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The Madras Journal

of co-operation

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# The Madras Journal of Co-operation



THE
MADRAS STATE
CO-OPERATIVE
UNION

EACH FOR ALL & ALL FOR EACH

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

C. M. JANARTHANAM, B.A., B.COM.

VOL. XLVIII | JANUARY & FEBRUARY, 1957 No. 7 & 8.

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Vice-Chancellor Madras University and Chairman,
University Centenary Celebrations Committee.

Sri A. Palaniappa Mudaliar, M.A. I.A.S., Registrar of Co-operative Societies, Madras, who has been recently promoted to the Indian Administrative Service.

THE

# Madras Journal of Co-operation

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## Thought for the Month

### CO-OPS. ARE DEMOCRATIC

Because I am concerned about bureaucracy, I am interested in Co-operatives, and I believe the Co operatives will do much to prevent increased bureaucracy. I am interested in Co-operatives also because of their efforts to reduce waste, promote efficiency in the use of natural resources and improve machinery for better distribution of goods to the people.

LOUIS BROMFIELD.

# Editorial Notes

## THE MADRAS UNIVERSITY CENTENARY CELEBRATIONS

The Madras University, an ancient and hoary institution dedicated to higher education in South India owes its establishment to the famous despatch of 1854 issued by the Court of Directors of the East India Company. Later, the three Universities of Bombay, Calcutta and Madras were incorporated by the Act No. XXVII of 1857 of the Legislative Council of India. From a small beginning, the Madras University has grown into a hoary and revered academic institution, and for the past hundred years has been doing yeomen service to the cause of university education. It has produced many scholars, who have distinguished themselves in the professions, in the public service and in the world affairs, as administrators and teachers, as votaries of advanced science, as legislators and judges and have brought honour and fame to the ALMA MATER. As His Highness, the Governor of Mysore said in his inaugural address, "we may confidently assert that Madras University has striven to promote the chief ends of a University—namely to teach; to participate in the growth of knowledge; and to foster a respect for values; which transcend the dimensions of time, place and political organisation." That sums up, in a nutshell, the glorious record of service rendered by the Madras University for the last one hundred years.

Sri P. V. Rajamannar, Chief Justice and President of the Madras University Centenary Celebrations Committee in his welcome address made a pointed reference to the two distinguishing qualities of the Madras University graduate (1) his gift of language and facility of expression and (2) his innate sense of discipline. Dr. Radhakrishnan paid a tribute to the Madras University for having carried out its obligations for the past one hundred years with great ability, discretion and balance and testified to the great reputation enjoyed by the Madras University in both academic standards and efficiency. The Madras University has been the foster mother of the sister Universities of Mysore, Andhra Annamalai, Travancore and Venkateswara. It has been the breeding centre of arts, languages, sciences, technology and, in short, it has been the nursery of South Indian culture and civilization for the past one century.







On this unique and historic occasion of the Centenary Celebrations of the Madras University, we are happy to pay our tribute of appreciation to Dr. A. Lakshmanaswami Mudaliar, the present Vice-Chancellor, under whose able and distinguished leadership, the University of Madras has reached its peak of progress and development and has acquired a world wide reputation for scholarship and research.

Dr. A. Lakshmanaswami Mudaliar has been the Vice-Chancellor of the Madras University since 1942 and during his period of stewardship, the Madras University has registered marked progress in many directions and posterity would remember him for his missionary zeal, breadth of vision and immense practical wisdom. Addition of Colleges, expansion of courses, institution of departments of research, development of technical education, administrative efficiency—these are only some of the ways in which his zeal and ability has borne fruit. As Sri P. V. Rajamannar said, he would go down in the history of India as one of the greatest educationists.

Dr. A. Lakshmanaswami Mudaliar's interests and attainments are many and varied. His monumental report on the Secondary Education has already become a classic on the subject. The N.C.C., the Scout Movement, the Red Cross, the Pachaiyappa's Trust—these are some of the other organizations, which have benefited by his passion for public service. He has sat on several committees and commissions. To mention only a few, he had been the Chairman, Inter-University Board; Member, Scientific and Industrial Research Council, the Central Advisory Board of Education, Chief of the W. H. O. and an inspiring leader of the UNESCO. He has played a very distinguished part in the deliberations of the Madras Legislative Council and many other public bodies. Honours and distinctions come to him in a never ending, unceasing stream, as it is to men, who are born great.

Dr. A. Lakshmanaswami Mudaliar is unique in his towering personality, in his attainments and achievements, in his many sided versatility and brilliance, in his eloquence and persuasive power, in his statesmanship and organising ability and in the degree of regard and respect which he has universally inspired. May the Madras University achieve greater glories and laurels under the able and inspiring guidance of Dr. A. Lakshmanaswami Mudaliar, the scholar—statesman and the matchless leader of the educational movement in India.

We, on behalf of the Co-operative Movement in Madras, which is interested in the pursuit of knowledge and wisdom and in the practice of finer values of life and civilization do hasten to offer our felicitations to the mother of University Education in South India—the Madras University on its brilliant and outstanding record of service in the cause of higher education for the past one hundred years and wish it many more centuries of distinguished service. We have also great pleasure to inform our readers that the Co-operative Movement in Madras has decided to contribute a sum of Rs. 1.25 lakhs to the Madras University for the establishment of a Chair on Co-operation to commemorate the splendid and auspicious celebrations of the Centenary. We appeal to all the Co-operatives in Madras State to contribute liberally and make the proposal for a Chair on Co-operation a reality very soon.

## SRI H.V.R. IYENGAR, CHAIRMAN, STATE BANK OF INDIA, VISITS TAMIL NADU CO OPERATIVES

We have very great pleasure to report that Sri H. V. R. Iyengar, I.C.S., Chairman, State Bank of India and Governor Designate, Reserve Bank of India visited on the 12th February 1957 the Madras State Co-operative Bank Ltd., during his recent study tour in Madras State. He took a keen interest in the working of the Co-operative Credit Institutions and discussed the nature of assistance given by the Reserve Bank of India and the practical difficulties if any, experienced in the matter of obtaining credit facilities from the Reserve Bank. Further, it is reported that he visited several Co-operative Institutions in the Districts of Salem and Coimbatore and familiarised himself with their working and their problems. We are happy to know that the Governor Designate of the Reserve Bank of India is taking such a keen interest in the development of Co-operative Movement and we have great pleasure to welcome him amidst us and we are sure that during his period Governorship of the Reserve Bank of India, the Co-operative Movement would register marked progress.

## SRI A. PALANIAPPA MUDALIAR PROMOTED TO THE I.A.S.

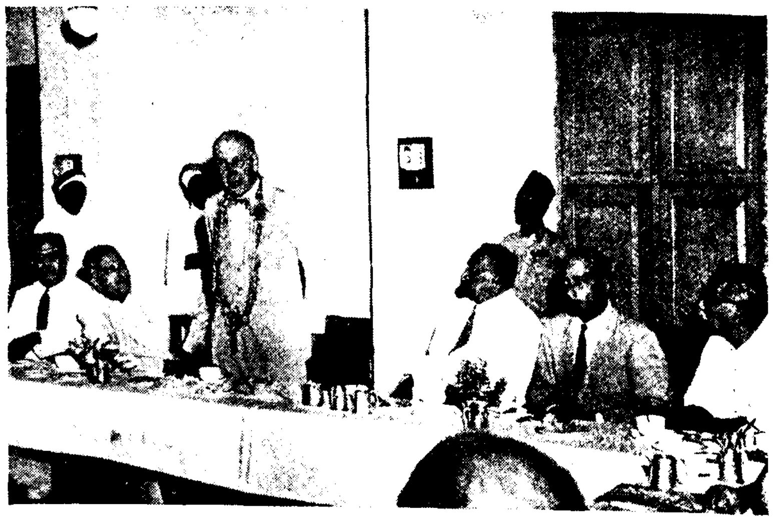
Sri A. Palaniappa Mudaliar, our popular and distinguished Registrar has been promoted as an I. A. S. Officer with effect from 8-10-1955 for the meritorions service he has rendered to the cause of co-operation. Sri A. Palaniappa Mudaliar considers his work as Registrar as a very effective instrument of social service.



## Sri H. V. R. Iyengar, I.C.S., visits the Madras State Co-operative Bank, Ltd.

Sri H. V. R. Iyengar, I.C.S., (Centre) Chairman. State Bank of India and Governor-Designate, Reserve Bank of India visited the Madras State Co-operative Bank, Ltd., on 12-2-1957. Messrs A. Palaniappa Mudaliar, Registrar, Major-General S. C. Alagappan, P. Radhakantam, Dr. P. Natesan, C. R. K. Chetty, S. V. Ramachandrachar are seen in the picture.

## Sir Malcolm Darling's visit to Madras.



Sir Malcolm Darling, Consultant on Co-operation to Planning Commission addressed the members of the Board of Management, The Madras State Co-op. Bank, Ltd.

Sir Malcolm Darling photographed with the members of the Board of Management of the Madras State Co-operative Bank, Ltd., Sri A. Palaniappa Mudaliar, Registrar is also seen in the picture.



Joining the Department in 1928, he became the Deputy Registrar in 1932. He has worked in several capacities as Personal Assistant to the Registrar, as Special Officer in charge of Food Supplies, as Special Officer for the investigation of milk supply schemes and co-operative workshops for ex-soldiers. He was promoted as Joint Registrar in February 1946. During the years 1947-53, he acted as the Deputy Commissioner for Prohibition (Amelioration) and in the year 1954

## The Madras Journal of Co-operation

### January and February 1957 issue

### CORRIGENDUM

Please read *"10th Nov. 1954,"* for *"10th March 1954,"* occuring in the line No. 9, Page No. 557 of the January and February 1957 issue of the Madras Journal of Co-operation.

*Editor.*

great administrative ability and drive. He has ably put into execution the Integrated Credit and Marketing Scheme and has already started several large sized societies. He has taken energetic steps to step up the marketing sector and integrate the developing credit activity with economic activities, like processing, marketing, etc. Under his able direction, three co-operative sugar mills and one spinning mill and several other processing plants are being started. Not only that. He has been always laying great stress on the proper training and education of the co-operative staff and the co-operators. The upgrading of Supervisors Training Institutes, the upgrading of the Central Co-operative Training Institute into a Co-operative College, the expansion of training facilities at the Regional Co-operative Training Centre, the initiation of the Panchayatdar Training Scheme, in short, the ever increasing Co-operative Training opportunities owe their inspiration and fulfilment to the extraordinary foresight and wisdom of our Registrar. Besides, Sri A. Palaniappa

Mudaliar is a co-operative writer of great eminence. His articles comprise the entire gamut of co-operative topics and the pages of "THE MADRAS JOURNAL OF CO-OPERATION" are illuminated by his thought provoking and erudite articles.

Sri A. Palaniappa Mudaliar's services are sought after by many All India and State Committees. He was a member of the T. M. Narayanaswami Pillai Committee on Co-operation. He is a member of the All India Co-operative Law Reform Committee. He is a member of the Standing Advisory Committee on Rural Credit of the Reserve Bank of India. He is a member of the Central Committee for Co-operative Training.

It is indeed a matter of pride for us—the Co-operators of Madras—that our Registrar's services in the cause of the Co-operative Movement has been recognised and that he has been promoted as an I. A. S. Officer and we have great pleasure in offering our heart-felt felicitations to him on his recent elevation. We are sure that during his period of Registrarship, the Co-operative Movement in Madras would grow from strength to strength and occupy the pride of place in the Indian Co-operative Movement.

## THE TWELFTH TAMIL NADU CO-OPERATIVE CONFERENCE

The Twelfth Tamil Nadu Co-operative Conference was conducted in a very impressive and splendid manner at "Gopal Bagh" Coimbatore on 29th and 30th December 1956. Nearly 2,000 delegates from all parts of Tamil Nadu inclusive of the Kanyakumari District attended the Conference. There was an Exhibition in connection with the Conference, which was opened by Sri C. Subramaniam, Finance Minister. As an adjunct to the Conference, the Co-operative Secretaries and Managers' Conference was held under the presidentship of Sri T. R. Dharanidharan.

The Twelfth Tamil Nadu Co-operative Conference was a great success. Sri Medai Dalavoi Kumaraswami Mudaliar, President, The Madras State Co-operative Bank and the President, The Tirunelveli District Co-operative Central Bank Ltd., hoisted the Co-operative Flag and said that Co-operative work was the best form of social service. Sri S. K. Chenniappa Gounder, President, Reception Committee called on the audience to hasten slowly and to implement only such of those decisions taken after due consideration. Sri R. Kanakasabai, President, South Arcot District Co-operative Central Bank presided over the Conference and





delivered a thought-provoking address. He pleaded for the decentralisation of powers in the administrative set-up of the Co-operative Department and welcomed in general the recommendations of the Narayanaswami Pillai Committee Report. He appealed to the Co-operators to work with a missionery zeal and make the co-operative schemes under the Second Plan a success. Elder Statesmen like Sri P. T. Rajan and Sri O. P. Ramaswamy Reddiar exhorted the co-operators to devote themselves to the development of the Co-operative Movement in a spirit of selfless service. Sri C. Subramaniam, who opened the Exhibition said that the message of co-operation should be brought home to every village and added that co-operation should permeate all walks of life like credit, marketing, housing, weaving, dairying, cottage industries etc. Sri M. Bhakthavatsalam, Minister for Co-operation was happy to note that there were nearly 15.389 Societies in Madras State, covering all aspects of life and that the Movement commanded a membership of 28.8 lakhs and a working capital of Rs. 64.4 crores. He appealed to the members to work together in a spirit of co-operation and to eschew politics of every kind.

The Conference passed as many as 52 resolutions, touching on the several facets of co-operation. In particular, reference may be made to the resolution providing for the amalgamation of two Co-operative educational bodies—the Madras State Co operative Union and the Tamil Nadu Co-operative Federation. We are sure that the amalgamation of the two bodies would lead to the emergence of an unified and efficient propaganda organisation for the entire Tamil Nadu. In general, the Twelfth Tamil Nadu Co-operative Conference was a resounding success and the deliberations of the conference were very useful to the co-operators of Tamil Nadu both to assess the present day trends and to plan for the future expansion.

# A Survey of the 'Co-operative Sector' in the University Centenary Exhibition, Guindy.

SRI C. M. JANARTHANAM, B.A., B.COM.
Associate Editor, The Madras Journal of Co-operation.

The Madras University celebrated its centenary with great eclat from the 28th January 1957 to 31st January 1957. It is, indeed, an unique event in the annals of Higher Education in Madras State. As an auxiliary to the splendid centenary celebrations, the University authorities decided to conduct an Exhibition at the Guindy Engineering College Grounds from 28th January 1957 to 17th February 1957. The Exhibition was declared open by Sri C. D. Deshmukh, the Chairman of the University Grants Commission. Fittingly enough, he observed in his inaugural address that the Exhibition was bound to be of great educative value to the alumni of the Madras University as well as the citizens of the Madras State.

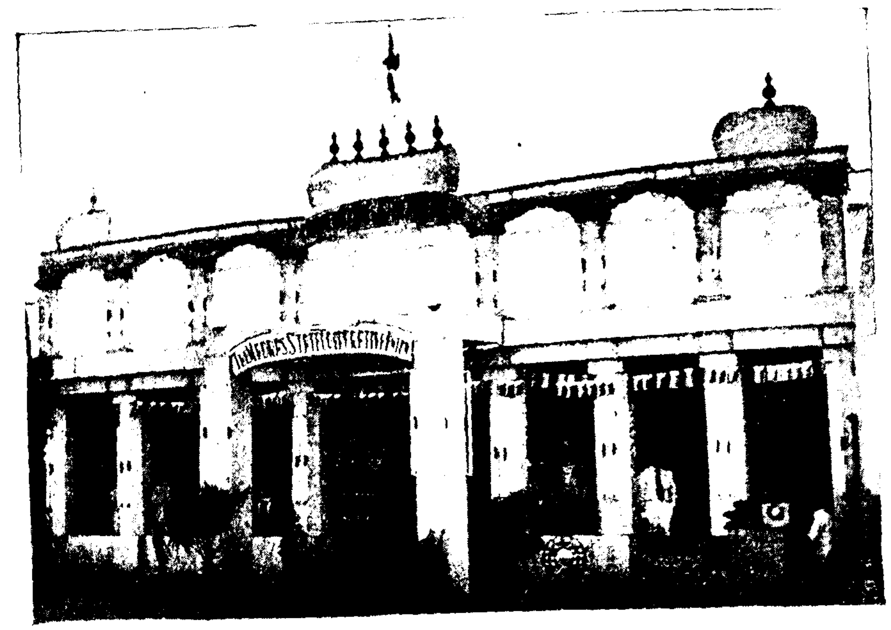
The Exhibition was spread over three segments: 1. The Engineering College campus, 2. Main Exhibition grounds, 3. The Alaggappa Chettiar College of Technology. As one newspaper man remarked, 'it really takes four hours for a person just to hurry through the Exhibition'. So varigated, so comprehensive, and so educative were the several exhibits, which were specially prepared by each one of the stall holders. The several Faculties of the Madras University participated in the Exhibition and their exhibits were of great educative and cultural value. The Hall of Electricity in the Engineering Exhibition attracted huge crowds, particularly the 'Alibaba Cave', the 'Mother's Boon' and the 'Flying Yogi'. The stalls of the P. W. Department, in general, the Highways and the Electricity in particular were the high lights of the main ground exhibition. The Television and the driver-less car of the Alagappa's Wing were very popular and attracted huge crowds. As the Chief Justice Sri P. V. Rajamannar said, "the exhibition was really an eye-opener in higher sense namely, it opened the minds' eyes of the people and gave them an insight into the growth of human knowledge in several fields like, art, literature, engineering, social sciences, civics and also enlightened them as to how the modern day State was slowly unfolding itself into a Welfare State."

## THE MADRAS STATE CO-OPERATIVE UNION

The Co-operative Department for the first time made a planned effort to participate in the exhibition. For the first time, in the



## 'Co-operative Sector' in the University Centenary Exhibition at Guindy.



The architectural frontage of the Stall of the Madras State Co-operative Union.


'Co-optex' Stall at the Exhibition. The Madras State Handloom Weavers' Co-operative Society Ltd. was the recipient of an award from the Exhibition Committee.


Two creamy Milk Bottles shot up to the skies. The front view of the Stall of the Madras Co-operative Milk Supply Union.



annals of the Madras State Co-operative Union, the Union participated in the Exhibition and took a stall of nearly 2,000 Sq. feet in dimensions. Thanks to the recommendation of the Registrar, the Government have been pleased to sanction a subsidy of Rs. 5,000 (G. O. Ms. No. 5,226 I. L. C. 14-12-1956) to the Madras State Co-operative Union, in order to enable the Union to prepare the exhibits and participate in the Exhibition in a very effective manner. The Union prepared twenty two pictorial posters, charts and maps indicating the growth of the Co-operative Movement in the several fields like Credit, Marketing, Housing, Consumers Stores, Weavers Co-operatives, Cottage Industries, Milk, Dairying and other fields. "THE CO-OPERATIVE TREE", "THE CO-OPERATIVE PILGRIM'S PROGRESS", "THE CO-OPERATIVE FINANCIAL TANK" and "THE CO-OPERATIVE EDUCATIONAL SYSTEM" were some of the attractive posters, which earned the appreciation of several spectators at the Exhibition. The charts and posters were greatly educative. We have great pleasure in reporting that the exhibits of Indian Medical Practitioners Co-operative Society Ltd., Adyar, The Madras Co-operative House Construction Society Ltd., The Central Co-operative Printing Works Ltd., demonstrated what co-operation could achieve in the field of service and production. In fact, it could be said that the exhibits of the Madras State Co-operative Union were an epitome of co-operative progress in the Madras State for the last half-a century.

Besides the Madras State Co-operative Union, the Madras Co-operative Milk Supply Union, Ayanavaram, the Madras State Handloom Weavers Co-operative Society Ltd., Madras were the two other major co-operative institutions in the Madras State, which participated in the exhibition. Both the stalls were adjacent to the stall of the Madras State Co-operative Union. In fact, the three stalls of the Madras State Co-operative Union, the Madras State Handloom Weavers Co-operative Society Ltd., Madras, the Co-operative Milk Supply Union constituted, as it were, 'THE CO-OPERATIVE SECTOR' in the Exhibition.

## THE MADRAS CO-OPERATIVE MILK SUPPLY UNION

Behind two massive creamy bottles projecting far above the neighbouring stalls in the University Centenary Exhibition grounds at Guindy was laid out the pavilion, wherein one could gain an insight into the production, handling and processing of milk that was needed for our daily consumption. There were, of course, the usual informative statistical charts and graphs. But the very colourful and descriptive diagrams and pictures tastefully arranged round the walls served to educate the visitors, how "Mixed Farming is the Key to National Progress", What a village is with a Milk Co-operative, What Pasteurised Milk is etc. The charts exhibited under the tiltes, "Miracle of Milk", "Cow—the Munificent Benefactor", "Cow—the Laboratory for Miracles" were arresting the attention of every visitor.

"The Laboratory at Work" demonstrated the methods of of analysis of milk and milk products undertaken as routine work by the Dairy Laboratory of the Co-operative Department, while the enthusiastic Dairy Assistant of the department explained to the visitors in simple language the easy methods for the detection of added water in milk and of milk powder mixed in fresh milk, of the determination of moisture in butter, and the bacteriological analysis of dairy products, in general.

The life-size and the life-like models of Cow and her Calf, and the model of the Madras Co-operative Milk Supply Union at Ayanavaram gave to the public an idea of how that 30 year old institution had helped to build and how it rendered service to the Madras public and the neighbouring rural areas. The Madras Co-operative Milk Supply Union was given a subsidy of Rs. 2,500 by the Government of Madras.

Every day for nearly three weeks, large groups of visitors left the stall not only with rich memory of the exhibits, but also with delicious taste of delicacies like chocolate Milk, Banana Milk, Hot Chocolate etc. that were made available there. The public had nothing but high appreciation.

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

The red blazing sign board "Co-optex" set in dark green architectural frontage beckoned several thousands of visitors to the exhibition. The attractive display of popular varieties of hand-loom products—sarees, bed spreads, shirtings, towels etc. captivated the attention of the buyers and the counter was busy throughout the session of the exhibition. As one enters the stall, the visitors were regaled with the demonstration of "Operation Looms" of various kinds—the Terry Loom, the Pedal Loom, the Jacquard attached looms, weaving out nice patterns of towels, bedspreads, coating cloth etc. The model of a beautiful South Indian blonde, bedecked with lovely, mauve coloured





handloom saree was the cynosure all of eyes. On either side, there were interesting posters, depicting the growth of Co-operative Handloom Industry and the statistical charts gave an insight into the tempo of handloom development and portrayed the production, marketing, and export data of the handloom products. The Madras State Handloom Weavers' Co-operative Society, Ltd., has the unique privilege of being the recipient of a shield for the excellence of the stall and exhibits from the University Centenary Celebrations Exhibition Committee.

## CO-OPERATIVE COTTAGE INDUSTRIES SECTOR

Besides these three stalls, the several Cottage Industrial Co-operatives, which are at present under the administrative control of the Director of Industries and Commerce, Madras, participated in the Exhibition in the stall of Industries Department. The following were the Co-operative Societies, which participated in the Exhibition.

(1) The Reid Co-operative Timber Works, Madras.

(2) The Strathie Engineering Co-operative Society Ltd., Madras.

(3) Meenakshiamman Metal Workers Co-operative Society Madurai.

(4) Pattamadai Mat Weavers Co-operative Society, Pattamadai.

(5) Rope Makers Co-operative Society, North Arcot District.

The Andhra State Co-operative Weavers Society also participated in the exhibition.

## CO-OPERATIVE EDUCATION THROUGH EXHIBITION

Though this was almost a pioneering attempt on the part of the co-operatives, each one of the societies did its best to prepare, besides their ordinary business exhibits, special educative posters and charts depicting the progress registered by the Co-operative Societies in their respective spheres. With the rich experience gained, we do hope that the performance of the Co-operative Societies in the Exhibitions of the future, is bound to be much more attractive and educative in times to come. Co-operation is education applied to economic affairs and naturally enough, the educative and publicity work of the co-operatives require special attention and emphasis. Exhibitions, such as these, do provide ample opportunities to co-operatives to display the rich educative values of co-operative effort.

## CO-OPERATIVE ECONOMY FOR MANKIND

"Many will recall the story of the men, who were quizzed by a passerby as to what they were doing; one said he was chipping stone, another was earning his daily living, while a third was building a cathedral. There are many times when the humdrum routine at the Co-operative Store, or in the Board or Committee meeting may seem a bit discouraging until we recall that all of our better choices are stones gradually being fitted together into a glorious edifice—a Co-operative Economy for Mankind."

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## LOYALTY TO OUR CO-OPERATIVES

Loyalty to the Co operative is essential, that must be constantly cultivated. And in cultivating it through the presentation of simple co-operative problems to those in attendance at assorted interest-group assembles, we will be integrating the minds of people at play with the challange to join hands and help democratically to solve their problems as members of their local and world community. Their understanding of democracy will broaden and they will advance in stature as cultured human beings.

GIL CALKINS.

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*SPECIAL ARTICLES*

# Integrated Co-op. Development Project-Nauranga (Uttar Pradesh)*


SHRI R. BHARADWAJ, I.A.S.

Registrar of Co-operative Societies, Uttar Pradesh.


The Nauranga Project owes its origin to the All India Rural Credit Survey Report released towards the end of 1954. The report contains recommendations of a far reaching character for rehabilitation of the co-operative movement in the country. The recommendations as they apply to the field, are :

(1) Setting up of larger-sized primary credit societies, covering an area of 15 to 30 villages each—the objective being that the society shall be economically self-sufficient, having adequate transactions to permit employment of whole-time staff.

(2) Loaning should have a direct bearing on the production needs of the members—the objective being that the co-operatives should be able to advance loans for the crop production requirements of members.

(3) Organizing of marketing societies for the marketing of agricultural produce of members and for working as agents of the larger-sized primary credit socicties for the recovery of loans advanced by the latter.

(4) State participation (contribution to share capital by the State) at all levels of co-operative organisations (primary, central and apex).

In May 1955, the Planning, Research and Action Institute, Uttar Pradesh, jointly with the co-operative department, undertook to start a Pilot Project to spearhead the implementation of the above recommendations.

For Pilot experimentation it was considered necessary that the area selected should be well irrigated and should have adequate field for improvement in agriculture in order that expansion of credit in relation to production might find considerable scope. In addition, it was felt that the area should have cultivators, who were familiar with the ideology and practice of co-operation. An essential feature was that there should be an established regulated market in the area.

*Source: Reproduced from the '*Co-operative Digest*', June, 1956.

The Nauranga circle in Kanpur District satisfied all these conditions. It comprises 102 villages lying within eight miles of the Mandi (market) of Nauranga. Most of the area is irrigated by canals and produces two crops in a year. It grows wheat, gram, barley, sugar-cane, paddy, Lahi (Oil Seeds), jowar and bajra.

There were 20 multi-purpose societies in the area covering 20 villages. The societies although multi-purpose in character confined their activities to credit. Their share capital amounted to Rs. 12,662. The societies had not succeeded in attracting any deposits. The total amount of loans advanced during the year 1954-55 was Rs. 11,398. The basis of a loan was the assets of the members such as land and cattle. The societies were affiliated to the Uttar Pradesh Co-operative Bank, as there is no central bank in the district. The Bank's lending rate to the societies was 7 per cent. The societies charged interest at 9 per cent from members. For non credit activities, the societies were affiliated to a Block Union with headquarters at Nauranga. The Block Union in an organisation for undertaking marketing of agricultural produce, arranging supply of farm and domestic requirements of members and owning a seed store. The stocks at the seed-store are built up by advance of loan in kind from the Government.' The seed from the seed store is distributed to member-cultivators directly on Sawai basis (125 per cent of seed advanced). The Union has also set up a brick-kiln with an investment of Rs. 20,000 for the manufacture of bricks. The Block Union, Nauranga, provided the nucleus for setting up the primary marketing society. Its by-laws were revised and made to confirm to the pattern of a primaty marketing society.

A brief descriptiou of the main features of the larger sized primary credit and primary marketing societies is given below:

Primary larger-sized Credit Society

The area of the society covers 30 villages situated within a radius of three miles from Nauranga, which is the headquarters of the society. Although the larger-sized credit society's membership is around one thousand, it is estimated that the area has a potential membership of at least two thousand, which would be sufficient to provide the society with adequate business.

There would be 3 types of members-ordinary, special and nominal. Ordinary membership is open to all residents in the area of the society. Special membership is reserved for the State Government. Those who join the society under the Chit Fund Scheme are classed as nominal members.





The supreme authority vests in the general body which comprises all ordinary members and such representatives of special members as may be serving on the Board of Directors, each member having one vote. The Board of Directors consists of elected and nominated Directors. The election of Directors is on the basis of one Director from each village having 50 or more ordinary members. A village having less than fifty members is associated with a neighbouring village for purpose of election of Directors. In electing Directors, only members from the village or group of villages concerned will vote.

(One view was that election of Directors would take place in the meeting of the General Body on general voting without forming any electoral zones. Formation of electoral zones has, however, been considered necessary. In the absence of electoral zones, it is apprehended that the villages, which are closer to the headquarters of the society will be in an advantageous position as compared to villages situated at a distance and the number of Directors from the former set of villages will tend to be disproportionately large. Such an arrangement whould have been inequitable. To overcome this objection, we have introduced the system of electoral zones in order that all villages might have equitable representation on the Board.)

Ths State Government will nominate 3 Directors to the Board in its capacity as shareholder, having subscribed for half the capital, i.e., Rs. 10,000.

Participation of State in the Society has not yet been possible as the matter is under the consideration of the Government. As a temporary arrangement, the State Co-operative Bank has stepped in the place of the State Government and taken shares for Rs. 10,000 in the Nauranga larger-sized Primary Credit Society. The State Co-operative Bank will withdraw its shares immediately State participation comes into effect.

It has also been decided that the shares purchased by the Bank shall be retired by the society in full in 4 annual equal instalments beginning from the forth year of the investment. It means that the shares purchased in 1956–57 shall start retiring from the year 1959–60. This is, however, only a tentative proposal. The exact position will be determined when the terms of State partnership and the manner in which State capital will retire have been finalised. At present, the number of Directors on the Primary Credit Society is 15 of which 12 are elected and the remaining 3 are nominees of the

State Co-operative Bank. It may be mentioned that the provision for restricting the number of State representatives to three only is not intended to apply unreservedly to all primary credit societies. It will depend on the total number of Directors and the proportionate shares of the State in the share capital of the society. The representation of the State should, however, not exceed one third of the total strength of Directors. In States, where the participation by State in the share capital of the co-operative societies is indirect (i.e., the State holding shares in the apex bank and the apex bank taking shares in the district central banks and larger-sized primary societies) the representation shall be of the participating institutions concerned.)

The Secretary/Manager of the society is a senior Co-operative Supervisor of the Department and holds his position subject to the approval of the District Co-operative Officer.

(The above is a temporary arrangement. The final pattern is to have a centralised cadre of Co-operative Supervisors under the overall control of the State Co-operative Union to work as Secretary/Manager of larger-sized credit and primary marketing societies. Special training will be arranged for them and only trained supervisors would man these posts. The societies will have to contribute to their pay, etc. The supervisors would also be transferable from one society to another. This arrangement is considered necessary for ensuring that only trained staff is appointed. It will also provide security and chances of promotion to the staff.)

With a view to preserving and strengthening the constructive features of traditional village life and providing necessary guidance to the Board of Directors with regard to the credit-worthiness of fellow members and ensuring that the loans given to the members are properly utilised, village Supervisory Committees have been formed in each village. Such committees are appointed by the Board in consultation with the members of the village.

One limitation of a larger-sized primary society is that it does not provide the same degree of group loyalty among members as is possible in a village society. The institution of village Supervisory Committees will considerably overcome this limitation. One suggestion is that instead of having *ad hoc* supervisory committees at the village level, there should be a statutory body at the village level. The pattern that will best satisfy the need for an organisation at village level would be a Better Farming Society, which will not





undertake functions of credit, etc., Such a society could fill the vacuum caused by the disappearance of village credit societies in the set up of larger-sized societies and could provide an elected body of advisers for the larger-sized society. The disadvantages in adopting this suggestion are that there will be disproportionately large increase in the number of societies and there would be numerous problems of audit, inspection, etc., The seggestion, however, is under consideration.)

The society's by-laws provide for meeting the short and medium-term credit requirements of the members. Loans are to be advanced on the productive capacity of the cultivators as against the existing haisiyat (assets) basis. In other words, loans are to be given on the basis of the cost to be incurred by the farmer in sowing and cultivating a particular crop on a given number of acres. The cost of cultivation of each crop includes expenditure on items such as seed, fertiliser, rent, irrigation charges and wages paid to labourers upto the time the crop is ready for disposal. Generally, the loan to be advanced for a particular crop would not exceed one-third of the value of the estimated produce. In the case of cash crops it may even be up to 60 per cent.

The cash credit limit for the year is thus fixed on the basis of the area of the land owned by the cultivator and the crops (both food and cash) he intends to cultivate during the year. Once the cash credit limit is fixed, the member is at liberty to draw up to the limit so fixed as and when funds are required by him. Until such time as the society is equipped to keep with it sufficient liquid funds for serving the member daily, payment will be made on fixed days, of the month, subject if necessary to three days' notice by the members. The payment days will be the market days. The borrower is required to fill up a cash credit agreement, which includes a clause binding the member to market his produce through the marketing society-an essential feature of the whole scheme.

It is worthwhile mentioning that there would be a number of cultivators, who may not be having any marketable surplus. A rigid interpretation of the integrated scheme of credit and marketing may perclude such a class of cultivators from credit facilities altogether. The overall intention of the integrated scheme is to liberalise the terms of loaning and not to restrict them. Cultivators falling under this category will continue to get loans on the basis of assets as hitherto. It will be found that in some areas a fair percentage of cultivators would fall in this category. They do not have any marketable surplus but are otherwise quite credit-worthy up to a certain limit. They usually manage to pay off their debts from other sources of income. Such cultivators will get loans on the basis of their assets.

Medium term loans would be allowed for periods between fifteen months and three years for productive purposes such as purchase of bullocks, milch cattle and heavy implements. Both crop and medium-term loans can be advaned to a member concurrently, subject to total amount borrowed by a member not exceeding eight times his subscribed share capital.

For purposes such as marriages, serious illness, funerals, etc., loans would be advanced through the Chit Fund (Mutual Help) Scheme. A person who wants loans for such purposes is required to be a nominal member. He must pay Re. 1 as admission fee and contribute Rs. 2 per month or Rs. 12 every six months. The society allows 4½ per cent interest on amounts so received. Out of this amount, half will be carried to the members' deposit accounts and half to a Needs Fund from which loans for purposes noted above are to be advanced. Auction chits will also be run by the society on the model in vogue in Madras.

The society would accept fixed, savings, recurring and home-safe deposits and work, more or less, as a rural bank. It will also issue sealed earthen jars to members for depositing small savings. The jars will be opened on an important day, such as the International Co-operative Day. Awards or some kind of recognition will be given to the best savers.

The rate of interest proposed to be given in the initial stages of the society on fixed deposits, savings deposits and recurring deposits, will be 4½ per cent, 4 per cent and 4 per cent respectively. We are alive to the fact that according to the principles of orthodox banking it is not possible to allow such a high rate of interest on savings deposits. Our experience, however is that the average cultivator, is scared by the term "fixed deposit". What the cultivator actually wants is that his money should be in safe hands and that it should be returnable to him as and when he demands it. State participation will tend to give to the cultivator the feeling of security with regard to deposits. In practice, it will be found that while the cultivator would like to label his deposits as short-term deposits, he would normally let them remain with the society for sufficiently long





periods. Once the cultivator has acquired full confidence in the society, he will become bankingminded and then it would be possible for the society to enforce lower rates of interest on savings deposits.)

The functions of the society will largely be restricted to credit and banking. The larger sized credit society may act as a stock-holder of produce on behalf of the primary marketing society on the clear understanding that it will not be lible to any economic responsibility such as fluctuations in prices, etc., on that account. The larger-sized primary credit society may also, on a restricted scale, undertake handling of essential consumer goods or other supplies required by the cultivators, such as fertilizer, agricultural implements, etc. In all these undertakings, the larger-sized primary credit society will keep in mind the basic principle that credit is not to be combined with marketing and trading and that all transactions will be strictly on cash and not on credit. Thus, the role, of the larger-sized credit society in respect of consumer goods and articles required by the cultivator will be that of distribution without undertaking trading risks or even without involving investment of any substantial funds except for a short period. The activities in this regard that could be undertaken by the credit society would be the supply in cash of articles on a commission basis or of standard goods on an assured demand. Supplies involving price fluctuations and trading risks will legitimately belong to the province of consumer's stores and *ad hoc* societies formed for the purpose. They may be undertaken on a limited scale by the primary marketing society.

The working capital of the larger sized primary credit society is obtained from the shares taken by individual members and the State Government and from deposits and loans.

Shares are of two kinds: 'A' and 'B' class. 'A' class shares are of the value of Rs. 10 each and are subscribed by individuals. Half of each share is payable on allotment and the remainder in two equal six monthly instalments. 'B' class shares are of the value of Rs. 100 each and are subscribed by Government. 'B' class shares are payable in full on allotment.

The society for the present obtains its loans from the U. P. Co-operative Bank, Kanpur Branch. The Bank advances loans to the society upto 16 times the paid-up share capital invested by the society in the bank or eight times its owned capital, whichever is less. The rate of interest is 5 per cent with ½ per cent rebate for prompt payment. Provision is made for advancing loans, both short and medium at 7 13/16 per cent. The Society shall arrange for the sale of members' produce through the marketing society.

The liability of 'A' class shareholders for the debts of the society is limited to four times the nominal value of the shares held. This is a compromise between the limited and unlimited pattern of liability. The liability of 'B' class share holders is limited to the nominal value of the shares.

The society can declare dividends upto 10 per cent with the approval of the Registrar. We wanted to restrict it to 6¼ per cent but in the co-operative Rules of our State the maximum dividend payable by primary credit societies has been fixed at 10 per cent and since the society has been formed by the merger of the primary credit societies a lowering of dividend at this stage would have worked as a disincentive to the formation of the merged society. The matter will be examined again when a suitable atmosphere has been created in favour of largersized primary credit societies.

The All India Rural Credit Survey Report has recommended the creation of an agricultural stabilisation fund in the larger-sized credit societies also "wherever feasible". Provision for the creation of such a fund has not been made in this society, as according to the recommendations for the building up of such a fund, compulsory deduction from the dividends payable to ordinary share holders have to be made. This compulsory deduction is likely to be resented by the members. The matter is, however, under consideration and positive steps to create this fund will be taken within a short time.

Primary Marketing Society :

The area of operation of the marketing society extends to 102 villages situated within a radius of eight miles from Nauranga. Almost all the villages which supply the Nauranga market have been included in its area of operation. There are four classes of members. "A" class membership is open to co-operative societies, "B" class to agriculturists, "C" class to dealers. The State Goverment is classed as a "Special Member" provided it subscribes for "A" class shares in such manner as may be determined by the Board and pays for them in full on allotment. "C" class members would consist of dealers who are in the trade and would have trade connections with the society. They will be merely





nominal members. The advantage of having nominal members is that in case of disputes between the society and these members they could be settled by arbitration. These members have neither the right of vote, nor are they entitled to any representation on the Board of Directors. They are also not eligible for loans against the pledge of goods or any other account.

The supreme authority of the society vests in the general body consisting of delegates representing affiliated societies and "B" class share holders and such representatives of special members as may be serving on the Board of Directors. Each affiliated society would be entitled to elect annually from among its members one delegate, if the membership is 20 or less and two delegates if the membership is between 20 and 100. If the membership is more than 100 one additional delegate would be allowed for each additional 100 members or part thereof. Individual members ("B" class share holders) would be represented on the basis that every village within the area of operation of the society and having 50 or more members shall be allowed one delegate. Any village having less than 50 members would be grouped with a neighbouring village for purposes of electing delegates for the general body.

The Board of Directors shall not exceed 15 in number and shall consist of (a) 12 Directors elected in the Annual General Meeting from among "A" and "B" class delegates of whom at least 6 shall be representatives of "A" class members (b) not more than 3 directors nominated by the State Government participating in the share capital of the society.

One view is that the societies should not be allowed any weightage as such an arrangement tends to work too much towards caution and safeguarding of interests of the credit societies. On the other hand, some others will recommend more weightage in favour of society members on the grounds that institutions should on principle be entitled to a larger representation as they represent larger interest. In this particular society a via media has been adopted.)

No society is, however, to be allowed any representation on the Board of Directors until it has invested in the Marketing Society an amount equal to at least one-tenth of its paid-up share capital. The State representation on the Board will be related to the share capital subscribed. It will, however, not exceed one-third of the total number of Directors.

The Board elects its own President and Vice-President from amongst Directors. The Secretary/Manager is a Senior Co-operative Supervisor and holds his position subject to the approval of the District Co-operative Officer. Finally, as in the case of a larger-sized primary credit society, the Secretary/Manager will be appointed from a centrally recruited cadre.

The functions of the society include marketing the produce of members on commission basis and providing warehousing facilities. It would also enable members to store their produce with the society until such time as the market price is favourable. The society would advance loans against the pledge of the produce upto a certain percentage of the current market price depending on the nature of the produce. Normally it would not exceed 75 per cent. The rate of interest shall be 7 13/16 per cent. The produce so pledged shall be disposed of under advice of the cultivator. The society would not ordinarily engage in outright purchase of produce, as this type of marketing normally involves risk. It may, however, take up this business in very special circumstances, e.g., when it is making supplies on some contract basis and the price is more or less assured. The main function of the society will be direct auctioning of the produce on the day of arrival.

The society would construct its own godowns and arrange for grading, pooling and transportation of members' produce. It would also work in liaison with the larger-sized primary credit society to recover the "crop" loans advanced by the latter, and serve as a market news and information centre. Its functions will also include stocking or distribution of goods required by agriculturists, such as agricultural implements, fertiliser, plant insecticides and on a restricted scale, essential consumer goods. The purchases made by the society and the sales effected will be on a cash basis.

The society will be affiliated to the Apex Co-operative Marketing Society and will undertake inter-State supply of goods and even exports on the advice of the apex body.

The capital of the society will be obtained from the share capital subscribed by affiliated societies, individual members and the State Government. The minimum paid up share capital in the first year would be Rs. 20,000 (to be raised to Rs. 50,000 in the second year) of which individuals and societies are to contribute Rs. 10,000 and the rest is to be subscribed by the State Government. The Government of India have also sanctioned necessary financial





assistance by way of loans and grants for investment in the share capital of the society, erection of warehouses and its managerial costs.

The shares are of three kinds, "A", "B" and "C" valued at Rs, 100, Rs. 2 and Re. 1 respectively. "A" class shares are allotted to affiliated societies and the State Government (special members). "B" class shares are individuals and "C" class for dealers. The society is also affiliated to the U. P. Co-operative Bank. The Bank will advance clean loans to the society according to its assets, although they would not exceed 16 times the share capital invested by the society in the bank. In addition, loans against goods will be advanced upto about 75 per cent of the current market price, depending upon the nature of goods It is expected that in the first year the society will need about Rs. 50,000 of which Rs. 20,000 will come by way of share capital and Rs. 30,000 as loan from U. P. Co-operative Bank. The liability of the members for the debts of the society is limited to the nominal value of the shares held by them individually. The maximum dividend, which the society can declare on shares is 6¼ per cent.

The Planning, Research and Action Institute and the Co-operative Department will conduct an evaluation of this project immediately the first phase of the programme is over, i.e., immediately after June 30, 1956 by which date all the Rabi produce will have been collected. Another evaluation will be conducted immediately after December 31, 1956. The results of evaluation, the difficulties experienced and the improvement effected will be duly tabulated and circulated to all interested members.

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## INDUSTRIAL CO-OPERATIVE ESTABLISHED AT POONA

It is reported that an industrial co-operative known as the Nav Vidhan Audyogic Sahakari Mandal Ltd., was established at Poona with the full assistance of the Government of India with the object of manufacturing radio transformers. The industry which was approved by the Planning Commission has been sanctioned the entire amount of the capital of Rs. 81,000 by the Union Government.

*—All India Co-operative News Service May 1, 1956.*

# The Growth of Co-operative Housing in the U.S.*

In the past few years co-operative housing has come of age in the United States. The co-operative method is now recognized and accepted by tens of thousands of people as the most effective way of obtaining housing.

Officials in many cities, States and in the Federal government have recognized that co-operatives can contribute to the solution of housing problems, which exist in every community. Almost weekly delegations from all over the world come to see the housing co-operatives in New York City. Early last year a $20,000,000 housing co-operative was completed in New York City. It provides homes for about 6,000 people. This co-operative is in close proximity with two older housing co operatives. The three co-operatives have a population of about 10,000 men, women and children.

This community has a co-operative medical group, a co operative credit union, a co-operative home delivery milk service, a co-operative nursery school, and has just opened a 13,000 square foot co-operative market. The community has an auditorium which will accommodate a thousand people for its educational programmes. It has its own monthly educational bulletin. In 'short, starting with housing, many other co-operative enterprises have developed.

The first consumer-sponsored housing co-operative is thirty years old, but it has taken a long time to win acceptance of the co-operative idea. Now that it has been recognized and accepted, the future of co-operatives is very promising indeed.

Several organisations have been in the fore promoting consumers' co-operatives of all kinds, notably the Co-operative League.

A long-range objective of the League is to establish a central savings institution, where people will be able directly to invest their savings in it.

Meanwhile, a central housing organisation took shape in New York, the United Housing Foundation, to carry forward a co-ordinated programme of expansion. It is beseeched by officials concerned with housing matters to organise more co-operatives to meet the demand of wage earners. Many thousands of consumers await the opportunity to become members of the housing co-operatives. One

*Source: Reproduced from a feature article supplied by the U. S. I. S.





of the major problems, however, is the lack of low-interest mortgage money to finance the development of more co-operative projects.

This housing Foudation has started its own insurance programme with the expectation of eventually saving the members considerable money on the cost of their insurance. It is also vitally interested in education. As part of the programme, a monthly magazine, which is distributed free to over 10,000 members is started.

The major objective, of course, is to organize and build more co-operative housing developments. Presently it is about to launch another co-operative, which will house 1,700 families. It will cost over $20,000,000. Within a short time at least two and possibly four additional projects of equal size may be undertaken.

In short, the United Housing Foundation is on the way to meeting the challenge of helping thousands of city dwellers help themselves—the co-operative way—to better housing and other essentials, and to build a co-operative society.

# The Triplicane Urban Co-operative Society, Ltd. Madras.

K. K. Subrahmanyam,
Director, T. U. C. S.

The Triplicane Urban Co-operative Society Ltd., Triplicane, established in 1904 is a Consumer Society having international fame with 59 branches, 25,357 members and sales of about 9 lakhs of rupees per *month*. The constitution of the Society is a flexible one and it had undergone few changes during the last 52 years of working. With the increase in membership, the number of branches in operation, and the number of directors, the institution has become unwieldy and the modification of the By-laws, to suit the present day conditions, is being felt for the last five years both by the members as well as by the department. The real trouble for finalising the Bye-laws is the difficulty in getting an agreed solution for fixing the strength and the mode of election of the directors. There is clamour for adhering to the existing rule of *one* director for each branch, which brings to the Board 59 directors—a very unwieldy number for a business institution like the T.U.C.S.—*inter alia* there is a growing feeling that the constitution should provide for decentralisation of powers to branches, failing which at least two groups of branches and substantial powers delegated to them. Decentralisation by branches, if effected, will have the possibility of liquidating the smaller branches which in its own way caters to the needs of the members in that area. To avoid such a contingency, the grouping of branches regionally, conferring autonomy to them keeping a strong centre, which will continue to purchase and distribute essential articles as at present, will be conducive for the better working of the institution. The question as to how the constitution of the directorate should be redrafted to give effect to this change is being dealt with in the succeeding paragraphs. The scheme, given below in its broader aspects, has to be critically examined and shaped by the members as well as by the department before finalisation.

2. Under Bye-law 19 (2) of the Society as it stands at present, each branch including the so-called depots, is eligible to elect a director, with the result that the Society has to accommodate 59 directors, though there are only 51 at present. The difficulty in conducting a business organisation of the type of T. U. C. S. efficiently without criticism from its members, is a most uphill task. This may





be partly due to the inability of some of the directors elected to discharge the responsibility imposed on them properly, but even assuming that all the directors are quite good and efficient, it will still be difficult to run the institution with that team spirit, which is required for a big institution like the T. U. C. S., to secure the maximum advantage of its position in the Society. It is therefore necessary to restrict the directorate to a sizeable number and the problem is how to get this done.

3. The method of bringing in Directors by branches, which apart from its unwieldy nature, brings to the Board of Directors with heterogeneous view and it becomes difficult to work as a team together with joint responsibility. It has been found in actual experience of working for over a decade that the moment the directorate is elected, a group gets established with an eye to get the maximum representation in the Committees, resulting in a large number of directors remaining unrepresented in any one of them. In view of this position it is seen that the Board's meetings are made a cockpit for ventilating individual grievances, reviews of resolutions passed by committees and the like, and no serious consideration is given for issues which deserve careful scrutiny. A casual review of the Minutes book of the Board's Proceedings will show how unsatisfactory is the position. The discontent in the minds of the members of the General Body as well as in the primary members of the Society results in frequent requisitions for extra-ordinary General Body meetings, mainly to find fault with the directorate.

4. The best solution will be to entrust the entire work of running the day to day administration to the paid staff and the Board, with a considerably reduced number, confining to the exercise of close control over the work, AT A POLICY LEVEL. The institution has already run fifty-two years and the paid staff with slight changes can be used to run the institution efficiently, without any close control from the Directorate. All that is required is a scrutiny at a policy level, which if done will enforce responsibility for successful running on the paid staff, which under the present regime of committee working, has blurred its responsibility. Another aspect which has come out of the present arrangement is discontent among the Panchayatdars and Representatives as the rules do not provide for effective control over the branches by them in view of the centralisation of all powers with the Directorate leaving them as mere figure heads.

5. The new by-laws should therefore provide for

(i) devolution of powers to branches

and

(ii) bringing a sizeable number of directors, as far as possible with branch adherence.

The election of a sizeable directorate by the General Body which is the best method to enforce its responsibility, may have the effect of getting Directors from the select branches and there is the possibility of more than one director getting from an individual branch which will result in bitterness and unnecessary criticism. An alternative, which will mitigate this kind of possible objection, shall be an election of directors from groups of branches, which will have a corrective effect and this method may with advantage be tried. The statement annexed will show how such sizeable groups can be constituted and the succeeding paragraphs deal with the question as to how the directorate can be got elected and powers delegated to branches to enable better and effective running.

6. The unit for working shall as present be the branch with a governing body of NINE to be elected by the MEMBERS of the branch —AS OPPOSED TO VOTERS OF THE BRANCH, PREPARED UNDER PURCHASE QUALIFICATION. The present distinction between Panchayatdars and Representatives should go, as this distinction creates a perennial trouble at all branches. The branches will be classified in 8 groups as in the appended list or with such modifications as may be agreed to for efficient working, care being taken to see that the sales and number of members of groups are fairly equal. Each group which has branches ranging from 6 to 9, will be controlled by directors, selected one from each branch from its general members. The numbers of directors for each group shall however be NINE and the difference if any, between NINE and the actual number of directors elected through branches, will be subsequently elected by the governing body of members of the branches included in the group. These directors of groups to whom powers will be delegated, shall have powers to fix retail issue rates for each group and supplemented by actual purchases of articles for sale in the group which are not supplied by Centre. They will control the branches in the groups with the co operation of members of the governing body and will see to their successful working. It should be seen that each group is self-supporting and the trading accounts worked out separately and the distribution of dividend and interest on share capital to the members of each group paid out of the profits so determined.





7. The above arrangement will bring in 72 directors for 8 groups, and all the branches will get representation at the group centres. These groups will have more powers and can have effective control over the institution. They will depend for supplies mainly from the Centre, which will be administered by 11 directors, selected in the following order:

(i) Eight (one from each group elected by the primary members of that group taken together, voting being done at the respective branches).

(ii) Three by the directorate of the Eight Groups numbering 72.

The Central Board will have the directors who will have regional affinity to the maximum extent possible having been elected by the General Body of members. These *directors who must have joint responsibility*, will exercise the administration *on a policy level* as the work of control of working should be entrusted with the paid staff who may be reconstituted as follows :—

(a) Secretary—in charge of administration & Oil Mills.

(b) Secretary—in charge of accounts.

(c) Secretary—in charge of Purchases & Distribution & transport.

(d) Secretary—in charge of Coordination, buildings & propaganda.

The Board will meet once a week, review the Society's working carefully through prescribed statement and see that the paid staff does the work efficiently and diligently.

8. The value of supplies and the cost in respect of services rendered to each group will be debited to the concerned group after adding suitable over-heads and the sale proceeds realised at each group credited to them. The profits earned in the business, together with the share of profits of the Centre, which will be distributed *pro-rata* in accordance with the total debits raised against each centre during the corresponding period for values of supplies and services shall be disbursed, to the members of the groups as dividend on sales in accordance with their purchase and interest on share capital. The General Body for adoption of the accounts of the Centre shall be the members of the Governing Body of branches. In respect of the accounts of the Group Centre, which will be *inter alia* incrporate the accounts of Centre, the General Body that has to approve the accounts shall be the entire members of the branches

constituting the group. The relationship between the Central Board directorate and the group directorate, should be distinctly laid down and incorporated in the constitution.

9. No change need be made in the structure of the Head Office for the present, except a re-adjustment of the staff to provide for accounting by groups and by centre.

10. A device of the kind suggested with suitable modification will have the effect of :

(a) reducing the number of directorate at the Centre to a sizeable number, which is quite essential for the smooth working of the Society.

(b) giving effective representation to Groups of branches clubbed regionally, which under the scheme gives an opportunity for primary members to take part in the election of Office Bearers for the branches, Group Centres and the Centre.

(c) devolving powers to regional directorate for exercising better control over purchases and distribution by the Centre and supplement by purchase out of the amounts placed at their disposal the supplies suited to its constituent-branches. The scheme can afford better facilties for contact with its primary members, spread over a limited area of the groups, and establish better relationship and minimise bickerings in the General Body meetings,

(d) making the paid staff responsible for the efficient administration, subject to control at a policy level by the Board which will reduce complaints to a minimum

(e) dispensing with the distinctions between the Panchayats and Representatives, which have created an undesirable effect on the working of the Society,

(f) regulating price at group level which will minimise disparity in prices between market rates at the group area and the rates of the Society. Under the present scheme, the Central fixation of retail rates covering the operation of the entire area of the society has created avoidable criticisms. The change over will establish friendly competition in rates between groups and this will have a salutary effect on the working of the Society.

(g) making use of the society to the maximum advantage to its members, by increasing the number of articles in demand for retailing by the society individually at a branch or in the several





branches in the group. Such an inducement when offered will stimulate a tendency to enlist more members to establish better contact with them which will facilitate to meet the wishes of its members and develop a healthy relationship which is essential for the enlargement of the Society's activities and usefulness, a result which cannot be secured with the present set up of the Institution, which has become unwieldy and difficult to work.

11. A change in the mode of working as suggested in the preceding paragraphs, if effected, with modifications in the light of discussions with members, will go a long way for the utilisation of the society to a much larger extent by the members of the general public. The reputation it has established will under the proposed arrangement, be enhanced considerably and will increase the utility of its service to the members to a large measure.

## ANNEXURE

*Distribution of T. U. C. S. By Groups*

| | | | Sale for the half year ended 30-6-1956 Rs. | No of Members as on 30-6-'56 | No. of Voters as per latest Voters' list 16-10.56 to 14-4-'57 |
|---|---|---|---|---|---|
| | *Group I* | | | | |
| 1 | Triplicane | ... | 1,98,945 | 1,114 | 561 |
| 2 | Car Street | ... | 1,47,159 | 822 | 522 |
| 3 | Chepauk | ... | 91,416 | 849 | 465 |
| 4 | Government House | ... | 48,426 | 170 | 108 |
| 5 | Thiruvateeswaranpet | ... | 37,075 | 132 | 90 |
| 6 | Pudupakkam | ... | 39,424 | 208 | 99 |
| | | | 5,62,445 | 3,290 | 1,845 |
| | *Group II* | | | | |
| 1 | Madhavapuram | ... | 1,18,461 | 619 | 365 |
| 2 | Mylapore I | ... | 1,27,201 | 633 | 362 |
| 3 | Mylapore II | ... | 1,23,658 | 684 | 400 |
| 4 | Brodies Road | ... | 89,874 | 464 | 287 |
| 5 | Abhiramapuram | ... | 1,04,914 | 392 | 266 |
| 6 | Mandavalli | ... | 81,134 | 253 | 195 |
| 7 | Adyar | ... | 93,136 | 364 | 240 |
| 8 | Kasthuribainagar | ... | 31,665 | 50 | 50 |
| | | | 7,70,143 | 3,459 | 2,165 |

| | | Sale for the half year ended 30-6-1956 Rs. | No of Members as on 30-6-'56 | No. of Voters as per latest Voters' list 16-10-56 to 14-4-'57 |
|---|---|---|---|---|
| | *Group III* | | | |
| 1 | Royapettah I | 2,45,886 | 688 | 437 |
| 2 | Royapettah II | 48,845 | 232 | 142 |
| 3 | Lakshmipuram | 78,675 | 262 | 185 |
| 4 | Alwarpet | 64,562 | 261 | 151 |
| 5 | Sriramanagar | 56,565 | 148 | 107 |
| 6 | Gopalapuram | 80,289 | 441 | 287 |
| 7 | Raja Annamalaipuram | 47,437 | 135 | 128 |
| | | 6,21,759 | 2,162 | 1,377 |
| | *Group IV* | | | |
| 1 | T. Nagar I | 1,29,514 | 777 | 467 |
| 2 | ,, II | 1,27 998 | 568 | 388 |
| 3 | ,, III | 93,333 | 482 | 248 |
| 4 | ,, IV | 82,116 | 245 | 185 |
| 5 | ,, V | 1,04,074 | 818 | 244 |
| 6 | Nungambakkam | 1,09,795 | 697 | 858 |
| 7 | Chetpet | 56 286 | 182 | 1 0 |
| | | 7,08,116 | 3,209 | 2,000 |
| | *Group V* | | | |
| 1 | Kodambakkam | 1,08,145 | 809 | 225 |
| 2 | Mambalam I | 1,24,724 | 513 | 308 |
| 3 | Mambalam II | 68,853 | 251 | 184 |
| 4 | Saidapet I | 58,871 | 520 | 232 |
| 5 | Saidapet II | 72,916 | 404 | 190 |
| 6 | St. Thomos Mount | 56,853 | 249 | 145 |
| 7 | Meenambakkam | 51,506 | 153 | 95 |
| 8 | Tambaram I | 1,14,289 | 851 | 405 |
| 9 | Tambaram II | 77,285 | 267 | 170 |
| | | 7,32,892 | 3,517 | 1,954 |
| | *Group VI* | | | |
| 1 | Kilpauk | 64,747 | 358 | 177 |
| 2 | Purasawalkam | 1,09,546 | 832 | 362 |
| 3 | Choolai | 43,896 | 181 | 87 |
| 4 | Periamet | 41,423 | 147 | 88 |
| 5 | Egmore | 1,54,541 | 789 | 412 |
| 6 | Komaleeswaranpet | 67,789 | 897 | 223 |
| 7 | Chintadrlpet | 78,572 | 442 | 240 |
| | | 5,60,514 | 3,096 | 1,589 |





| | | Sale for the half year ended 30-6-1956 Rs. | No of Members as on 30-6-'56 | No. of Voters as per latest Voters' list 16-10-'56 to 14-4-'57 |
|---|---|---|---|---|
| | *Group VII* | | | |
| 1 | George Town I | 69,045 | 650 | 268 |
| 2 | George Town II | 89,419 | 775 | 378 |
| 3 | Royapuram | 92,685 | 493 | 253 |
| 4 | Tiruvattiyur | 60,023 | 237 | 135 |
| 5 | Tondiarpet | 62,519 | 277 | 169 |
| 6 | Korukupet | 51,362 | 210 | 113 |
| 7 | Muthialpet | 79,001 | 532 | 271 |
| 8 | P. R. Square | 1,20,180 | 470 | 188 |
| | | 6,24,234 | 3 644 | 1,775 |
| | *Group VIII* | | | |
| 1 | Shenoynagar | 58,238 | 249 | 165 |
| 2 | Perambur | 84,207 | 539 | 277 |
| 3 | Venkataramanapuram | 1,27,677 | 656 | 402 |
| 4 | Villivakkam | 1,16,803 | 713 | 400 |
| 5 | Ayyanavaram I | 8-,579 | 479 | 293 |
| 6 | Ayyanavaram II | 45,665 | 85 | 79 |
| 7 | Ambattur | 78,483 | 246 | 214 |
| | | 5,94,647 | 2,967 | 1,830 |

SUMMARY

| GROUP | No. of Branches | Half yearly sales. | No. of Members. | No. of Voters. |
|---|---|---|---|---|
| I | 6 | 5,62,445 | 3,290 | 1,845 |
| II | 8 | 7,70,143 | 3,459 | 2,165 |
| III | 7 | 6,21,759 | 2,162 | 1,377 |
| IV | 7 | 7,08,116 | 3,209 | 2,000 |
| V | 9 | 7 32,892 | 3,517 | 1,954 |
| VI | 7 | 5,60,514 | 3,096 | 1,589 |
| VII | 8 | 6,24,234 | 3,644 | 1,775 |
| VIII | 7 | 5,94,647 | 2,967 | 1,830 |
| | 59 | 51,69,750 | 25,344 | 14,535 |
| Godown sales | | 2,25,692 | | |
| Grand total | 59 | 53,95,442 | 25,344 | 14,535 |

The percentage of voters (i. e. who are having sales of Rs. 50 half year) to the actual number of members is 57 per cent.

## Unveiling of Sri J. C. Ryan's Portrait

Unveiling of the portrait of Sri J. C. Ryan, I.A.S., at the Ramalingam Co-operative Training Institute, Coimbatore on the 30th December 1956 by Sri Medai Dalavoi Kumaraswamy Mudaliar.

Mr. President, Hon'ble Minister for Co-operation, Brother Co-operators and Gentlemen.

I thank the President and members of the Board of Management of the Ramalingam Co-operative Institute, Ltd., for the opportunity given to me to unveil the portrait of Mr. J. C. Ryan, M.A., I.A.S. who was the first Principal of the Institute on this happy occasion.

Mr. Ryan needs no introduction to this gathering. He has earned an international reputation in the co-operative movement. He comes from a noble and respectable Roman Catholic family of Tanjore. He was born in the year 1900. He studied in the St. Joseph's College, Tiruchirapalli. He was a keen student of Economics. He was recruited to the Co-operative Department in 1931. He made a thorough study of the various agrarian problems of our Province and entered the Department with a missionary zeal to utilise the Co operative Movement to better the lot of the Indian peasant.

He soon found that the problem facing the Indian peasant was very complex and that unless various institutions besides the Local Village Credit Societies came together and jointly worked for the ideal of improving, the economic condition of the peasant could not be achieved.

By his merit, distinction and genius, he was promoted from one rank to another till in 1947, he was appointed as the head of the Co-operative Movement of this State.

Government rightly recognised his merit and conferred on him the I.A.S. in 1951. He was a Deputy Registrar from 1931 to 1940. He was also Special Development Officer for some time.

In 1941 he became Assistant Director, War Publicity and became Joint Registrar in 1942. Then he became Deputy Commissioner of Prohibition in 1946.

Late Mr. A.F.W. Dixon, the then Collector of Salem was jointly working the scheme with Mr. J. C. Ryan and paid a glorious tribute and said he was primarily responsible for the success of the scheme in the District.





In this connection, I cannot forget to mention that our present Registrar Mr. A. Palaniappa Mudaliar, M.A., who was then a Deputy Registrar, was selected as Special Development Officer to inaugurate prohibition in Salem District and work it out successfully. I do not want to say more as his portrait is also to be unvieled here to day by Sri Senniappa Gounder.

It was primarily due to Mr. Ryan. the ameliorative side of prohibition was recognised as more important than its punitive side and elaborate schemes such as land colonisation societies, cottage industries societies, labour contract societies and better living societies were started to improve the condition of the ex-tappers and ex-addicts and prepare necessary conditions to enable them to forget their drinking habits and to take to useful profession as good citizens.

Thanks to his enthusiasm, undaunted courage, mastery over details, firmness of administration and above all his genial temparament, It is no exaggeration when I say that this State can rightly be called as a place of pilgrimage for the Co operators of India. The rapid and various expansion of the movement and of its steady influence over the different social strata in this State, with the tremendous development in Rural, Urban and Land Mortgage Credit and with various non-credit activities, the tremendous expansion is largely due to the magnetic personality and missionary zeal of Mr. Ryan.

Government of India recognised his merit and requisitioned his services for a number of Committees.

The F. A. O. of the United Nations indented on his services for the Far East as Consultant on Co-operation.

His report on the working of the co-operative societies in the State of Madras for the year ending 1951 will give every one an idea of the various directions into which the Co-operative Movement has ramified itself to give economic prosperity to the people of Madras.

Times have now changed. At present, we are spreading our wings in all directions with a view to bring the country to a high co-operative level I only wish to point out that we should not be lost in our enthusiasm. Better be slow and steady and that is my appeal in the interest of the movement Mr. Ryan served on the Agricultural Policy Sub-Committee, the All India Co operative Planning Committee. He was a member in the Provisional Honsing Committee and the Town Planning Committee.

He was the Secretary of the Fifteenth Conference of the Registrars of various provinces held at Madras in 1947 and contributed greatly to its success. He was nominated as a member of the Standing Advisory Committee of the Agricultural Credit Department of the Reserve Bank of India. He was a member of Indian Rural Banking Enquiry Committee constituted by the Government of India.

Mr. Ryan has immense faith in the potentialities of the Co-operative Movement and through Co-operative endeavours he did his utmost to promote the economic conditions of all classes of people, who came into the movement.

He is now in the Reserve Bank of India, Agricultural Credit Department.

May God bless him with long life and prosperity and may he continue to render useful service to the humanity at large.

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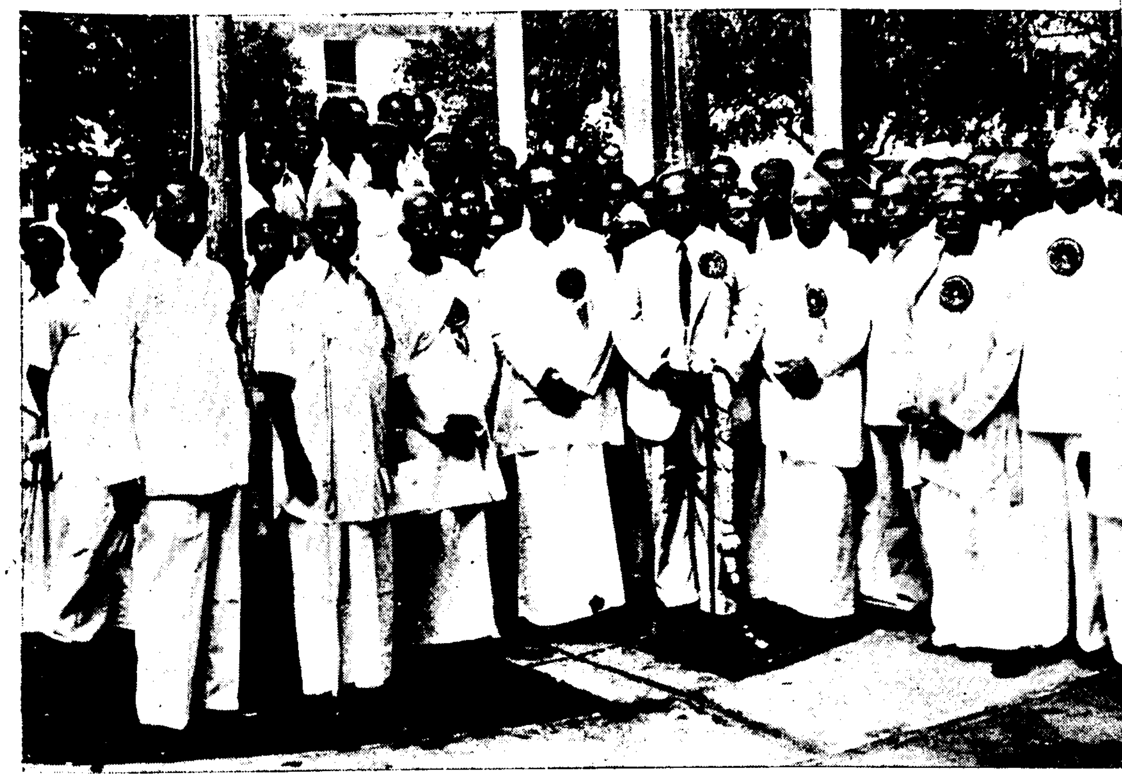
## Twelfth Tamil Nadu Co-operative Conference, 29th and 30th December, 1956



Sri Medai Dalavoi Kumaraswami Mudaliar hoisted the Co-operative Flag. Messrs. A. Palaniappa Mudali P. T. Rajan, O. P. R Reddiar, R. Kanakasabai, M. S. Palaniappa Mudaliar, T. V. Sivanandam, S. K. Chenniappa Gounder, V. V. Ramaswamy, T. M. Chinnia Pillai, M. P. Nachimuthu and others are seen in the picture.

Sri Medai Dalavoi Kumaraswami Mudaliar, Sri R. Kanakasabai, Sir P. T. Rajan, O.P.R. Reddiar, B. B. Naidu, T.V Sivanandam and others are seen at the prayer.

**Twelfth Tamil Nadu Co-operative Conference, 29th and 30th December, 1956.**

Sri C. Subramaniam is seen addressing the Conference. Sri M. Bhakthavathsalam delivered the valedictory address.

Sri S. K. Chenniappa Gounder, Sri T. V. Sivanandam and other members of the Reception Committee are seen in the picture.

# Proceedings of the Twelfth Tamil Nadu Co-operative Conference held at Coimbatore on the 29th and 30th December, 1956.

[We have great pleasure in publishing the proceedings of the Twelth Tamil Nadu Co-operative Conference convened by the Coimbatore District Co operative Central Bank under the auspices of the Tamil Nadu Co-operative Federation. More than 1500 delegates attended the Conference. The Conference discussed several special features of the Co-operative Development Schemes under the Second Five Year Plan. Sri R. Kanakasabai, President, South Arcot District Co-operative Central Bank presided over the Conference. Many elder Statesmen like Sir P. T. Rajan, Sri Omandur Ramaswamy Reddiar and others took part in the Conference and exhorted the Co-operators to make the Movement an effective instrument of helping the farmers and the small artisans. Sri C. Subramaniam, Minister for Finance and Sri M. Bhakthavatsalam, Minister for Co-operation addressed the conference on the 30th December 1956. Sri Medai Dalavoi Kumaraswami Mudaliar hoisted the Co-operative Flag, which as per the convention was the precursor for inviting the next Conference at Tirunelveli. The Conference passed as many as 52 resolutions on various aspects of the Movement and the resolutions would be published in the next issue of the Journal.—*Editor*.]

## FLAG HOISTING ADDRESS.

SRI MEDAI DALAVOI KUMARASWAMY MUDALIAR,
President, The Madras State Co operative Bank Ltd.

Sri Medai Dalavoi Kumaraswami Mudaliar hoisted the Co-operative Flag. He said that we Tamilians always followed the practice of hoisting the Flag, before we commence an important function. The flag of a nation is a sacred symbol, indicating one's loyalty to the nation. It is also a symbol of the prestige of the nation. Even so, our Co-operative Flag is a symbol of the Co-operative Movement all the World over. It radiates the seven colours of the Sun, yet sun's rays are resplendently white. Similarly, even though there are several nations, races and ideologies among the peoples of the World, they are united by the Co-operative fellowship and Co-operative fellowship is a life giving force, like the sun's rays. He said that Co-operation has been given a significant place in the schemes under the Second Plan and he hoped that Co-operators would stand division consisting of a few districts. A Joint Registrar might be in charge of each co-operative division. These divisional officers should be entrusted with more powers and responsibilities so that work might be carried on expeditiously.

Mr. Kanakasabai hoped Government would accept the recommendation of the Narayanaswamy Pillai Committee, that Government should not expect profits for the first five years on the capital amount advanced by them to co-operative societies, and should also implement the recommendation that audit should be separated from the executive.

With regard to the question of granting loans to agriculturists, the speaker said that all loans intended for agriculturists should be granted only through co-operative societies so as to avoid complications that might arise, if such loans were granted through other agencies. He said that certain facilities should be given to agriculturists who borrowed loans from land mortgage banks and they should be asked to repay loans only during the time of harvest.

## UNVEILING OF THE PORTRAIT OF SRI T. A. RAMALINGAM CHETTIAR

SRI O. P. RAMASWAMY REDDIAR, M.L.C.
Ex-Chief Minister of Madras

Unveiling the portrait of Sri T. A. Ramalingam Chettiar, Sri O. P. Ramaswamy Reddiar said that Sri Chettiar was a stalwart among co-operators. He was also a great legislator.

He applied himself to public work with great zeal. He was a man of great integrity. He really laid the foundations of the growing Co-operative Movement in Madras State. He stressed the view that those who participate in the Movement should imbibe the faith and courage of Mr. Chettiar and dedicate themselves to the cause of co-operation, so that the ryot may look up to the co-operative as an institution designed to help and uplift him.

## UNVEILING OF THE PORTRAIT OF SRI C.S. RATHNASABAPATHY MUDALIAR

SRI T. M. CHINNAYYA PILLAI, M.A., B.L.,
President, The Co-op. Fire and General Insurance Society, Ltd.

Brother Co-operators,

I deem it a great honour to have been asked by the sponsors of the XIIth Tamil Nadu Co-operative Conference to unveil the portrait





of late Sri C.S. Rathnasabapathy Mudaliar at Coimbatore to-day. I have had the privilege of knowing him during the last two decades and though my association with him was in the field of co-operation, I have during these years followed with pride and admiration his services to the country in general, and our State in particular, in the civic, political and economic spheres as well.

Born in Coimbatore on 8–3–1886 in a well to do family, service seemed to have attracted him more than self-advancement, even when he was barely 20 years of age. He became a Councillor of Coimbatore Municipal Council, later its Vice-Chairman and from 1921 to 1933 he was the Chairman. His services to Coimbatore City are unique. The citizens of Coimbatore will cherish his memory for ever for his efforts in taking up and completing the Siruvani Water Supply Scheme between the years 1925 and 1929. The sweet tongued Mudaliar brought the sweetest of drinking water to his city. Coimbatore Town expanded rapidly during his Chairmanship; and R. S. Puram named after him, is only one of the several town-extensions which grew up then. He used his political influence not merely in securing Siruvani Water, not merely in bettering the town extension schemes sanctioned, but also in getting a licence for the Coimbatore Municipality for distribution of electric energy from Pykara for civic consumption. Persons like myself, who tried and failed to get a similar licence for the neighbouring town of Salem about that time, knew and realised the power and influence weilded by our Mudaliar with the Government of the day.

If his interest in improving the civic amenities of Coimbatore town was great, his zeal in pushing Coimbatore District to the forefront was greater. He was the President of the Coimbatore District Board from 1923 to 1932 during which period Coimbatore District received in an abundant measure the facilities of improved sanitation, roads, bridges and education in every nook and corner of the District.

It is but natural that the services of our Mudaliar were sought after also outside his own District. He was a distinguished member of the Madras Legislative Council of the Montague-Chelmsford reforms era for several terms, commencing from 1924. His work in the Legislative Council was characterised by practical wisdom and cautious handling of the problems that confronted the legislators of those times. As a businessmen, he was a success. He started the Pankaja Mills at Coimbatore and has been a model employer of labour. In the commercial circles, he made his influence felt in an effective manner. He was the Chairman of the Southern India Mill Owners' Association. He was the President of the All India Chamber of Commerce. He was a Director of the Central Board of the Reserve Bank of India and of many other business and banking organisations.

His love of Tamil, Tamil Nadu, Tamil education and Tamil culture was outstanding and permanent. He gave shape and form to the Seikizhar Sangam at Coimbatore. He, with the late Raja Sir Annamalai Chettiar of Chettinad and Sir R. K. Shanmukham Chettiar founded and placed on a firm putting the Tamil Isai Sangam, at a time when men with greater influence and power in our State, looked with suspicion and scepticism at the venture. He patronised Tamil scholars and he was himself a critical lover of Tamil literature. He gave liberally for all worthy causes.

I now come at the end, to his service in the field of co-operation. He had faith in co-operative ideals and in the co-operative means of solving our economic problems. It will not be an exaggeration to state that our late lamented leader Sri T. A. Ramalingam Chettiar, the late Sri T. Adhinarayana Chettiar and our beloved Mudaliar have been the architects of the movement in Tamil Nadu in the non-official sphere, more than anybody else during the last quarter of a century.

If Coimbatore stands prominent among the Districts in Madras State in co operative work, it is not a little due to our Mudaliar's sustained zeal, lively interest and intimate working of almost all types of co-operative institutions in the District. He has done yeomen service for the cause of co-operation in Madras State as well. He was a member of the Vijayaraghavachari Committee on co operation. He was actively associated with all the State Co-operative Institutions in Madras. His association with the State Co-operative Bank has always been very valuable, and in the interests of the institution. He was President of the Madras State Handloom Weavers Co-operative Society, and the amount of labour and service he has put forth for the uplift of the economic life of the Weaver communities of the State, is something phenomenal. It is but bare truth, when I state that his effective service in the field of co-operation has been in the cause of weavers and weavers' co-operatives. He held the honoured position as President of the Co-operative Central Land Mortgage Bank for some years, and left his mark on its working and administration. Having gradually withdrawn himself from active participation in other fields of service during this year, he was still serving





in the co-operative field as its experienced and seasoned Commander, when the cruel hand of fate snatched him away from our midst on 15-9-1956. The loss is irrepairable. His services are incomparable. The tall, lean, lank figure, in Panchakacham veshti, long closed white coat, with the gleaming fold watch chain dangling near his chest and with the white turban on his head, with sharp eyes, always courteous and affable, kind and loveable, he was a familiar figure in Coimbatore and elsewhere, among high and low. Though he is no more, his spirit permeates all of us, his life and work stand before us, as an example to follow. May his portrait, which I have the good fortune to unveil today, inspire us to serve the cause of co-operation in our land.

## UNVEILING OF THE PORTRAIT OF SRI V. C. VELLIANGIRI GOUNDER

SRI D. KRISHNAMURTHI GOUNDER

READ THE SPEECH OF SRI K. S. RAMASWAMY GOUNDER.

He said that Sri V. C. Velliangiri Gounder came from an old family. He had a long record of public service. He was connected with Palani Devasthan. He was also a member of the District Board and the Madras Legislative Assembly and Rajya Sabha. He was keenly interested in dairy development. He had donated Rs. 30,000 to Ramakrishna Vidyalaya, Perianaickenpalayam. He had participated in several constructive programmes of Ghandiji.

## SRI C. SUBRAMANIAM'S ADDRESS.

Finance Minister C. Subramaaiam opening an exhibition at Coimbatore in connection with Twelfth Tamilnadu Co-operative Conference here appealed to mirasdars and big landowners to co-operate with the Government in solving the land problem, and not to stand against reforms that were contemplated.

Referring to their proposal to form a party, the Minister said it would not help anybody, and they would be up against strong currents by starting such a party.

He said that co-operative exhibition, which aimed at demonstrating the various achievements and uses of the co operative movement and its future possibilities should not be confined to cities and towns only.

The Minister who opened the co.operative exhibition organised by the Twelfth Tamil Nadu Co-operative Conference here said such exhibitions should be so arranged as to move from village to village.

Increased food production envisaged under the Second Plan could be achieved by extending widely existing credit facilities to the farmers, helping them with supply of agricultural implements, good seeds and manure and by aiding them to market their produce doing away with the middle man. He said many of our agriculturists were small holders and Government were taking special interest in their welfare.

The Minister warned big land-holders who, he said, were attempting to impede the proposed land reforms by forming a party of their own, that such attempts would be "like trying to prevent flood waters with the hand". This would harm their own interests.

Referring to the place of co-operation in industries, he said that many villagers could not exist on agriculture alone and they had to supplement their income. That was way Government were particular about starting small scale village and cottage industries in which co-operative societies could help a great lot.

The Minister said co-operation had a great part to play in the successful implementation of the Second Plan.

### SRI M. BHAKTHAVATSALAM'S ADDRESS

The importance of developing agriculture in future through co-operative farming was stressed by Mr. M. Bhakthavatsalam, Minister for Agriculture in his valedictory address at the Conference.

The Minister said that experiment in this direction had already begun at a village in Madurai district, where the agriculturists most of them owning only two or three acres—had come forward boldly to carry out farming on co-operative basis. A similar experiment had been undertaken at another village in Chingleput district also, he said.

The Minister added that it was his ambition that this experiment should be carried out in every village development block. He revealed that the question as to how best farming could be done in the village given as gramdhan to Vinobaji was engaging the attention of the Government.

Mr. Bhakthavatsalam desired than every effort should be made to acclerate the growth of co-operative farming, especially in the villages.





Referring to constant fluctuations in agricultural prices he said that the producer must be free from any fear about the price. It was the Government desire that the prices of foodgrains were kept at a fair level and if there was any sign of a fall below a certain point they would step in to buy in the open market to maintain an equitable price level.

Mr. Bhakthavatsalam said that the present rural credit facilities were quite inadequate and it was their desire that this should be extended to 70 per cent more of the villages with the target of thirty per cent per year. He wanted that facility should be provided to give loans on foodgrains not only to landowners but also to lessees.

Sri S. K. Chenniappa Gounder proposed a vote of thanks.

# G.O.'s and Circulars

## CO-OPERATIVE CENTRAL BANKS—SHORT-TERM LOANS—DUE DATES FIXATION OF

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

R.C. 52176/56-A.1

Dated 17-10-1956.

SUB :—Co-operative Central Banks Issue of short term loans-Due date for repayment-fixation Regarding :—

At present there is no uniformity in fixing the due date for repayment of short term loans issued by the Central Banks. In some Central Banks, the due date is fixed exactly after one year without any reference to the period of harvest of the members' produce, while in certain other Central Banks the due date is fixed in particular months of the year for all the short term loans issued with a view to enable the societies to collect the dues from their members immediately after the harvest and repay the loans to the Central Banks. In so fixing the due date in particular months of the year the period of the loan exceeds 12 months and in certain cases it goes upto 18 months. This subject was considered at the conference of the Central Banks held on 14-7-56 and the following resolution was passed.

"Resolution No. 8 :—Resolved that the Central Banks be advised to fix two due dates for repayment of short term loans, regard being had to local conditions, particularly of harvests".

The Board of Management of the Madras State Co-operative Bank which considered the resolution has accepted the principle of the resolution and it has suggested that the period of the short term loans to agricultural and marketing societies should be fixed so as not to exceed 12 months as the Reserve Bank of India accepts bills of only 12 months' duration in respect of short term loans.

The Central Banks are requested to follow in future the procedure laid down in the resolution and to ensure that in no case are the short term loans allowed to be repaid after a period of 12 months.

A. HIRUDAYASWAMY,
For Registrar.





## CO-OP. CENTRAL BANKS—SECURITY FROM STAFF—REVISED SCALES.

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

Rc. No. 135897/56-A. 1 Dated 18-10-1956.

SUB :—Co-operative Central Banks -Security from Branch Managers, cashiers and shroffs in Branches of the Central Co-operative Banks—Revised standard and form—prescribed.

REF :—Registrar's proceedings R.C. No. 107869/49-A. dated 21-11-51.

ORDER :

Under rule XXVII-B of the rules framed under the Madras Co-operative Societies Act VI of 1932, the Registrar of Co-operative Societies, Madras directs that the paid employees of Central Co-operative Banks under the following categories of services now in employ or to be employed hereafter shall furnish securities in the revised standard and form prescribed below :

1. Managers in Branches

(i) Cash Rs. 1,500 and (ii) unencumbered immovable property valued at Rs. 1,000 or fidelity guarantee bond of the Madras Fire and General Insurance Co-operative Society for Rs. 1,000 or

(i) Cash Rs. 1,000 and (ii) unencumbered immovable property valued at Rs. 1,500 or fidelity guarantee bond of the Madras Fire and General Insurance Co-operative Society for Rs. 1,000 and unencumbered immovable property worth Rs. 500.

2. Cashiers in Branches

(i) Cash Rs. 1,500 and (ii) Unencumbered immovable property—valued at 1,000 or fidelity guarantee bond of the Madras Fire and General Insurance Co-operative Society, for Rs. 1,000 or

(i) Cash Rs. 1,000 and (ii) unencumbered immovable property—valued at Rs. 1,500 or fidelity guarantee bond of the Madras Fire and General Insurance Co operative Society for Rs. 1,000 and unencumbered immovable property worth Rs. 500.

3. Shroffs in Branches

(i) Cash Rs. 750 and (ii) unencumbered immovable property worth Rs. 500 or fidelity guarantee bond of the Madras Fire and General Insurance Co-operative Society for Rs. 500 or

(i) Cash Rs. 500 and (ii) unencumbered immovable property worth Rs. 750 of fidelity guarantee bond of the Madras Fire and General Insurance Co-operative Society for Rs. 500 and encumbered immovable property worth Rs. 250.

2. The Registrar further directs that no Central Bank shall retain in service any paid employee, of the category mentioned in para I above, if he does not furnish before 31—12—56 security in the revised standard and form prescribed in this proceedings.

(By Order)

K. V. SUBBARAYAN,
Manager.

## CO-OP. EDUCATION—UNTRAINED EMPLOYEES OF CO-OP. INSTITUTIONS—STIPENDS—INSTRUCTIONS

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

No. Rc. 43772/54-N

Dated : 26-10-1956.

SUB : Training and Education—Training of subordinates—Personnel in the mofussil Co-operative Training Institutes at Tanjore, Coimbatore, Kozhikode and Madurai—Training of untrained employers of Co-operative Institutions—Instructions—Issued.

REF : (i) Registrar's Circular Rc. 150477/55 N. dated 31-7-56.
(ii) G. O. Ms. No. 4045, Industries, Labour and Co-operation, dated 14-9-1956 communicated in Registrar's Endorsement Rc. 43772/54 N. dated 24-9-1956.

The Co-operative Movement has made rapid progress and extended its activities in different directions especially during the period of World War II and thereafter, when several co-operative institutions of different types were formed to cater to the needs of their members and the general public. The dearth of trained candidates at the time of expansion of the movement necessitated the appointment of untrained candidates by many co-operative institutions. These untrained candidates are still continued in service and on date there are about 2,700 employees in service of co-operative institutions, who do not possess the prescribed qualifications for appointment and that they have not undergone any co-operative training. There are also candidates who have undergone the supervisors training course





in the Co-operative Training Institutes and are awaiting appointments. Instructions were issued in Registrar's Circular cited as item (i) above that the co-operative institutions should employ only qualified and trained men and that they should replace those who are not qualified and trained as quickly as possible.

2. It is considered that it will not be fair and just to send out all of a sudden all the untrained men, since they would have put in a number of years of service in the co-operative institutions and that they have also worked for the healthy development of many of the Co-operative Institutions in the past. Proposals were under the consideration of the Registrar and Government for a long time to provide training facilities to such of the untrained employees as have put in a considerable number of years of service in co-operative institutions with the least cost to the co-operative institutions since many of them were not able to get their employees trained with their slender resources. Under the scheme of reorganisation of Co-operative Training, Government have approved the proposals in the G.O. cited as item (ii) above (copy communicated to all Deputy Registrars) and sanctioned the payment of stipends to 91 candidates to be deputed by co-operative institutions for training in each of the mofussil co-operative training institutes viz. the Samiappa Co-operative Training Institute Limited, Tanjore, The Ramalingam Co-operative Training Institute Limited, Coimbatore and the Malabar Co-operative Training Institute, Kozhikode at Rs. 40 per mensem for 11 months and travelling allowance at Rs. 60 for the entire course of training, for each candidate. Government have already sanctioned the payment of stipend and travelling allowance at the above rates to 40 candidates to be deputed from co-operative institutions for training in the Pandiyanadu Co-operative Training Institute Limited, Tiruparankuntram, Madurai. Though Government have sanctioned the payment of stipend and travelling allowance to 273 candidates in all the three co-operative training institutes at Tanjore, Coimbatore and Kozhikode, there are only 73 candidates in all the above three training institutes, who have been deputed by co-operative institutions for training in the present training course which commenced in July 1956. Since many of the co-operative institutions and the co-operative training institutes were not aware of the above proposals, the admission of institutional candidates seems to be less than what was expected.

3. The Registrar desires that all the co-operative institutions which have taken the services of untrained candidates should avail

of this opportunity and get their employees trained in the coming years. The employment of untrained men against the provisions of the by-laws is a violation of rules and they will not be permitted to keep untrained employees in their services beyond a stipulated period of three years within which period the co-operative institutions should get all their employees trained.

The Deputy Registrars are requested to bring the above instructions to the notice of all the co-operative institutions in their circles which have employed paid staff and see that they get their employees trained. They should impress on the office-bearers of big institutions the need for imparting co operative training to their paid employees as quickly as possible.

(By Order)

S. NATARAJAN,
Manager.

## RURAL CREDIT SOCIETIES—HONORARIUM TO PANCHAYATDARS

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

Rc. 184005/55-B

Dated 30-10-1956.

SUB :—Co-operative Societies—Rural Credit Societies honorarium payable to Panchayatdars under by-law 60 (b)—Revision of—instructions—Issued ;—

REF :—1. Registrar's Circular Rc. 62358/50—X dated 1-12-1949.
2. Registrar's Circular Rc. 14739/50—X5 dated 20-7-'51.

In the Registrar's Circular cited as item No. 2 it was suggested that the maximum remuneration payable to the Panchayatdars of rural credit societies for the non-credit business entrusted to them may be reduced from 5 per cent to 3-1/8 per cent in respect of the value of goods sold or supplied by a society in any one year

2. At the last conference of the Deputy Registrars held in June 1955, it was resolved as follows.

"It is considered necessary that in order to encourage non-credit activities in rural credit societies, a certain minimum per centage of the turnover should be fixed as payment of remuneration to the panchayatdar entrused with non-credit business instead of the maximum per centage of 3-1/8 as at present or the remuneration





actually payable may be fixed per centage of the gross profits earned in such-non-credit business whichever is greater".

3. In the light of the above resolution, the Registrar has carefully examined the question. The existing provision in the model by-laws of rural credit societies for payment of remuneration to a panchayatdar entrused with non credit work at 3-1/8 per cent of the value of goods sold or supplied in any one year is only permissive and restricts also the maximum up to 3-1/8 per cent. At the same time, it will be open to the societies to reduce the per centage having regard to their turnover and financial position. No doubt, the payment of fair percentage of gorss profits as remuneration to Panchayatdars helps to increase the transactions. Recently, some select Deputy Registrars were asked to furnish the number of societies that undertook non-credit business, the gross and the net profits earned by them etc., It is found that in seven Deputy Registrar's Circles, out of 50 societies that undertook non credit activities, 49 did business with a turnover of Rs. 2.36 lakhs and out of 49 societies, only 31 societies worked at profit. On a re-examination of the matter, and in view of the recommendations of the Deputy Registrars' Conference, the Registrar suggests that the by-laws of rural credit societies may be amended suitably providing for payment of remuneration to Panchayatdars at one per cent per annum on the total turnover under non-credit business subject to a maximum of Rs. 150. The Deputy Registrars will please bring this to the notice of all rural credit societies in their jurisdiction and see that the societies adopt the amendment to by-law 60 (b) at an early date.

A. PALANIAPPAN,
Registrar.

## PRIMARY L. M. BANKS—PAYMENT OF T. A.

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

Rc. No. 74120/56 J

Dated 31-10.1956.

SUB :—Land Mortgage Banks—Payment of Travelling allowance to Directors and delegates attending Primary Land Mortgage Bank Conferences and General Body Meetings of Central Land Mortgage Bank -Railway fare I class in lieu of II class—prescribed.

REF :—1. Registrar's Memorandum Rc. 38049/55 J dated 2-10-56.
2. Letter S.F. Dis. 2,445/56 B dated 27-4-1956 of the Deputy Registrar, Land Mortgage Banks, Coimbatore.
3. Letter Rc. 5169/56 B dated 2-6 1956 of the Deputy Registrar, Land Mortgage Banks, Madras.
4. Letter No. 1,5681/55-56 dated 27-8-56 of the Central Land Mortgage Bank.

At present the rate of travelling allowance admissible to the directors and the representatives of Land Mortgage Banks for attending the Primary Land Mortgage Bank Conferences and General Body Meetings of the Central Land Mortgage Bank is single II class Railway fare. It has been represented to the Registrar that due to the renumbering of the classes in the railways i. e. conversion of old II class into present I class and the old inter class into present II class a difficulty has arisen in the matter of payment of travelling allowance to directors of Land Mortgage Banks for journeys under taken by them for attending conferences of Land Mortgage Banks and General Body Meetings of the Central Land Mortgage Bank. It is stated that the delegates who come from far off places for such purposes have to travel one complete night in the train, in which case they will be inconvinienced if they are to travel in the existing second class and that the delegates may be allowed to travel in first class in lieu of second class. In consultation with the Deputy Registrars, Land Mortgage Banks and Central Land Mortgage Bank, the Registrar prescribed under clause V of Rule XXVIII A of the Rules framed under the Madras Co-opertive Societies Act the following rates of T. A. daily allowance etc. to directors and representative of Primary Land Mortgage Banks for attending the conferences of Primary Land Mortgage Banks and General Body Meetings of the Central Land Mortgage Bank.

*Railway fare :*

Single I class in lieu of single II class.

| | | |
|---|---|---|
| Road mileage | ... | 3 annas per mile. |
| Daily allowance | ... | Rs. 6 per day. |

3. The Deputy Registrars, Land Mortgage Banks are requested to advise the Primary Land Land Mortgage Banks to amend by-law 28 as suggested above.

A. PALANIAPPAN,
Registrar.





## DISTRICT MARKETING AND SUPPLY SOCIETIES— EXEMPTION FROM SALES-TAX

Copy of G. O. Press No. 4173, Revenue Department Dated the 11th November, 1956.

SUB :—Tax—Madras General Sales Tax Act, 1939—District Co-operative Supply and Marketing Societies—Exemption from sales tax—Notified.

Read the following :—

G. O. P. No. 426 Revenue dated 31—1—'56.

From the Registrar of Co-operative Societies, Madras, Rc. No. 35376/56-S-I dated 20—3—1956.

From Sri S. Narsapaya, M.L.C., letter dated 23—3—1956.

From the Registrar of Co-operative Societies, Madras, letter R. C. No. 63029/56 C. 1. dated 29—4—1956.

Government Memo No. 27799-N/56-4 Revenue dated 24—5—'56.

From the Board of Revenue L.Dis.D. 4560/56 dated 6—8—'56.

ORDER :

The Government have decided that with effect from 1—4—'56 the sales effected by District Co-operative Supply and Marketing Societies in the State to primary stores and other societies such as marketing societies, rural credit societies etc., which are affiliated to them, should be exemped from the sales tax leviable under section 3 (1) (b) of the Madras General Sales Tax Act, 1939.

2. The notification annexed to this order will be published in the Fort St. George Gazette

ANNEXURE

NOTIFICATION

In exercise of the powers conferred by section 6 (1) of the Madras General Sales Tax Act, 1939 (Madras Act IX of 1939), the Governor of Madras hereby exempts from the tax payable under section 3 (1) (b) of the said Act the sales by District Co-operative Supply and Marketing Societies in the Madras State to primary co-operative stores and other societies affiliated to such District Co operative Supply and Marketing Societies.

The exemption hereby granted shall be deemed to have come into force from the 1st April 1956.

(True Copy)

Endorsement D. 63029/560

Office of the Registrar of Co-operative Societies, Madras. dated 25—11—'56.

Copy communicated.

# News and Notes

## SIR MALCOLM DARLING'S VISIT TO MADRAS STATE CO-OP. BANK

Sir Malcolm Darling, Consultant on Co-operation to Planning Commission visited the Madras State Co-operative Bank on 2-2-1957 and had a free and frank discussion with the Board of Directors of the Bank about the Co-operative Development Schemes under the Second Five Year Plan and implementation of the recommendations of the All India Rural Credit Survey Committee's Report. Sri A. Palaniappa Mudaliar, M.A., I.A.S, Registrar of Co-operative Societies, was also present. Sir Malcolm Darling also visited the Regional Co-operative Training Centre, Madras during his stay at Madras.

## SRI H. V. R. IYENGAR, GOVERNOR DESIGNATE, RESERVE BANK OF INDIA, VISITS THE CO-OP. INSTITUTIONS IN MADRAS STATE

Sri H. V. R. Iyengar, Chairman, State Bank of India and Governor Designate, Reserve Bank of India, visited the Madras State Co-operative Bank on 12th February 1957 and had a thorough discussion on the working of co-operative credit mechanism in the Madras State with the members of the Board of the Management of the Madras State Co-operative Bank. During his discussion he made enquires regarding the structure of the Co-operative Credit Institutions, the rates of interest of co-operative advances at different levels, the assistance given by the Reserve Bank of India, the practical difficulties, if any, in obtaining advances from the Reserve Bank of India and other related matters.

Sri A. Palaniappa Mudaliar, Registrar of Co-operative Societies and other departmental officials were also present.

Sri Iyengar also made a study of several Co-operative Institutions at Coimbatore and Salem during his stay in the Madras State.

## JAPANESE CO-OPERATORS VISIT INDIAN CO-OPERATIVES

Two Japanese Co-operators Mr. Seiichi Tanaka and Mr. Riyoichi Sakai have come to India under the UNESCO Workers Study Tour Programme, to study the Indian Co-operative Movement.

They have been sent to India by the Japanese Consumers' Co-operative Union and will spend about a month in India visiting





various co-operatives in different States. The All India Co-operative Union has made necessary arrangements for their stay and visits in the States.

They also visited the Madras State Co-operative Union on 9-2-57.

## NEW EDUCATIONAL PLAN SANCTIONED.

Government of India have sanctioned a Scheme, prepared by the All India Co-operative Union for the organisation of co-operative education for the benefit of non-official personnel of the Movement. The Scheme, which is intended to train office-bearers, members of Managing Committees and existing and potential members of the societies, is proposed to be progressively expanded so as to cover the entire country by the end of the Second Plan.

Arrangements are in progress to implement the Scheme in 55 districts of various States during the current year.

## HOUSING COLONIES FOR HANDLOOM WEAVERS

Government of India have approved a scheme for the construction of four housing colonies for handloom weavers, three in Madras and one in Mysore, at an estimated cost of about Rs. 18.65 lakhs. The residential houses in the colony, which will be a co-operative enterprise, will also be used as workshops by the weavers. The colony will have common processing plants, which will be generally owned and run by the co-operative society concerned. The societies would also arrange for the bulk purchase and supply of yarn to the weavers and undertake marketing of finished products.

The Government have decided to finance such colonies of weavers in co-operatives out of the handloom Cess Fund as part of the programme to improve the conditions of weavers. A ceiling of Rs. 3,600 has been fixed as the cost of construction of a house in these colonies. A third of the cost will be treated as an outright subsidy and the balance as a long-term loan repayable in 25 years.

## ASIAN CO-OP. CONFERENCE TO MEET IN MALAYA

From a communication addressed to the General Secretary, Madras State Co-operative Union, by Miss G. F. Polley, General Secretary International Co-operative Alliance, London, it is learnt that a conference arranged by the International Co-operative Alliance (I.C.A.) to promote Co-operative Movements in Asia will meet in Kuala Lumpur, Federation of Malaya, probably this autumn. About 18 Countries are to be invited to send representatives. Observers from the U.N. Economic Commission for Asia and the Far East, UNESCO, the I.L.O. and the Colombo Plan Bureau for Technical Co-operation will also attend.

Reports will be made to the conference about the state of the co-operative movement in various countries. Consideration is to be given to the opening of the I.C.A. regional office. Also to be considered will be I-C.A's. technical assistance programme—its objects, form and methods of accomplishment for the area. It is expected that Commonwealth countries will give their full support to the conference.

## PONDICHERRY HOUSING SOCIETY

As the population becomes thicker and thicker, year after year, and as the housing problem becomes more acute, the Pondicherry Government decided to form a Co-operative Housing Society at Pondicherry in order to ease housing problem and check up the abnormal rise of rent of houses in the Urban area. Accordingly the Registrar of Co-operative Societies, Pondicherry conducted a preliminary meeting of the interested persons on 29-1-1957 and explained the objects and benefits of the proposed housing society to the promoters. A sum of Rs. 3,500 has so far been collcted towards share capital and entrance fees from 61 members. A scheme for Rs. 20 lakhs has been submitted to the Government for approval. The Pondicherry Co-operative Housing Society has been registered as No. P. 56 on 4-2-1956 under the Madras Co-operative Societies Act VI of 1932 as extended to Pondicherry State. The society will be started on its work shortly.

## THE MADRAS STATE CO-OPERATIVE BANK, LTD., MADRAS

At the Board of Management meeting of the Madras State Co-operative Bank held on 1st January 1957 Sri Medai Dalavoi Kumaraswami Mudaliar and Sri R. Kanakasabai Pillai were elected as President and Vice-President respectively of the Bank for the triennium 1956-57 to 1958-59.

## THE CO-OPERATIVE FIRE AND GENERAL INSURANCE SOCIETY LTD., MADRAS

At the meeting of the Board of Direetors held on 21st January 1957 the following office bearers were elected unanimously to the Executive Committee of the Society for the triennium 1957-59 :—

(1) Sri T. M. Chinnayya Pillai, President, (2) Sri V. Kothandarama Reddy, Vice-President, (3) Sri Rao Bahadur G. Guruvappa





Naidu, (4) Sri Medai Dalavoi Kumaraswamy Mudaliar, (5) Sri V. R. Satyanarayana and (6) Sri V. M. Ghatikachalam, Members of the Executive Committee.

## THE ANDHRA STATE CO-OPERATIVE BANK LTD., VIJAYAVADA

At the Meeting of the Board of Management of the Andhra State Co-operative Bank Ltd., Vijiyavada, the following office bearers were elected unanimously to the Executive Committee of the Bank for the triennium, 1957-59 :—

(1) Sri B. Venkataratnam, President, (2) Sri L. V. Subba Rao, Vice-President, (3) Sri P. L. N. Raju, (4) Sri K. Veeranna, (5) Sri K. V. Ramanayya Naidu, (6) Sri R. Dasaratharama Reddy and (7) Sri G. Venkata Reddy, Members of the Executive Committee.

## THE MADRAS CIRCLE POSTAL CO-OPERATIVE BANK LTD., MADRAS.

At the General Body Meeting held on 27-12-1956 the following Directors have been elected :—

(1) Messrs. N. Panjatcharam, President, (2) C. G. Shanmugasundaram Vice-President, (3) C. Rajagopal Naicker, Hony. Treasurer, (4) S. Audikesavalu Naidu, (5) V. Babu, (6) M. Deenadhayalan, (7) P. Ganesan, (8) V. Purushotaman, (9) V. Rajamanickam, (10) T. Santhanam, (11) M. Sundararajan, and (12) C. P. Sundaramurthy, Directors.

## RURAL CO-OPERATIVE BANK AT ORATHANAD

The Orathanad Rural Co-operative Bank in Tanjore District was opened by Sri A. Krishnaswamy Vandiyar, President of the Tanjore Co-operative Central Bank on 27th January 1957.

Sri R. Venkataraman, M.P., Sri Ramalingaswamy, B.A., B.L., Vice-President of the Tanjore District Co-operative Central Bank, Sri R. Anandan, Deputy Director of Agriculture (Retd.), Sri R. S. Subramania Pillai, Deputy Registrar of Co-operative Societies, Tanjore, Sri C. Raghavan Nair, Special Deputy Registrar for Credit and Marketing, Tanjore and the Tahsildar of Orathanad were present at the function.

An address of welcome was presented to Sri A. Krishna Vandiyar by the promoters of the Orathanad Rural Bank and by the local Congress Committee. After the President's opening speech the Bank was formally opened by Sri Vandiyar.

Sri R. S. Subramania Pillai, Deputy Registrar of Co-operative Societies, Tanjore spoke on the roll of Co-operation and Rural Banks in particular in the present political set up. He emphasised that Co-operation is the only way to rehabilitate the ancient glory of the rural life and to revitalise the self sufficiency of the rural economy. At the end he exhorted the agriculturists to join the Rural Bank at the rate of one member in each family so that the fruits of Co-operation may be enjoyed by one and all in the area covered by the Bank.

Sri C. Raghavan Nair, Special Deputy Registrar for Credit and Marketing next addressed the gathering. He explained the salient features of the working of the Rural Bank. He compared the Bank to a new born baby and requested the promoters to take every care to see that the Bank progresses on sound lines. Sri R. Venkataraman, M.P., also spoke on the roll of Co-operative Banks in ameliorating the lot of middlemen and blessed the bank.

In his concluding speech the President congratulated the people of the area in organising a Bank of this type and exhorted them to derive the maximum benefit out of the Bank.

A variety entertainment by the pupils of the Napier School, Tanjore was arranged by the promoters which was greatly appreciated by the audience.

## INAUGURATION OF THE NATIONAL CO-OPERATIVE DEVELOPMENT AND WAREHOUSING BOARD

The National Co-operative Development and Warehousing Board was inaugurated on the 7th of November 1956. The Board has been set up under the Agricultural Produce (Devolopment and Warehousing) Corporations Act, 1956 and will function as the principal policy making and financing organisation of the country in the spheres of co-operative and warehousing development. It will generally plan and promote programmes for the production, processing, marketing, storage, warehousing and import and export of agricultural produce through the agencies of co-operative societies or a Warehousing Corporation. The Board will consider proposals received from State Governments for financial assistance for the implementation of their programmes for the development of marketing and processing as well as for the promotion of large-sized co-operative credit societies in their areas. It is empowered to advance loans or grant subsidies to State Governments for financing co-operative societies. It may also provide funds to a State Government





or a Warehousing Corporation in order to finance co-operative societies for the purchase of agricultural produce on behalf of the Central Government. It may, in addition, subscribe to the share capital of the Central Warehousing Corporation or advance loans or grant subsidies to it or to any State Warehousing Corporation. The Board will plan and promote Programmes for the supply, through co-operative societies, of, seeds, manures, fertilizers, agricultural implements and other articles for the development of agricultural produce. For executing the programme of warehousing, a Central Corporation with an authorised capital of Rs. 20 crores and an issued capital of Rs. 10 crores will be set up. It will operate warehouses at 100 centres of all India importance with storage capacity of 10,000 to 20,000 tons each. Besides, every reorganised State, except centrally administered areas, will have a Warehousing Corporation, Each one of the State Warehousing Corporations will set up another 250 warehouses with a capacity of 1,000 to 10,000 tons each.

## THE MELSANANKUPPAM HANDPOUNDING CO-OP. COTTAGE INDUSTRIAL SOCIETY, LTD.

The Melsanankuppam Handpounding Co-operative Cottage Industrial Society, Ltd., was inaugurated by Hon. K. Kamaraj, Chief Minister of Madras, on 17-2-1957. Dr. C. Nathamuni Naidu, L.M. (DUBLIN), Z.T.D. (VIENNA) presided. Sri E.N. Narayanaswamy. B.E., Assistant Director of Industries and Commerce, Sri P.I. Subramania Pillai, Deputy Registrar of Co-operative Societies, North Circle, Vellore and Mrs. P. Mohanam, M.A., Assistant Director of Women's Welfare took part in the function.

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## OBITUARY

### MR. K. G. SIVASWAMI

We regret to record the death of Mr. K. G. Sivaswami, a well-known co-operator and agricultural economist of South India, at New Delhi, on 9-1-9157 following a heart attack. He was about 67.

Mr. Sivaswamy was connected with the Servants of India Society for over two decades and was a member of the Plantation Enquiry Commission which recently snbmitted its report to the Government.

Hailing from Kodaganallur in Tirunelvel District, Mr. Sivaswami graduated from the American College, Madurai. After serving as a teacher for some time, he joined the Servants of India Society in 1922. He left the Society in 1944, after two decades of useful service, and enrolled himself as a member of the Socialist Party. But he soon left the Socialist Party also.

An authority on Co-operation and Rural Economics, Mr. Sivaswami was actively connected with the co operative movement in the State and was for some time Honorary Registrar of Co-operative Societies. He himself ran several training centres for co-operators in various parts of the State. He was the Secretary of the Madras State Co-operative Union from 1922 to 1926. He was the first Secretary of the Tamil Nadu Co-operative Federation in Coimbatore and brought out several publications on Co-operation and Rural Economics.

Greatly interested in organising agricultural labour in the country, Mr. Sivaswamy had conducted several surveys on agricultural wages, tenancy, cultivation expenses etc. He founded the agricultural School at Mayanoor, Tiruchi District, for the benefits of the ryots and the Harijans.

A few years ago, Mr. Sivaswami was deputed by the Planning Commission to visit the Middle East Countries to study Co-operation and Agricultural Economics. His report to the Government is claimed to be of immense use

Mr. Sivaswami's last assignment was to study the working of the Co-operative Societies in the States of Bihar and Madras under the auspices of the Delhi School of Economics. He had completed his report with regard to Bihar and was just now engaged in finishing his study of Madras Co-operatives.

When informed of the sudden death of Mr. Sivaswamy, Mr. S. R. Venkataraman, Secretary of the Servants of India Society, Madras, said "as a member of the Society, Mr. Sivaswamy devoted all his time to constructive work. He was a genial friend and an able organiser. He was keen on bringing about reforms in the agricultural field. In his death the country has lost a tireless worker who never expected any reward, save the satisfaction of having served the cause of the poor." "I consider it a great privilege to have been intimately associated with him during his membership in the Society," he said.





### MR. A. RAJABADAR MUDALIAR

The death occurred on the night of February 6, of Mr. A. Rajabadar Mudaliar, retired Deputy Collector, at his residence in Thyagarayanagar. He was 92.

After his retirement in 1921, Mr. Rajabadar Mudaliar was associated with the co-operative movement. He was the Joint Secretary of the Madras State Co-operative Union from 1934 to 1938. He was the Vice-President of the Co-operative Central Bank, Ltd., Conjeevaram. As one of the founders of the Thuluva Vellala Association, he helped the cause of education of pupils of his community. He was a Vice-President of the Ramakrishna Mission High School, Thyagarayanagar. He was also former President of the Madras Co-operative Milk Supply Union. The Ramakrishna Mission High School and the office of the Madras Co-operative Milk Supply Union were closed on 7-2-1957 as a mark of respect to his memory.

## The Madras State Co-operative Union Examination, June 1957.

An examination for the students of the Coimbatore, Tanjore, Malabar and Madura Institutes will be held at the respective Institute's head-quarters from 22nd to 28th June 1957 as per programme given below.

| | | | |
|---|---|---|---|
| Saturday | 22-6-1957 | 10 a.m. to 1 p.m. | Co-operation – Historical, General & Principles. |
| Monday | 24-6-1957 | do | Co-operative Law. |
| Tuesday | 25-6-1957 | do | Audit. |
| Wednesday | 26-6-1957 | do | Book-keeping |
| Thursday | 27-6-1957 | do | Banking. |
| Friday | 28-6-1957 | do | Rural Economics. |

Candidates who failed in the previous State Co-operative Union Examinations held during 1942 to 1956 are hereby informed that they can also sit for the above examination.

Candidates who underwent training in the Institutes prior to 1941 have to appear and pass Part III of the examination under the new regulations for eligibility for a certificate.

In view of the subject 'Banking' having been included under Part III from 1945, candidates who have passed Part II in previous years need not appear for "Banking" under Part III this year. It will suffice if they sit for Rural Economics, Sanitation, Village Panchayats etc., only.

The examination in theory comprises of three parts :—

1. Co-operation—Historical, General and Principles
2. Co-operative Law } Part I.
3. Audit
4. Book-keeping } Part II.
5. Banking
6. Rural Economics, Sanitation, Village Padchayats } Part III.

Candidates who have failed in any one of the subjects of any part have to sit for the subjects comprising that Part or Parts.

The examination fee is Rs. 11 for the whole Examination for students undergoing training in the Institutes for whom the marks obtained by them in the examination will be supplied through the Institutes. However, this rule does not apply to supplementary candidates from whom the fee of Rs. 2 for furnishing marks will stand. The examination fee is Rs. 4 for each Part.

**The last date for receiving the examination fees together with the application in the prescribed form is 30—5—1957. Fees must be remitted only by money order. Applications and money order received after the said date are liable for rejection, and no complaint in this behalf will be attended to.**

*For further particulars please apply to :*

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

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24/3/24





Edited and Published by Dr. P. Natesan, M.B., B.S., at M. S. C. Bank Buildings, Esplanade, Madras. Printed by Sri G. Subramaniam, L. P. T., Secretary, at the Central Co-operative Printing Works, Ltd., 1/17, Mount Road Madras –1400-2-57.