain, A.W.	6734
144	Hanumanthan, H.	6735
145	Harinarayanan, T.P.	6736
146	Irulappan alias Ayyasamy, M.	6737
147	Jayaraman, J.	6738
148	Jayaraman, S	6739
149	Jayaraman, T.	6740
150	Joseph Abraham, G.A.	6741
151	Kadar Masthan, M.	6742
152	Kaliaperumal, G.	6744
153	Kanakasabapathy, V.	6746
154	Kandasamy, P.	6747
155	Kandaswamy, R.	6748
156	Kannan, B.	6749
157	Kannan, K V.	6750
158	Kannan, P.	6751
159	Kantham, S.	6753
160	Kovilan, P.	6754
161	Kunchithapatham, A.	6755
162	Kurunthalingam, P.	6757
163	Lakshminarayanan, N.	6759
164	Mahalingam, P.	6760
165	Manickavasagam, D.	6762
166	Mani, S.	6763
167	Marimuthu, P.	6764
168	Marudaiah, L.	6765
169	Maruthy, S. V.	6766
170	Meenakshi Sundaram, K. R.	6767
171	Mohammed Abubakker, U. M.	6769
172	Moses Raja Doss, R.	6770
173	Muniappan, V	6771
174	Murugaiyan, A.	6772
175	Murugan, K.	6773
176	Murugapiran, M.	6774
177	Muthukumaran, A	6777
178	Nagarajan, N.	6779
179	Nagaraja Rao, R.	6780
180	Nalliah, P. A.	6781
181	Nallendran, M.	6782
182	Natarajan, K. G.	6784
183	Padmanabhan, N.	6785
184	Pakirdas, K.	6786
185	Palanichami, P.	6787
186	Palaniappan, R	6788
187	Periaraj, S.	6793
188	Philomin Raj, M	6794
189	Rajagovindasami, V.	6795
190	Raju, T.	6798
191	Ramachandran, A.	6799
192	Ramadoss, R.	6800
193	Ramalingam, K.	6802
194	Ramalingam, S.	6803
195	Ramamurthy, A.	6804
196	Raman, K	6805
197	Ramanujam, N.	6806
198	Ranganathan, M.	6808
199	Rathinavelu, B.	6809
200	Renganathan, B.	6810
201	Sambaji, H.	6811
202	Sambandam, S.	6812
203	Sampathkumaran, L.	6813
204	Sangilikalai, M.	6814
205	Sanjeevi, P.	6815

S. No.	Name of the Candidate	Regd. No.	S. No.	Name of the Candidate	Regd. No.

Tanjore Centre—(*Contd*).

S. No.	Name of the Candidate	Regd. No.	S. No.	Name of the Candidate	Regd. No.
206	Santhanam, R.	6817	224	Subramanian, R.	6837
207	Sarangapani, R.	6819	225	Subramaniyam, S. (Tiruvarur)	6838
208	Seetharaman, R. (Tanjore)	6820	226	Subramaniyan, S. (Trichy)	6839
209	Seetharaman, R. (Trichy)	6821	227	Sultan Mohamed, M.	6840
210	Sethuramalingam, K.	6822	228	Sundaramahalingam, K.	6841
211	Shunmugam, V.	6823	229	Sundara Ramanujam D	6842
212	Shunmugasundaram, A.	6824	230	Swamiappan, M.	6843
213	Shanmugasundaram, S.	6825	231	Swamy Durai, P. S.	6844
214	Sitharaman, M.	6826	232	Swaminathan, M.	6845
215	Sivapatham, K.	6827	233	Thiagamuthu, G.	6847
216	Sivaprakasam, M. (Ramnad)	6828	234	Thiagarajan, G.	6849
217	Sivaprakasam, M. (Sirkali)	6829	235	Thirugnanasambandan N.	6851
218	Somasundaram, R.	6830	236	Vaithinathan, M.	6855
219	Somasundaram, S.	6831	237	Veeramuthu, R.	6856
220	Soundararajan, V.	6832	238	Vembaiyan, G	6857
221	Srinivasan, V.	6833	239	Venkataramani, A	6858
222	Subbaiyan, S.	6834	240	Venkatasubramanian, R	6859
223	Subramaniam, L.	6836	241	Venkatesan, S.	6860

PASSED IN PARTS I, II & III (THEORY ONLY)

Coimbatore Centre.

S. No.	Name of the Candidate	Regd. No.	S. No.	Name of the Candidate	Regd. No.
1	Gouri Sankar, S.	6566	5	Ramaswamy, P. V.	6645
2	Karuppayan, C. S.	6576	6	Veluswamy, S.	6694
3	Manikkam, K.	6596	7	Doraiswamy, A.	*6861
4	Parthasarathy, M.	6623	8	Halan, K. K.	+6865

Tanjore Centre.

S. No.	Name of the Candidate	Regd. No.	S. No.	Name of the Candidate	Regd. No.
9	Athmanathan, O.	6711	15	Guruswami, V. V.	+6879
10	Mohamed, I.	6768	16	Mani, V.	+6880
11	Palanivelu, R.	6789	17	Mayilari, S.	+6881
12	Paramasivam, V.	6791	18	Shanmugam, M.	+6882
13	Subramanian, K.	6835	19	Srinivasan, P S.	+6884
14	Swaminathan, T. C.	6846			

Madras Centre.

S. No.	Name of the Candidate	Regd. No.
20	Abdul Hussain Amberkhani	+6900

PASSED IN PARTS I, II & IV

Coimbatore Centre.

S. No.	Name of the Candidate	Regd. No.
1	Sivaraman Nair, M.	6671

S. No.	Name of the Candidate	Regd. No.	S. No.	Name of the Candidate	Regd. No.

PASSED IN PARTS I & II

Coimbatore Centre.

S. No.	Name of the Candidate	Regd. No.	S. No.	Name of the Candidate	Regd. No.
1	Gopalan, R.	+6867	2	Gurunathan, N. G	+6868

PASSED IN PARTS I & IV

Coimbatore Centre

S. No.	Name of the Candidate	Regd. No.
1	Krishnan, T.	6582

Tanjore Centre.

S. No.	Name of the Candidate	Regd. No.
2	Santhanaraman, S.	6818

PASSED IN PARTS II & III

Coimbatore Centre.

S. No.	Name of the Candidate	Regd. No.
1	Kannan, K.	+6873

Tanjore Centre.

S. No.	Name of the Candidate	Regd. No.
2	Gopala Rao, R.	+6890

PASSED IN PARTS II & IV

Coimbatore Centre.

S. No.	Name of the Candidate	Regd. No.
1	Gopalakrishna Rao, P. S.	6565

Tanjore Centre.

S. No.	Name of the Candidate	Regd. No.
2	Sanjivi, R.	68[illegible]6

PASSED IN PARTS III & IV

Coimbatore Centre.

S. No.	Name of the Candidate	Regd. No.	S. No.	Name of the Candidate	Regd. No.
1	Murugesan, C.R.	6601	2	Srinivasan, B	6676

Tanjore Centre.

S. No.	Name of the Candidate	Regd. No.
3	Panneerselvan, R.	6790

PASSED IN PART I ONLY.

Tanjore Centre.

S. No.	Name of the Candidate	Regd. No.	S. No.	Name of the Candidate	Regd. No.
1	Gurusami, S.	*6893	2	Selvaraj, S.	+6894

Madras Centre.

S. No.	Name of the Candidate	Regd. No.
3	Raghavachari, K.	+6901

PASSED IN PART II ONLY

Coimbatore Centre.

S. No.	Name of the Candidate	Regd. No.	S. No.	Name of the Candidate	Regd. No.
1	Arasaraju, N.	6537	4	Abdul Ghani, S.K.	•6872
2	Ayyaswamy, K. S.	6540	5	Subramanian, N.P.	+6876
3	Somasundaram, A.K.	6672			

S. No.	Name of the Candidate	Regd. No.	S. No.	Name of the Candidate	Regd. No.
	Tanjore Centre				
6	Surilinathan, A.	*6889	8	Sreenivasan, R.K.	+6897
7	Srichandra Doss, B.	*6896			

PASSED IN PART III ONLY

Coimbatore Centre.

1	Kulandaivelu, V. S.	6586	4	Venkatesan, S.	6696
2	Nachimuthu, K.	6606	5	Subbian, K A.	*6870
3	Palanisami, N. R	6618			

Tanjore Centre.

6	Vaithilingam, M.	6854	8	Vaidyanathan, M. N.	+6899
7	Somasundaram, N.	*6883			

PASSED IN PART IV ONLY

Coimbatore Centre.

1	Atmananda, P. L.	6539	7	Narayanan, V. V	6611
2	Gopalan Nambiar, P. K	6561	8	Raghavan Nair, K P.	6683
3	Jagannathan, P. N.	6568	9	Sahebjan, A H.	6658
4	Krishnaswamy, A	6584	10	Vasudevan, K. K.	6691
5	Kunhabdulla, K.	6588	11	Viswanathan, L.	6701
6	Kunhi Abdulla Keloth	6590			

Tanjore Centre.

12	Arulsamy, M.	6708	20	Nagarajan, A.	6778
13	Balakrishnan, V.	6712	21	Narayanan, S.	6783
14	Kailai Alagan, K.	6743	22	Rajarathinam, V	6797
15	Kannuswamy, S.	6752	23	Ramakrishnan, V.	6801
16	Kuppu Rao, S.	6756	24	Thiagarajan, A.	6848
17	Lakshminarayanan, M.	6758	25	Thirugnanam, S.	6850
18	Mahalingam, S.	6761	26	Thirunavukkarasu, C.	6852
19	Murugesan, V.	6776	27	Thirunavukkarasu, S	6853

The following are the supplementary candidates who completed the whole examination by passing in Part IV.

S. No.	Regd. No.	Name of the Candidate	Trained in the year.	Completed the whole examination by passing in part.
1	5701+	Venugopal, D.	1953—54	IV
2	5702+	Agoram, P.	1953—54	IV
3	5839+	Sethuramalingam, P.	1953—54	IV
4	5876+	Varadarajan, E. N.	1953—54	IV
5	6162+	Chevanan, K.L.	1954—55	IV
6	6191+	Joghee, M.	1954—55	IV
7	6196+	Kandasamy, K.M.	1954—55	IV
8	6206+	Krishnan, N.	1954—55	IV

S. No.	Regd. No.	Name of the Candidate	Trained in the year.	Completed the whole examination by passing in part.
9	6212+	Kunhamboo Poduval	1954—55	IV
10	6231+	Mylswamy, P.K.	1954—55	IV
11	6283+	Nanjan, J	1954—55	IV
12	6284+	Singaravelu, B.	1954—55	IV
13	6457+	Surilivelu, S.	1954—55	IV

LIST OF CANDIDATES WHO OBTAINED DESTINCTION

The following candidates have obtained distinction at the State Co-operative Union Examination, March 1956, in the subjects noted against their names: (Distinction is awarded to those who have obtained at least 60 per cent in any subject and also a **First Class**.)

S. No	Name of the Candidate.	Regd. No.	Subject or Subjects in which distinction obtained
	Coimbatore Centre.		
1	Kalinga Hebbar, A.	6572	Co-operative Law.
2	Kochappan, K C.	6579	Auditing
3	Kuppuraju, S. M.	6592	Co-operative Law aud Auditing'
4	Mallikarjun, B. K.	6595	Co-operative Law and Auditing'
5	Mathai, K. V.	6599	Auditing
6	Padmanabhan, P. S.	6614	Co-operative Law.
7	Rangaraju, A.	6646	Auditing and Book-keeping
8	Rathnasabapathi. M.	6652	Auditing and Book keeping
9	Vikramanunni Nair, C.	6697	Co-operative Law, Auditing and Banking
10	Viswanathan, A.	6699	Auditing
	Tanjore Centre.		
11	Kalyanasundaram, P.	6745	Co-operative Law and Auditing.
12	Pechimuthu, S.	6792	Co-operative Law and Auditing.
13	Rajappan, A.	6796	Co-operative Law and Auditing.
14	Ramaswamy, S.	6807	Co-operative Law, Auditing and Practical Training.

Results of the Final Examination conducted by the Regional Co-operative Training Centre, Madras in May 1956.

List showing the Register numbers and names of candidates who came out successful in the final examinations conducted in May, 1956.

S. No.	Regd. No.	Name of candidate	State.
		First Class	
1	33	Sri M. Prabhakara Rao	Andhra
		Second Class	
1	2	Sri S. Aranha	Madras
2	3	" G. Aswathanarayana	Andhra
3	4	" T. Audinarayana Rao	Andhra
4	5	" C. V. Balan	Travancore-Cochin
5	7	" K. N. Bhujanga Rao	Madras
6	9	" K. Chinnaswamy	Travancore-Cochin
7	11	" A. Francis	Travancore-Cochin
8	12	" R. George	Madras
9	13	" K. C. Gopalan Nair	Travancore-Cochin
10	14	" K. P. Govinda Menon	Madras
11	15	" Gopinath Das	Orissa
12	16	" K. Gopal Reddy	Andhra
13	17	" Hrushikesh Harichandan	Orissa
14	19	" U. Jagannadha Rao	Andhra
15	20	" M. Joghee	Madras
16	21	" N. Krishnamurthy	Madras
17	22	" Lallan Kumar Sinha	Bihar
18	24	" M. Marimuthu	Madras
19	25	" Mishreelal Ganeshlal Soni	Madhya Bharat
20	27	" Mohammed Ayub Hussain	Bihar
21	29	" Ch. Nageswara Rao	Andhra
22	30	" Narendra Kumar Surana	Madhya Bharat
23	31	" K. Papa Rao	Andhra
24	35	" S. Rama Rao	Andhra
25	37	" S. Ravindran Nair	Travancore-Cochin
26	39	" G. Ramaswamy	Madras
27	40	" A. A. Shantamallappa	Coorg
28	41	" Sheo Shankerlal Bajpai	Vindhya Pradesh
29	42	" V. Srinivasan	Madras
30	43	" N. M. Sivaperumal	Madras
31	44	" M. D. Saxena	Bhopal
32	45	" [illegible] Thulasiram	Travancore-Cochin
33	46	" Bh. Venkatasubba Rao	Andhra
34	47	" K. V. [illegible]kateswarlu	Andhra

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