ANNUAL REPORT ON THE WORKING OF THE MADRAS CO-OPERATIVE SOCIETIES ACT 1934-35

120

ANNUAL REPORT ON THE WORKING OF THE MADRAS CO-OPERATIVE SOCIETIES ACT 1934-35.

7. In the transactions of agricultural non-credit societies there was a very appreciable increase. The purchase and sale societies bought goods to the value of Rs. 3,69,444 and sold goods for Rs. 17,03,884 as against Rs. 2,95,227 and Rs. 4,69,486 respectively in the previous year. The Government have been providing staff wherever necessary for the supervision of this class of societies in their initial stages, and look forward to a considerable improvement in the condition of agriculturists through the efforts of these societies in the marketing of their produce.

8. There was further progress in the transactions of the Central Land Mortgage Bank. It issued, during the year, debentures to the extent of Rs. 28,72,800 against Rs. 24,79,500 in 1933–34. In accordance with its policy of converting high interest bearing debentures into ones carrying a lower rate of interest, the bank converted debentures of a total value of Rs. 10,83,200 and the benefit of the reduction in the rate of interest on debentures was passed on to the ultimate borrowers in the primary banks. Funds are now made available to them at 6 per cent interest. The working of the primary land mortgage banks also showed an improvement, and the utility of these institutions in the redemption of prior debts is being increasingly realized by agriculturists. Twelve new banks were registered during the year and there are now banks in all the districts of the Presidency, except Chittoor, South Kanara, Malabar and the Nilgiris. During the year, the banks granted loans to the extent of Rs. 20·57 lakhs as against Rs. 14·78 lakhs in the preceding year. Thirty-eight banks made a profit of Rs. 32,942 and the rest incurred a loss of Rs. 17,067 during the year against a profit of Rs. 12,833 made by some banks and a loss of Rs. 24,089 incurred by others in the year previous. There was an improvement in the collections made by the banks from members, the percentage of arrears under principal and interest at the end of the year being 36·89 and 6·51 respectively against 47·68 and 12·84. The Government note with interest that these banks have already been taking steps to compound informally the debts of their members with their creditors, and that in 143 cases a total original debt standing at Rs. 3,68,889 was scaled down by Rs. 38,191 before the banks discharged it completely.

9. The working of weavers' societies, however, cannot be said to be satisfactory. The profits earned by some of these societies fell from Rs. 5,057 to Rs. 924 and the losses incurred by others increased from Rs. 2,409 to Rs. 4,075. It is reported that these societies are finding it difficult to compete with mill products. The Government trust that the starting of the Provincial Handloom Co-operative Society financed from the grant given by the Government of India for the improvement of the handloom weaving industry will result in an amelioration of the condition of the weavers' societies.

10. The scheme for a comprehensive training of departmental and non-official staff and for the education of panchayatdars and members of societies, referred to in paragraph 26 of the report, has since been sent to the Government of India for approval.

(By order of the Government, Ministry of Public Works)

C. A. Henderson,
Secretary to Government

To the Registrar of Co-operative Societies.
" the Director of Agriculture, Madras.
" the Director of Industries, Madras.
" the Director of Fisheries, Madras.
" the Board of Revenue.
" the Director of Veterinary Services, Madras.
" the Director of Town-Planning, Madras.
" the Accountant General, Madras.
" the Revenue Department.
" the Finance Department.
" the Public Department.
" the Public Works and Labour Department.
" the Government of India, Department of Education, Health and Lands (with C.L.).
" the Secretary to Government, Bengal, Agriculture and Industries Department (with C.L.).
" the Secretary, Legislative Council, Madras.
" the Secretary, Madras Services Commission, Madras (with C.L.)
Press.

[Number of pages fixed as the maximum limit—50]

ANNUAL REPORT ON THE WORKING OF THE MADRAS CO-OPERATIVE SOCIETIES ACT, 1934-35.

TABLE OF CONTENTS.

APPENDICES.

IMPERIAL STATEMENTS.

No. A-4133/35.

OFFICE OF THE
REGISTRAR OF CO-OPERATIVE SOCIETIES,
MADRAS,
Dated the 2nd November 1935.

From

T. AUSTIN, ESQ., I.C.S.,
REGISTRAR OF CO-OPERATIVE SOCIETIES,
MADRAS,

To

THE SECRETARY TO GOVERNMENT,
DEVELOPMENT DEPARTMENT,
FORT ST. GEORGE, MADRAS.

Annual Report on the working of the Madras Co-operative Societies Act VI of 1932 for the year 1934–35 (1st July 1934 to 30th June 1935).

SIR,

I have the honour to submit the annual report on the working of the Madras Co-operative Societies Act for the co-operative year ending 30th June 1935.

PART I.—GENERAL.

Registrar.

1. I was in charge of the department throughout the year.

Joint Registrar.

2. Mr. K. Deivasikhamani Mudaliyar, the permanent Joint Registrar, rejoined duty from leave on the 27th October 1934, relieving Mr. M. Giriappa who was acting as Joint Registrar.

Deputy Registrars.

3. The number of Deputy Registrars continued to be 22. Of these posts, 20 were permanent and 2 temporary. Three vacancies of Deputy Registrars arose in the year and they were filled by the promotion of Sub-Deputy Registrars.

Subordinate staff.

4. The number of posts of Sub-Deputy Registrars at the beginning of the year was 48, of which 25 were permanent and 23 temporary. The three posts of Sub-Deputy Registrars sanctioned by the Government in the previous year for employment on the formation of new land

mortgage banks were filled. The Government have also sanctioned three more posts for the same work in the year. In January 1935 one Sub-Deputy Registrar was sanctioned temporarily till 31st July 1935 for employment as Principal of the Central Co-operative Institute, Madras; another temporary Sub-Deputy Registrar was sanctioned for employment as Superintendent of the peripatetic training class. The posts of Sub-Deputy Registrars sanctioned for the Calicut Urban Bank and the Guntūr Urban Bank (under liquidation) were abolished. The seven temporary posts of Sub-Deputy Registrar-sale officers for the execution of decrees in societies sanctioned last year were also abolished. Thus, at the end of the year, there were 47 posts of Sub-Deputy Registrars, of which 26 were permanent and 21 temporary. During the year six posts fell vacant and they were filled by the promotion of Senior Inspectors, but nine Sub-Deputy Registrars were reverted owing to the abolition of some of the posts already referred to.

The following staff of Senior and Junior Inspectors and Routine Clerks was sanctioned :—

One Senior Inspector for the liquidation of Guntūr Urban Bank;

Twenty-four Junior Inspectors as Sale officers for the execution of decrees by departmental officers;

One Junior Inspector as Manager of the Calicut Urban Bank;

One Junior Inspector for the supervision of Loan and Sale Societies in Tanjore;

One Junior Inspector for liquidation work in the Kallar Societies and another for the liquidation of the Workers' Bank in Madras City;

One Junior Inspector for the concurrent audit of the societies in the Conjeeveram Audit Union, one for the Chittoor Town Bank and one for the execution of decrees in the Vizianagram Co-operative Bank;

Eight routine clerks to certain Deputy Registrars' offices to cope with the increase in work in connexion with the execution of decrees by departmental officers and two in connexion with Depressed Class societies;

One clerk and a typist for the Registrar's office for the verification of the Service books of Subordinate officers;

Twenty-five group clerks on Rs. 15 each tentatively for six months for the supervision of Depressed Class societies in the Chingleput district; and,

Thirty-four peons to assist the sale officers in the execution of decrees, three for work under the Inspectors in the Nilgiris, three for the additional Sub-Deputy Registrars for land mortgage banks, and one for the Registrar's office.

Two posts of Junior Inspectors sanctioned for audit work, five for supervision of Depressed Class societies and one for the Madras Milk Supply Union were abolished.

-4-

One post of Junior Inspector sanctioned for the supervision of the Kallar societies in Madura was abolished.

Consequent on the abolition of the separate office of Sub-Deputy Registrar at Srivilliputtur, the posts of one clerk and one peon were abolished.

5. The following statement exhibits the arrangements of the circles and the distribution of the staff :—

District.	Deputy Registrars.	Sub-Deputy Registrars.	Senior Inspectors.			Junior Inspectors.								Clerical staff.		Peons.	Remarks.
			Credit.	Non-credit.	Concurrent audit.	Audit.	Administration.	Liquidation.	Loan and sale.	Concurrent audit.	Execution.	Depressed classes Inspectors.	Special staff.	Junior Inspectors.	Routine clerks.		
Ganjam	1	1	1	1	...	11	3	1	...	1	2	...	...	4	4	8	
Vizagapatam ...	1	1	1	1	...	8	3 1*	...	1	1	2	...	...	3	4	9	* Agency.
Godavari, East ...	1	1	1	1	1	12	3	2	...	..	3	10	...	4	6	9	
Do. West ...	...	1	1	1	...	7	3	1	...	...	1	2	...	2	3	4	
Kistna	1	1	1	1	...	9	3	1	...	2	2	4	..	4	5	8	
Guntur	1	1	1	1	1 †1	11	3	3	...	...	2	10	...	4	5	9	† Liquidation work, Guntur Urban Bank.
Nellore	1	1	1	1	...	8	3	1	..	...	1	3	...	3	4	5	
Chittoor	...	1	1	...	...	5	3	1	...	1	1	1	...	2	2	4	
Anantapur	1	1	1	1	...	8	3	3	...	1	2	2	...	3	4	7	
Cuddapah	...	1	1	1	...	5	3	2	...	...	1	4	...	2	2	4	
Bellary	1	1	1	1	...	6	3	1	...	...	1	2	...	3	4	5	
Kurnool	...	1	1	1	...	6	3	1	...	.	1	2	..	2	2	4	
Madras	1	1	1	1	2	11	1	2	...	...	...	3	...	5	5	5	
Chingleput	...	1	1	1	...	17	3	3	...	1	3	2	...	...	...	6	
Arcot, North ...	1	1	1	1	...	14	3	5	...	1	3	4	...	4	4	10	
Do. South ..	1	1	1	1	1	15	2	4	2	...	3	7	...	4	6	10	
Tanjore	1	1	1	1	1	19	3	3	..	2	3	20	...	5	9	10	
Trichinopoly ...	1	1	1	1	...	9	3	1	...	..	2	4	1‡	4	5	8	‡ Land Reclamation.
Madura	1	1	1	1	...	10	3	3	1	...	2	12	...	4	5	8	
Ramnad	...	1	1	...	...	7	1	3	...	...	2	1	...	...	...	5	
Tinnevelly	1	1	1	1	...	12	3	3	1	...	3	4	...	4	6	10	
Coimbatore	1 (with The Nilgiris)	1	1	2	1	10	4	1	2	..	1	5	...	4	4	11	
The Nilgiris... ...			1			2											
South Kanara ...	1	1	1	1	...	8	3	3	..	1	2	3	...	3	4	8	
Salem	1	1	1 §1	1	...	9 2§	2	4	...	...	2	3	...	4	4	8	§ Audit Scheme.
Malabar	1	1	1	1	...	11	4	4	...	...	2	4	1‖	4	4	9	‖ Calicut Urban Bank.
Land Mortgage Banks (North) ...	1	9	...	...	...	...	...	...	...	...	...	...	...	...	1	11	
Land Mortgage Banks (South) ...	1	9	...	...	...	...	...	...	...	..	...	...	...	...	1	11	
Registrar's office ...	1	1	8	...	...	...	...	...	...	.	...	...	...	13	5	15¶	¶ Including one Attender.
Central Co-operative Institute ...	...	...	1	...	..	...	...	...	...	...	...	...	...	...	1	2	Also 1 Principal and 1 Junior Lecturer.
Peripatetic Institute	...	1	...	...	...	...	...	...	...	...	...	...	...	...	...	...	
Total ...	22	45	36	24	8	252	72	56	7	11	47	110	2	94	106	223	

There were 44 officers on foreign service on the 30th June 1935, of whom 4 were Sub-Deputy Registrars, 8 Senior Inspectors and 32 Junior Inspectors. They were employed by eleven Central Banks, 4 Federations, 13 Urban Banks, 7 Audit Unions and 8 miscellaneous institutions.

Cost of working.

6. The total expenditure incurred on the working of the department amounted to Rs. 11·17 lakhs as against Rs. 10·85 lakhs in the previous year and was made up as follows:—

	RS. (IN LAKHS.)		RS. (IN LAKHS.)
Pay of Registrar	0·20	Contingencies	0·61
Pay of officers	1·11	Grants-in-aid	0·17
Pay of establishment ...	6·94		
Allowances	2·14	Total ...	11·17

Receipts amounted to Rs. 2·45 lakhs. The net expenditure of Rs. 8·72 lakhs represents 0·52 per cent of the total working capital of all societies as compared with 0·66 per cent in the preceding year.

General summary.

7. The general summary of progress in respect of share capital, deposits, loans, reserve and other funds and working capital together with particulars of arrears under principal, arrear and current interest in the year under report and in the previous year is given in Appendix No. 1.

Season.

The seasonal conditions in the Presidency were not on the whole good; the monsoon appeared late but rapidly established itself. The south-west monsoon was above normal in Ganjām, Vizagapatam and East Gōdāvari, was normal in Chingleput and below normal in other districts, especially in Bellary, Anantapur, Salem, Coimbatore, Trichinopoly and the south. The north-east monsoon was above the average only in Vizagapatam (Agency), North Arcot, Salem, Coimbatore and Trichinopoly and below normal in other districts.

The economic depression, too, continued and the general position of the agricultural classes has not on the whole materially improved, though owing to a slight rise in the principal food-crop—paddy—and in other commodities it was a shade better in some districts. This latter circumstance, coupled with the concessions which I induced the Central Banks and societies to continue in the reduction of rates of interest charged on loans to members and the complete waiver of penal interest, was some relief to the agriculturist members of societies.

Societies.

8. There were 98 applications for registration of societies at the end of the previous year and 406 applications were received in the year. Out of these, only 100 were complied with by registration as against 140 in 1933–34; of these new societies, 49 were registered at the instance of non-officials and 51 were organized by departmental officers. No society was registered in the districts of Chittoor, Ganjām and Kurnool. The number of societies registered in each of the other

5

districts was below 10, the highest number registered being 9 in Salem. The societies registered are classified below:—

(1) Land mortgage banks	12
(2) Agricultural credit societies	26
(3) Non-agricultural credit societies	12
(4) Purchase, purchase and sale societies	27
(5) Production, production and sale societies ...	5
(6) Other types of societies	18
Total ...	100

The policy of reforming and consolidating existing societies was continued. New societies are now registered only with great care after full and detailed enquiries into the prospects of their working. These factors account for the small number of societies registered in the year. In pursuance of the policy of weeding out bad societies, the registration of 281 societies was cancelled during the year as against 462 societies in the previous year and this decrease is due to the fact that liquidation is resorted to after exhausting other less drastic methods of reformation, viz., supersession of committees of societies under section 43 of the Madras Co-operative Societies Act and the appointment of agents for the management of societies under by-law 62 of the model by-laws of primary credit societies. Model by-law 62 provides for the appointment of either members or non-members as agents of societies. In actual enforcement of the provisions of this by-law, it is seen that societies which are kept under persons other than members, viz., supervisors of unions or Central Bank inspectors, etc., are making steady progress and liquidation which at one time appeared inevitable in the case of these societies has to a large degree been prevented. The point is that the non-member agents take strong action against defaulters without regard to local considerations and this arrangement is getting popular in some of the districts.

As many as 444 societies were during the year brought under the operation of by-law 62 and the number of such societies at the end of the year was 992, as against 591 in 1933–34, and 396 in 1932–33. The committees of 20 societies were superseded during the year and the number of such societies at the end of the year was 28. In practice, these measures are found to be effective and constitute a good middle course between suspended animation and liquidation.

A large number of societies was liquidated in the North Arcot, South Arcot, Coimbatore and Tinnevelly districts. The condition of the societies, of course, warranted it. Only 25 out of 281 societies preferred an appeal to Government against the orders of liquidation. The registration of one society was restored by Government on my recommendation and in 23 cases, the appeals were rejected. At the end of the year, one appeal was pending with the Government.

There were at the end of the year 13,453 societies of all classes as against 13,634 societies in 1933–34 and 13,956 in 1932–33.

Loans.

9. The loans given by Central Banks to societies and individuals amounted to Rs. 87·10 lakhs and Rs. 14·97 lakhs as against Rs. 67·33 lakhs and Rs. 17·44 lakhs, respectively in the previous year. In addition to these regular loans, Central Banks accommodated societies and individuals with overdrafts. The overdraft transactions were Rs. 95·23 lakhs to societies and Rs. 17·27 lakhs to individuals as against Rs. 52·15 lakhs and Rs. 15·60 lakhs, respectively last year. There was some improvement in borrowings by societies under loans and overdrafts; the societies in the districts of Coimbatore, East Gōdāvari, South Kanara, Kistna, Madura and Salem contributed to the increase in the transactions. I have to repeat my last year's advice to Central Banks that in order to resuscitate the movement and to infuse confidence in it amongst the agriculturists, they should adopt a more liberal policy of advancing loans to societies consistent with the safety of the funds.

Demand, collection and balance.

10. The following figures show the demand, collection and balance in Central Banks, agricultural and non-agricultural societies during the year :—

	Amount due by		
	Societies to Central Banks.	Members to agricultural societies.	Members to non-agricultural societies.
	RS. (IN LAKHS.)	RS. (IN LAKHS.)	RS. (IN LAKHS.)
Amount overdue on 30th June 1934.	171·35	249·91	63·27
Demand for 1934–35	95·60	86·29	216·54
Total demand ...	266·95	336·20	279·81
Extension	5·23	3·39	4·15
Collection	97·24	103·79	212·09
Total of extension and collection.	102·47	107·18	216·24
Balance ...	164·48	229·02	63·57
Percentage of balance to demand under principal	61·62	68·12	22·72
Percentage of balance to demand under arrear interest	51·32	72·20	56·48
Percentage of balance to demand under current interest	11·16	58·69	24·20
Percentage of balance to demand under principal on 30th June 1934.	61·50	70·28	23·14
Percentage of balance to demand under arrear interest on 30th June 1934	48·17	70·38	58·73
Percentage of balance to demand under current interest on 30th June 1934	12·69	63·81	23·35

Though the percentage of balance to demand is high, the repayments by societies to Central Banks work out to 36·24 per cent of

the loans outstanding at the end of the year. Viewed from this standpoint the collections cannot be considered unsatisfactory. There was some definite improvement so far as the collection of current interest due by societies to Central Banks and by members to agricultural societies was concerned, the percentage of balance to demand at the end of the year being 11·16 and 58·69 as against 12·69 and 63·81 on 30th June 1934. The existing arrears in societies are the cumulative result partly of past mistakes, e.g., reckless lending, benami loans, etc., and partly of the present agricultural depression and the process of recovery of overdues has, therefore, been slow. With an improvement in the present economic conditions and a rise in prices of agricultural produce and the continuance of the sustained efforts of both official and non-official staff, the repayments may improve.

In view of the continued easy money market conditions, I have repeatedly impressed on Central Banks and societies the need for the reduction in the rates of interest all round and I am glad to record that most Central Banks have responded to my appeal. The Madras Provincial Co-operative Bank now charges interest on loans to Central Banks at 4½ per cent. And most of the Central Banks charge interest on loans to societies varying between 6 and 6½ per cent and many societies in turn levy generally 7½ to 8½ per cent on loans to their members. The relief given in previous years to agriculturist borrowers in societies has been extended during the year under review with some further concessions as detailed below :—

(1) Further reduction in the lending rates of Central Banks and societies on new loans to be issued by them.

(2) Waiver of penal interest by Central Banks.

(3) Reduction in the rate of interest chargeable to members on *all outstanding loans* (whether such loans had or had not fallen due or been decreed).

(4) Complete waiver of penal interest due by members to societies.

I am happy to note that the relief afforded to borrowers during the year was much greater than in the previous year, as may be seen from the following statements :—

STATEMENT No. I.

Year.	Number of Central Banks which reduced their lending rate of interest.	Reduced rate of interest.	Number of societies which availed themselves of the concession of the reduced rate of interest.	Amount of interest collected at the reduced rate.	Amount of interest remitted.	Amount of penal interest waived.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
		PER CENT.		RS. (IN LAKHS.)	RS. (IN LAKHS.)	RS. (IN LAKHS.)
1933-34 ...	20	6 to 7½	604	2·41	0·30	*Nil.*
1934-35 ...	22	6 to 6¼	2,834	7·75	0·95	0·18

STATEMENT No. II.

Year.	Number of districts in which reduced rate of interest to members was given effect to.	Reduced rate of interest.	Number of societies which extended the concession to members.	Number of members benefited.	Amount of interest collected at the reduced rate.
(1)	(2)	(3)	(4)	(5)	(6)
		PER CENT.			RS. (IN LAKHS.)
1933-34	12	7½ to 9⅜	284	2,368	0·47
1934-35	23	7½ to 8½	2,175	32,703	4·67

Year.	Amount of interest remitted.	Number of societies which waived penal interest.	Number of members benefited.	Amount of interest collected by waiver of penal interest.	Amount of penal interest waived.
(1)	(7)	(8)	(9)	(10)	(11)
	RS. (IN LAKHS.)			RS. (IN LAKHS.)	RS. (IN LAKHS.)
1933-34	0·12	261	2,450	0·60	0·14
1934-35	1·37	893	10,255	2·49	0·75

As the position of the ryots has not very much improved and as they still need relief, I have advised Central Banks and societies to extend the concessions for the current year also.

While most of the banks have reduced interest not only on the past outstanding loans but also on the loans which they are now issuing, four banks have not yet chosen to bring down the rates of interest. The rate in one of the banks still ranges between 7 and 7½ per cent. The South Kanara Bank has reduced the rate on new loans only.

It is disappointing to note that though the concessions have been in force for over two years, only 2,175 societies have actually extended the concessions to their members. I hope that both societies and Central Banks will move in the matter quickly and give the agriculturist borrowers the needed relief.

One argument against the admission of societies in Central Banks at the time was that they would reduce the rate of interest on loans the moment they entered them. This has been falsified as they are reluctant to reduce the rates even when the market rate has considerably fallen. The main reason why I advocate reduction in the rate of interest is that the benefit which the Central Banks have derived by the fall in the rate of interest on deposits should be transferred to the members of primary credit societies.

Soundness of investments in societies and the Registrar's scheme of rectification.

11. In my last report I stated that the urgent need for a detailed and systematic programme for the rectification of societies and the examination of individual loans, was brought home to Central Banks. Most of them have already set on foot schemes of rectification of affiliated societies. During the year, the scheme was pursued by all the Central Banks (except the Madras District Central Bank) and I have been reviewing the progress of the work from time to time. The results of such examination up to the end of June 1935 are shown below :—

(1) Number of societies in which the examination was conducted	4,641
	RS. (IN LAKHS.)
(2) Total amount of loans including interest involved in them	216·62
(3) Of the above sum, the amount which stands on adequate security	125·08
(4) The amount which stands on inadequate security.	89·54
(5) Of this, the amount for which additional securities have been obtained...	14·08
(6) Balance still ill-secured	75·46
(7) Estimated bad debts in these societies	34·24
(8) Of this, the amount which will affect the Central Banks	6·81
(9) Amount of loans collected during rectification work	18·83
(10) Reserve fund of Central Banks	29·73
(11) Bad debts reserve of Central Banks	10·48

It may be observed that the financial position of the Central Banks will not be affected notwithstanding that they may have ultimately to write off some bad or irrecoverable debts. It is gratifying to note that the Central Banks at Hospet, Cocanada, Amalapuram, Mangalore, Kumbakonam and Tanjore have completed this work. They were advised to make strenuous and continuous efforts to secure loans which stood on inadequate security. The Central Bank at Calicut has not made any appreciable progress in this direction. In some of the Central Banks the work was not entrusted to properly trained and capable men. The imperative need for carrying out the work on sound and systematic lines has been impressed on the banks and I am confident that they will continue their endeavours in this direction and complete the work as soon as possible.

I may here refer to a special scheme for the collection of arrears in societies in the districts of Anantapur, Bellary, Kurnool and the Udaiyarpalaiyam taluk of the Trichinopoly district formulated by the Joint Registrar and adopted by the Central Banks concerned. These districts were selected as being in a very poor way. Briefly, the special features of the scheme are as follows :—

(i) Every loan outstanding against members in every society taken up for rectification should be examined and classified as (*a*) loans in which coercive action should be taken urgently and (*b*) loans in respect of which action may be deferred for a time. In the former case the panchayat should be required to refer the case under section 51 of the Act to the Deputy Registrar and the latter should arrange to give an award on the spot.

(ii) To ensure speedy disposal, the officers in charge of rectification work should at once be appointed as arbitrators for disposal of cases and also as sale officers and they should be authorized to receive execution petitions and dispose of them under rule XXII of the rules under the Act.

(iii) In enforcing collections, the circumstances of each borrower should be considered and the nature and extent of concession in regard to the reduction of rates of interest and waiver of penal interest may be determined subject to the approval of the general body and of the financing bank in cases where the concession proposed to be allowed is likely to affect the Central Bank.

(iv) In extreme cases, if a society pays the Central Bank's dues in full by collecting the required amount *pro rata* from the several borrowers, the balance of moneys due by them may be written off with the approval of the Deputy Registrar.

(v) The work should be undertaken in one group of societies after another in select areas. If the panchayatdars of any society fail to co-operate with the officers in carrying out the scheme, such society should be liquidated. When taking coercive action, care should be taken to execute the decrees in a few cases to serve as an example to others to repay their loans soon. But under no circumstances should the case of an influential and well-to-do panchayatdar or member be postponed.

It is hoped that as a result of the working of the scheme the position of societies in these districts will improve.

Rectification and consolidation and classification of societies.

12. The classification of societies audited up to the 10th October 1935 is given in Appendix No. 4, Section II. The classification of societies according to their audit certificates for 1932–33 and 1933–34 is given below. Classified according to their general working, primary credit societies are grouped as follows :—

	Year. 1932–33.	Year. 1933–34.
A. Thoroughly good societies	306	319
B. Societies with some defaulters and some mistakes in accounts	1,832	1,663
C. All other societies that do not come under Class D	8,507	8,628
D. Bad societies which probably have to be liquidated should they fail to come under Class C within two years ...	1,982	1,754
Total ...	12,627	12,364

The number of societies classed as "thoroughly good" shows a slight increase, as also the "C" class societies. It is satisfactory to note that owing to the efforts put forth during the campaign of rectification, the number of "D" class societies has shown appreciable decrease.

At the present stage of the movement, it was felt that the second classification of societies according to collection was unnecessary and it was therefore discontinued.

According to this classification Vizagapatam district leads with the highest number of "A" class societies (34); the other good districts are Trichinopoly and Madras with 30 "A" Class societies each. Malabar and Chingleput have the largest number of "D" class societies, viz., 162 and 148, respectively. Under the scheme of subvention to Central Banks for carrying on rectification and consolidation work, the Provincial Bank paid Rs. 17,160 to 23 Central Banks. The Central Banks expended Rs. 1,38,626 from out of their funds for the whole year. According to reports from the Deputy Registrars, 6,424 societies were marked for rectification work in the year. Of these, 3,884 particularly bad societies were taken up as shown below :—

Central Bank staff ...	2,244	Union staff	866
Federation staff ...	774		
		Total ...	3,884

It is also reported that the Central Banks, Federations and Unions rectified 647, 247 and 140 societies respectively, the overdues in these having been reduced to below 40 per cent.

Resources.

13. The statement given below shows the resources of the various classes of societies on the 30th June 1935 :—

Serial number and type of societies.	Total working capital.	Percentage of total working capital derived from: Share capital.	Deposits.	Loans from other societies.	Government.	Reserve fund.	Other funds.	Total.
	RS. (IN LAKHS.)							
1. Madras Provincial Co-operative Bank	186·78	3·53	48·40	37·61	...	7·76	2·70	100·00
2. District Central Banks	511·13	10·67	53·55	25·12	...	5·92	4·74	100·00
3. Central Land Mortgage Bank.	55·76	4·28	91·34	3·35	...	0·79	0·24	100·00
4. Agricultural Societies	547·01	12·39	7·91	62·09	1·33	13·09	2·59	100·00
5. Non-agricultural Societies ...	371·16	25·85	50·83	6·68	4·05	9·52	3·62	100·00

The total working capital of all societies increased from Rs. 1,632·05 lakhs to Rs. 1,671·84 lakhs. The total working capital employed in the movement exclusive of the investments of one society in another amounted to Rs. 1,048·19 lakhs as against Rs. 1,011·97 lakhs in the previous year; and it is made up of—

	RS. (IN LAKHS.)
Paid-up share capital	227·18
Reserve Fund	152·18
Deposits of individuals and institutions ...	646·53
Loans from Government	22·30
Total ...	1,048·19

The owned capital in the movement is Rs. 379·36 lakhs (i.e., 36·19 per cent of the net working capital).

Disputes, civil suits and decrees.

14. The total number of arbitration references dealt with under section 51 of Act VI of 1932 (Madras) in agricultural and non-agricultural societies is furnished below:—

	Agricultural societies.	Non-agricultural societies.	Total.
1. Number pending disposal at the beginning of the year	7,959	2,620	10,579
2. Number filed during the year	19,580	7,838	27,418
3. Number in which claims were satisfied before decree	1,268	1,027	2,295
4. Number decreed during the year	20,191	7,288	27,479
5. Number pending disposal at the end of the year ...	6,080	2,143	8,223
	RS.	RS.	RS.
6. Amount involved	10,33,404	3,82,423	14,15,827

Civil Suits.—Under civil suits in both agricultural and non-agricultural societies the position was as shown below:—

	Agricultural societies.	Non-agricultural societies.	Total.
1. Number pending disposal at the beginning of the year	380	184	564
2. Number filed during the year	905	286	1,191
3. Number in which claims were satisfied before decree	85	23	108
4. Number decreed during the year	723	249	972
5. Number pending disposal at the end of the year ...	477	198	675
	RS.	RS.	RS.
6. Amount involved ...	46,003	36,059	82,062

9-

Execution.—Under execution in both agricultural and non-agricultural societies, the position is as shown below:—

	Agricultural societies.	Non-agricultural societies.	Total.
1. Number of decrees to be executed	104,159	23,697	127,856
2. Number of decrees satisfied before execution	8,332	2,747	11,079
3. Number of claims satisfied after taking execution proceedings.	6,428	3,139	9,567
4. Of the number in item (3) number of claims executed through village courts	926	40	966
5. Number of decrees pending execution at the end of the year.	89,399	17,811	1,07,210
	RS.	RS.	RS.
6. Amount involved	1,14,64,794	18,24,474	1,32,89,268
7. Out of the number in item 5, the number of decrees relating to Civil Courts	3,572	887	4,459
	RS.	RS.	RS.
8. Amount involved	2,19,853	79,013	2,98,866

The following statement shows the number of applications received for execution by the department, the number executed, and the number pending execution at the end of the year:—

	Agricultural societies.	Non-agricultural societies.	Total.
1. Number of applications received for execution	24,354	3,453	27,807
	RS.	RS.	RS.
2. Amount involved	45,77,122	6,19,745	51,96,867
3. Number satisfied before attachment	1,444	316	1,760
4. Number satisfied after attachment	3,761	829	4,590
	RS.	RS.	RS.
5. Amount realized	8,71,217	1,93,637	10,64,854
6. Number pending execution at the end of the year	19,149	2,308	21,457
	RS.	RS.	RS.
7. Amount involved	37,17,942	4,35,561	41,53,503

There is a growing appreciation by co-operators of the execution work done by the department. As the staff is getting familiar with the technicalities of the process, they are doing the work quickly; but the rush of applications is such that the present staff is definitely inadequate for the purpose and I have applied to Government for additional staff to be employed during 1936–37. I must here utter a note of warning. Most societies would seem to execute indiscriminately all decrees obtained by them against defaulters. This course is neither desirable nor expedient from the point of view of societies or the department. The office-bearers of societies should bring to bear upon defaulters their influence and should endeavour to persuade them to repay their arrears without taking coercive action against them. It is only when persuasion fails, they should resort to coercive action. The department, too, cannot entertain all applications, as it is impossible to cope with the work involved whatever may be the strength of the staff at its disposal. It is, therefore, necessary that societies should first proceed against the worst and influential defaulters and apply persuasive methods of recovery of arrears due from others.

In the course of execution of decrees, societies themselves had to purchase the properties of defaulters. On the 30th June last, the societies had in their possession properties worth Rs. 12·00 lakhs as against properties valued at Rs. 10·76 lakhs at the close of the previous year. They purchased the properties in lieu of loans due to them to the extent of Rs. 12·36 lakhs. The income realized from these properties during the year was Rs. 35,625, while the expenses incurred in their upkeep amounted to Rs. 20,994. The amount realized by sale of some of the properties was Rs. 57,040. I hope that societies will arrange at the earliest opportunity to dispose of the lands favourably and realize the arrears. It is needless to repeat that the ownership and management of lands by societies are, for many reasons, extremely difficult and altogether objectionable.

Liquidation.

15. Two hundred and eighty-one societies were dissolved; 2 of them were federations, 61 unions, 279 agricultural societies and 39 non-agricultural societies. This excluded 48 societies actually dissolved in the year under report, but whose liquidation work could not be taken up as the statutory period of appeal was not over by the 30th June 1935. There were in all 1,602 societies under liquidation. Of these, 235 societies were finally closed in the year as against 294 societies in the previous year. Thus, there were 1,367 societies under liquidation on the last day of the year. Of these, 201 have been under liquidation for over three years, 72 for over four years and 234 for over five years. The total collections in all the liquidated societies amounted to Rs. 9·34 lakhs, of which Rs. 3·67 lakhs represented assets written off. Last year, the collections amounted to Rs. 9·60 lakhs including Rs. 2·58 lakhs written off. The total liabilities to be discharged at the end of the year were Rs. 40·84 lakhs. Of this, Rs. 32·08 lakhs had to be paid to non-members, mostly Central Banks. As against these liabilities, the 1,367 societies under liquidation had assets to the extent of Rs. 63·93 lakhs, of which the cash on hand was Rs. 2·11 lakhs.

In 442 societies, loans due from members amounting to Rs. 3,25,121 were written off. The creditors suffered by this only to the extent of Rs 32,633. Amongst the creditors were the Madras Christian Co-operative Central Bank and the Central Banks at Chittoor, Tenali, Mangalore, Masulipatam, Calicut, Tanjore and

Trichinopoly; all of them had enough reserve funds and bad debt reserves against which they could write off the loss. With a view to enforce unlimited liability, contribution orders were passed in 118 cases for Rs. 2,82,081 as against 361 cases for Rs. 3,19,676 in the previous year. Of the amount levied, a sum of Rs. 16,701 was realized before the close of the year. Liquidators purchaesd properties in 168 cases to the value of Rs. 1,24,507 against Rs. 2,36,582 to be recovered, while the sale proceeds of some of the properties amounted to Rs. 5,917.

I am, as hitherto, reviewing the progress in collections in liquidated societies every month and instructing the officers to speed up the process of recovery in these societies; but the process is, for obvious reasons, bound to be slow. Further, as the number of societies under liquidation is increasing, the existing staff of liquidation inspectors is not able to cope with the work; the staff needs immediate strengthening and I hope that Government will comply with my request for additional staff applied for.

Supersession of committees.

At the close of the previous year there were 10 societies whose committees were superseded under section 43 of the Act. During the year, the committees of 20 societies in 10 districts were superseded while the committee of one society, which had been superseded in the previous year, was put under an agent under by-law 62 and the registration of one of the 20 societies superseded in the year was cancelled before the close of the year. Thus, there were 28 societies under supersession at the end of the year. The Guntūr district heads the list with 6 societies; there are 3 societies in each of the districts of South Arcot, Chingleput and Vizagapatam. Of the 28 societies, 22 were placed in charge of departmental officers, 5 in charge of non-officials and the remaining one under a committee of 3 retired Government officials. Out of a total demand of Rs. 20·65 lakhs under principal and Rs. 2·69 lakhs under interest due from members of these societies, Rs. 4·49 lakhs and Rs. 1·15 lakhs respectively were collected. Since the close of the year, the management of one superseded society was entrusted to an agent under by-law 62 and that of another was handed over to a properly constituted board of management. The process of supersession is proving to be effective in practice and the general tone of the working of societies under supersession is definitely improving.

Audit of 1933-34.

16. Four societies were audited by certified auditors recognized by the Registrar, 143 societies by the staff of audit unions, while 41 societies were under the audit schemes obtaining in Madras and Salem. The remaining societies were audited by the departmental staff. The total amount of contribution levied under the audit schemes was Rs. 8,414, a staff of one Senior Inspector and six Junior Inspectors being employed. According to the rules then in force, 271 societies had to pay audit

fees of Rs. 75,176; but of this, Rs. 12,947 were remitted and the balance of Rs. 62,229 was realized before the close of the year.

The audit of accounts of all societies except one in Anantapūr was completed before the end of the year. This society could not be audited as the account books were in Court. Audit certificates for 1933–34 were issued before the close of the year in respect of all the societies audited. The system of issuing special summaries of defects noticed in the course of audit continued; they were issued in respect of 13,162 societies. Out of 12,972 societies marked for interim audit, 12,914 societies were audited by the end of the year and summaries of defects were issued for 12,555 societies interim audited.

The figures furnished in the administration report are audited figures for 3,630 societies out of 13,403 for audit on the 30th June 1935. The figures relating to the Provincial Bank, the Central Land Mortgage Bank and the District Central Banks are all audited figures.

The system of concurrent audit was continued by the special staff of Senior and Junior Inspectors sanctioned for the purpose.

My proposals for the abolition of the existing audit unions and the audit schemes and for the reduction of the existing scale of audit fees are under the consideration of Government.

The Act and the Rules.

17. The new rules under the Land Mortgage Banks Act came into effect from January 1935. Section 43 of the Madras Co-operative Societies Act was amended giving certain powers to persons appointed to manage the societies superseded under the Act, and section 28 making provision for execution by the department of contribution orders passed by liquidators and of sums due to Government. Rules XI and XXII of the rules under the Act were also amended. The bill to amend section 29 of the Land Mortgage Banks Act was passed by the Legislative Council in August 1935 and it has since received the assent of the Governor-General.

Criminal prosecutions.

18. Forty cases were pending disposal at the beginning of the year. Thirty criminal prosecutions were launched at the instance of the department as against 36 in the previous year. Six prosecutions were instituted by societies on their own initiative. Of the 76 cases, 32 were disposed of before the close of the year, 21 ending in conviction of the persons involved, 3 in acquittal, 5 in discharge, while 2 cases were withdrawn and a third was dropped as the accused died. Thus, there were at the close of the year 44 cases pending disposal. Of these, 3 cases ended in conviction after the close of the year and the accused persons in 13 cases are reported to be absconding. In the 76 cases referred to above, 90 persons were or are involved. Of these men, 81 were office-bearers of societies and 9 employees of societies. Of the 81 office-bearers of societies, 18 belonged to urban societies.

I am afraid that there are no signs of diminution in case of defalcation; the Department does its best to purge the movement of dishonest members but obviously can do little unless honest and influential men come forward to run the societies.

Miscellaneous.

19. The fourth Andhra Provincial Conference was held at Rajahmundry under the presidentship of M.R.Ry. Diwan Bahadur T. Raghavayya Garu. The fourteenth session of the Central Banks' Conference was held in March 1935. District conferences were also held at Vatlur (West Gōdāvari), Madura, Calicut (Malabar) and Ichchapur (Ganjām).

There were five visitors to this province during the year. Mr. M. L. Darling, I.C.S., C.I.E., Special Officer to the Government of India (Finance Department) visited the province for enquiry in connection with the organization of the agricultural credit department of the Reserve Bank of India under section 54 of the Reserve Bank of India Act. A memorandum on the subject was furnished to him and all facilities were afforded him in the course of his tours in the province. Mr. G. S. Bhalja, I.C.S., Registrar of Co-operative Societies, Central Provinces and Berar, and Mr. F. B. Wace, I.C.S., Registrar of Co-operative Societies, The Punjab and North-West Frontier Province, came here to study the working of Land Mortgage Banks and the system of execution of decrees prevailing in this Presidency. Mr. R. C. Northcott, District Officer, Tanganyika Territory, visited Madras to study the co-operative system generally. Mr. Yatawara, Assistant Registrar of Co-operative Societies, Ceylon, was here to study the arecanut market in India.

PART II.—DETAILED WORKING OF SOCIETIES.

The Madras Provincial Co-operative Bank.

20. The Madras Provincial Co-operative Bank continued to make steady progress as may be seen from the following comparative statement for the last three years:—

	1932–33.	1933–34.	1934–35.
1. Number of individual members	184	184	184
2. Number of society members	59	59	58
	RS. (IN LAKHS.)	RS. (IN LAKHS.)	RS. (IN LAKHS.)
3. Share capital paid up ...	6·59	6·59	6·59
4. Deposits and other borrowings including overdrafts	211·42	170·51	160·65
5. Working capital	231·51	190·96	186·78
6. Net profits	1·40	2·31	2·04
7. Reserve fund after audit.	13·85	14·44	15·01

The deposits of individuals fell from Rs. 53·27 lakhs to Rs. 52·87 lakhs, and those from local boards, municipal and jail contractors, etc., also fell from Rs. 15·83 lakhs to Rs. 15·73 lakhs, while there was an increase in the deposits made by Joint Stock Banks and other institutions from Rs. 9·83 lakhs to Rs. 10·63 lakhs. The bank has invested Rs. 142·35 lakhs in Government securities.

The financial position of the Provincial Bank is indeed very strong. With its established reputation in the money market it has been able to attract deposits at cheap rates of interest and most of its funds are invested in Government securities. By virtue of its position, it has secured the direction of co-operative finance in the province with the support of Central Banks and Central Banks can at any time look to it for help. Its true function is that of a balancing centre and the stronger its position is the better for the movement.

Net Profit.—The bank earned a net divisible profit of Rs. 2·04 lakhs as against Rs. 2·31 lakhs in the previous year. The fall in the net profit was due to the reduction in the margin of profits made by sale and conversion of Government securities from Rs. 92,152 in 1933–34 to Rs. 19,730 in the year.

Loans.—There was a greater demand for loans from the Central Banks than in the previous two years. The Provincial Bank issued loans to the extent of Rs. 7·52 lakhs as compared with Rs. 15,414 disbursed in 1933–34 and Rs. 5·66 lakhs in 1932–33. Besides, the bank disbursed a loan of Rs. 6·61 lakhs to the Vuyyur Co-operative Industrial and Credit Society in the Kistna district. There was a fall in the loans advanced to individuals on the security of their deposits from Rs. 31·57 lakhs to Rs. 17·32 lakhs. At the close of the year, a sum of Rs. 8·74 lakhs was outstanding against Central Banks. Of this, Rs. 3·42 lakhs were on long term and Rs. 5·32 lakhs on short term. A sum of Rs. 10·63 lakhs was outstanding against individuals. The Central Banks at Hospet and Aska could not meet their obligations to the Provincial Bank and they were in default to the extent of Rs. 79,500 and Rs. 63,585 respectively on the last day of the year.

Overdraft and Fluid Resources.—The overdraft given by the Imperial Bank of India on the security of Government securities amounted to Rs. 37 lakhs. There was no overdraft on security of co-operative bonds. The Provincial Bank maintained throughout the year the required standard of fluid resources.

The Bank contributed a sum of Rs. 8,500 towards the propaganda, education and rural reconstruction work conducted by the Madras Provincial Co-operative Union.

The Madras Co-operative Central Land Mortgage Bank.

21. The Central Land Mortgage Bank recorded yet one more year of all-round progress and increased activity. That there has been a steady growth in its transactions is evident from the following statement :—

	1929–30.	1931–32.	1933–34.	1934–35.
1. Number of members—				
Individuals	124	168	190	190
Primary Land Mortgage Banks	19	35	63	71
	RS.	RS.	RS.	RS.
2. Share capital	70,400	1,07,000	1,94,300	2,38,400
3. Borrowings—				
Debentures	...	10,78,900	34,55,800	50,92,700
Advance deposits	63,000	1,39,350	51,700	...
Overdraft	...	...	...	1,56,648
4. Loans outstanding against primary banks	42,200	11,31,004	33,82,135	51,04,426
5. Investments in Government promissory notes, etc.... ...	...	...	3,11,806	4,58,516
6. Overdues	...	109	...	...
7. Net profits	1,358	18,920	41,111	69,327
8. Reserve fund after audit ...	340	6,873	23,953	61,660
		PER CENT.	PER CENT.	
9. Dividend	...	7	6	Not yet declared.

Owing to the easy condition of the money market and to the growing popularity of its debentures, the Central Land Mortgage Bank secured all the funds it required at cheap rates of interest. The systematic conversion of high interest-bearing debentures started last year was continued with satisfactory results. The conversion of the $6\frac{1}{4}$ per cent debentures into 5 per cent debentures given notice of last year was completed. Besides, the first and the fifth series of debentures bearing interest at 6 per cent and $5\frac{1}{2}$ per cent respectively were also converted into 4 per cent debentures. On the whole, debentures of the total value of Rs. 10,83,200 were converted during the year. Out of this, debenture-holders, who held debentures of the value of Rs. 8,72,400 accepted the converted debentures while the rest took cash. At the close of the year, the debentures in circulation with interest higher than 4 per cent were those under the VI, VII and IX series; these series carry interest at 5 per cent. They will also be redeemed shortly. As usual, the benefit of the reduction of interest on the debentures has been passed on to the ultimate borrowers in primary banks. Funds are at the time of writing made available to them at 6 per cent. In addition to the redemption of debentures referred to above, debentures of the value of Rs. 1,52,700 representing collections from primary banks in respect of the loans issued to them were also redeemed. But a major portion of this money came back to the bank in the form of subscriptions for new debentures.

Six new series of debentures including those required for the purpose of the conversion operations referred to above, were issued during the year to the total extent of Rs. 28,72,800. Of this, four series of debentures bear interest at 4 per cent, one series issued specially for being offered to the debenture-holders whose debentures were redeemed carries 5 per cent interest and the last series bears $3\frac{1}{2}$ per cent interest. Since the close of the year, sanction has been given for the issue of two more series of debentures, one carrying 4 per cent interest and the other $3\frac{1}{2}$ per cent. The 4 per cent debentures are being offered to the debenture-holders in lieu of their debentures of the VI and IX series, the redemption of which has been notified by the bank.

The debentures of the bank are getting popular among the investing public as is evident from the Stock Exchange Weekly quotations in Madras. Some inconvenience might have been caused to the long-term investors on account of the recent conversion operations. But to protect them against such redemptions in future, provision is now made in the trust deeds making the debentures irredeemable for a period of ten years from the date of their issue except to the extent of the annual collections from the loans issued under the relative series. The Government have enhanced during the year the maximum limit of Provident Fund collections of local bodies that may be invested in the debentures of the bank from one-sixth to one-fourth of the total amounts to the credit of the accounts and have also permitted the investment of one-sixth of their Railway Cess funds in the debentures. Again, the Government have permitted since the close of the year the Provincial and the Co-operative Central Banks to invest their general funds in the debentures of the Central Land Mortgage Bank and also to reckon the debentures for the purpose of fluid resource up to a limit of one-third of the standard required to be maintained by them, the debentures being taken at 80 per cent of their market value. Since the issue of these orders, the demand from local bodies and Central Banks for the 3½ per cent debentures has been encouraging. The debentures of the bank are being taken up lately by Insurance Companies also.

During the year, the Government were pleased to declare the bank a "Provincial Co-operative Bank" under section 2 of the Reserve Bank of India Act. In virtue of this, the bank is entitled to the privileges of a scheduled bank under the Act.

22. The number of Central Banks remained the same as in the previous year, viz., 32. The number of individual members in these banks rose from 4,106 to 4,243, while that of society members fell from 11,978 to 11,889. The society members were composed of 255 central societies (i.e., Unions and Federations), 10,458 agricultural credit societies, 910 non-agricultural credit societies and 266 societies of other types. The decrease in the total number of society members is due to the cancellation of registration of some societies. The number of individual members rose gradually from 3,214 on the 30th June 1928 to 4,243 on the 30th June 1935. Generally speaking, Central Banks have not floated additional shares for the benefit of individuals. The by-laws of Central Banks, of course, permit the transfer of shares. The increase of 1,029 individual members during the period referred to is chiefly due to the desire of certain individual members to strengthen their position and to remain in power. Towards this end these individuals have managed to admit into the Central Banks a large number of persons, with one share each. This is not calculated to help the sound working of banks and needs to be checked.

Central Banks.

The Committee of the Hospet Central Bank was superseded under section 43 of the Act in February 1934 for a period of one year and placed under the management of a departmental officer of the grade of Sub-Deputy Registrar. In the interests of the bank the period of supersession was extended for a further period of one year. But the Sub-Deputy Registrar Manager was replaced by an experienced Junior Inspector for reasons of economy.

Working Capital.—In the following statement some of the important financial particulars relating to the operations of Central Banks are given :—

	1932–33. RS. (IN LAKHS.)	1933–34. RS. (IN LAKHS.)	1934–35. RS. (IN LAKHS.)
1. Paid-up share capital ...	56·10	55·05	54·53
2. Deposits and other borrowings including overdrafts.	505·25	451·00	402·10
3. Working capital	588·74	553·21	511·13
4. Net divisible profits ...	6·05	4·43	4·21
5. Reserve fund after audit of 1934–35	28·90	30·10	31·33

The fall in the paid-up share capital was chiefly due to the liquidation of societies. There was an appreciable fall in deposits and other borrowings, the main reason being the non-acceptance of fresh deposits from local bodies.

In pursuance of the orders of the Government of India, communicated in G.O. No. 990, Development, dated 16th July 1935, "Other Funds" such as Building Fund, Dividend Equalization Fund, Bad Debt Fund, Common Good Fund, etc., were included in the column "Working Capital" of all banks and societies in compiling the figures for the year under review.

Net Profits.—All the Central Banks except the Madras Christian Central Bank worked at a profit. The total net profits, however, fell from Rs. 4·43 lakhs to Rs. 4·21 lakhs. The Cuddapah Central Bank made a very small profit of Rs. 98. The Vizianagaram Central Bank earned a net profit of Rs. 18,825 for the year; but owing to an alleged defalcation of the bank's funds to the extent of over Rs. 54,000, practically the whole of the profits (*viz.*, Rs. 18,800) were in the interests of depositors carried to the Bad Debt Reserve. The fall in the net profits of Central Banks is partly due to the continuance of the policy followed in recent years of making adequate provision for bad and doubtful debts. The banks were advised to declare a dividend not exceeding 5 per cent in view of the low money-rates prevailing in the market, and to carry whatever remained, after paying such dividend, to the Reserve Fund or the Bad Debt Reserve. Most of the Central Banks have complied with this advice but two or three are still reluctant to forego their high dividends.

For the year under report, I retrenched profits and made a provision of Rs. 3·58 lakhs towards bad debts reserves in Central Banks before I declared net profits. With this addition the total to the credit of the fund in all Central Banks on 30th June 1935 was Rs. 13·89 lakhs. I have also advised the Central Banks at Conjeevaram, Amalapuram and Trichinopoly to set apart substantial amounts to this fund (viz. Rs. 14,500, Rs. 3,000 and about Rs. 17,500 respectively) from the net profits of the year. With these amounts the total bad debt reserves will amount to Rs. 14·24 lakhs. These bad debt reserves of Rs. 14·24 lakhs are in addition to the statutory reserve funds of Central Banks which on the last day of the year amounted to Rs. 31·33 lakhs. These are the lines of defence against any loss which banks may have to sustain and write off ultimately on account of any irrecoverable debts in societies. On the whole, the position of reserves in Central Banks is satisfactory and I am confident that with the continuance of the present practice of strengthening these reserves, the position will get better. As visitors have observed, the strong point in the co-operative movement in Madras is the sound position of the financing banks.

Borrowings from the Provincial Bank.—The Central Banks borrowed Rs. 7·52 lakhs as against Rs. 15,414 in the previous year. The amount taken by Central Banks and outstanding at the end of the year was Rs. 8·74 lakhs as against Rs. 6·93 lakhs at the end of the previous year. The Hospet and the Aska Central Banks were the only banks which were in arrears to the Provincial Bank at the end of the year to the extent of Rs. 79,500 and Rs. 63,585 respectively.

Loans.—A sum of Rs. 9·78 lakhs was outstanding against individuals at the beginning of the year. Rs. 14·97 lakhs were advanced in the year and Rs. 17·27 lakhs were recovered. Thus there was a sum of Rs. 7·48 lakhs outstanding against individuals at the end of the year.

A sum of Rs. 311·05 lakhs was outstanding against societies at the beginning of the year; during the year, Rs. 87·10 lakhs were advanced and Rs. 95·23 lakhs were recovered. There was, thus, at the end of the year, an amount of Rs. 302·92 lakhs outstanding against societies. Of this, Rs. 216·77 lakhs were on long term and Rs. 86·15 lakhs were on short term. The ratio of short term to long-term loans issued to societies stood at 1 : 1·04 and that of outstandings at the end of the year was 1 : 2·5.

Though most of the Central Banks have increased their short-term business, large sums of money were advanced by the following banks for long-term purposes in the year. The banks have been advised to reduce their long-term business—as this is more the province of the Land Mortgage Banks :—

Loans disbursed to Societies.

Name of the Central Bank.	Long term. RS. (IN LAKHS.)	Short term. RS. (IN LAKHS.)	Total. RS. (IN LAKHS.)	Percentage of long term to total.
1. The Madras Christian Central Bank ...	2·03	0·02	2·05	99·02
2. Nellore	0·56	0·04	0·60	93·33
3. Vellore	1·73	0·16	1·89	91·53
4. Kumbakōnam ...	2·32	0·41	2·73	84·98

Loans disbursed to Societies—cont.

Name of the Central Bank.	Long term. RS. (IN LAKHS.)	Short term. RS. (IN LAKHS.)	Total. RS. (IN LAKHS.)	Percentage of long term to total.
5. Salem	6·86	1·94	8·80	77·95
6. Kurnool	0·20	0·06	0·26	76·92
7. Madras District Central Bank ...	3·22	0·97	4·19	76·85
8. Madura-Ramnad Central Bank ...	4·18	1·41	5·59	74·78
9. Coimbatore	9·51	4·40	13·91	68·37
10. Berhampore	1·12	0·53	1·65	67·88

A sum of Rs. 25·64 lakhs was outstanding against liquidated societies at the close of the year as against Rs. 28·02 lakhs in the preceding year.

Arrears.—Section II of Appendix 3 shows the percentage of balance to demand for principal, arrear and current interest due to Central Banks. The Presidency average of arrears under principal was 63·67 per cent for long term and 43·29 per cent for short term as against 65·22 for long term and 43·45 for short term in the previous year. The Presidency average of balance to demand under interest was 44·91 per cent for arrear interest and 12·60 per cent for current interest as against 42·61 for arrear interest and 14·49 for current interest in the previous year. The following Central Banks had arrears under principal above the Presidency average both under long term and short term :—

Name of the Central Bank.	Percentage of balance to demand. Long term.	Short term.
Vellore	77·88	61·62
Hospet	90·82	70·96
Cuddapah	83·78	60·60
Berhampore	66·68	53·68
Cocanada	72·88	72·66
Ramachandrapuram	65·58	49·40
Ellore	70·05	59·86
Kurnool	90·15	46·84
Calicut	83·22	75·22
Srivillipattur	67·23	64·20
Kumbakōnam	63·92	47·82

In Anantapur, Cuddalore, Conjeevaram, Chittoor, Masulipatam, Tanjore and Vizianagaram banks, the percentage under long term was higher, while in Aska, Tenali, Madura, Nellore and the Madras Christian Central Banks the percentage under short term was above the Presidency average. The banks at Rajahmundry, Amalapuram, Mangalore, Bezwada, Tinnevelly and Trichinopoly showed improvement both under long term and short term over last year. The collections were good in Coimbatore and South Kanara District Banks.

Owing to the special efforts put forth by the Unions and the Deputy Registrar the collections in Trichinopoly District except in Udayarpalaiyam taluk have very much improved during the year.

In collection of arrear interest, the banks at Anantapur, Hospet, Cuddapah and Madura did very badly, the percentage being above 80. The collections of current interest in the Central Banks at Conjeevaram, Coimbatore, Aska, Cocanada, Ramachandrapuram, Amalapuram, Ellore, Tenali, Mangalore, Masulipatam, Bezwada, Salem, Trichinopoly, Tinnevelly and Vizianagaram and the Madras District Bank, were good, the percentage of arrears being below 10. The banks at Hospet, Cuddapah, Calicut, Nellore and the Madras Christian Central Bank did badly, the percentage being over 25.

Fluid Resources.—The following Central Banks failed to maintain the required standard of fluid resources for the days and the amounts noted against each :—

Name of Bank.	Number of days.	Maximum deficit in respect of outside liabilities.
		RS.
1. Vizianagaram	3	11,976
2. Salem	9	45,731
3. Anantapur	11	5,598
4. Tinnevelly	13	29,129
5. Tanjore	16	9,525
6. Cuddalore	35	20,623
7. Coimbatore	45	1,35,087
8. Ellore	68	53,008
9. Calicut	80	55,260
10. Kurnool	86	20,031
11. Aska	97	14,409
12. Ramachandrapuram	99	45,891
13. Vellore	117	89,421
14. Amalapuram	143	97,873
15. Conjeevaram	180	1,47,677
16. Srivilliputtur	181	31,466
17. Viziavada	191	43,075
18. Mangalore	199	47,984
19. Hospet	215	58,904

Prior to the issue of G.O. No. 1488, Development, dated 29th October 1934, during the period from July to November 1934, all Central Banks except three—those at Cuddalore, Hospet and Ellore—maintained the required standard of fluid resource. Even these three banks failed to maintain the standard only for 22 days, 3 days and 1 day respectively during that period, while the number of banks that defaulted increased to 19 by the end of the year. The number of days during which the several banks could not maintain the necessary standard ranged from 3 to 215 days. This increase is mainly due to the restrictions imposed in the Government Order quoted above—viz., that the undrawn portion of the overdraft given to Central Banks by the Madras Provincial Co-operative Bank, should

not be reckoned as fluid resource for the purposes of outside liabilities. As the overdrafts granted to Central Banks by the Madras Provincial Co-operative Bank on co-operative bonds and other securities, are backed by the overdraft granted to the Madras Provincial Co-operative Bank by the Imperial Bank of India on the security of Government paper, the present order requires reconsideration.

Overdrafts.—As on the 30th June 1935, the total overdrafts sanctioned by the Madras Provincial Co-operative Bank to the several Central Banks amounted to Rs. 25·39 lakhs as shown below :—

Number of banks.	Sanctioned amount	Security.	Rate of interest.
	RS. (IN LAKHS.)		
19	13·85	Co-operative bonds.	4½ per cent.
6	3·71	Government paper.	Bank rate subject to a minimum of 4 per cent.
8	7·43	Fixed deposit with Madras Provincial Co-operative Bank.	Bank rate subject to a minimum of 4 per cent.
1	0·40	Central Land Mortgage Bank debentures.	4½ per cent.

Of this amount, only Rs. 2·81 lakhs were actually overdrawn on the last day of the year. Most of the Central Banks have current accounts with the Imperial Bank of India.

Surpluses in Central Banks.—As a result of the steps taken in accordance with G.O. No. 5210, L. and M., dated 13th December 1933, the surpluses in Central Banks showed a further reduction, the amount being Rs. 26·36 lakhs on the last day of the year as against Rs. 54 lakhs on the last day of the previous year. The Central Banks at Trichinopoly, Madura, Coimbatore, Tinnevelly, Nellore and Guntūr contributed heavily to the surpluses on 30th June 1935. Some Central Banks which had no surpluses felt the need for fresh funds to meet the demands of primary societies for new loans and asked for the removal of the ban imposed on the acceptance of fresh deposits from local bodies. I recommended individual cases to Government. Most Central Banks feel that the restrictions imposed on them may handicap them in carrying on their business profitably: this may be so and I consider that as the original object of reducing the surpluses lying idle with Central Banks has been achieved, a relaxation of the restrictions now in force is necessary. I have already addressed Government on the subject and their orders are awaited.

The Madras Provincial Co-operative Union and Language Federations.

23. The Provincial Co-operative Union continued to do useful work. On the 30th June 1935, it had 417 members on its rolls as against 470 on the 30th June 1934. There were also 20 honorary individual members. The Union

continued the publication of the "Madras Journal of Co-operation" in English. It discontinued the publication of the Telugu journal "Andhra Sahakara Patrika" from January 1935 and handed it over to the authorities of the Nellore District Co-operative Central Bank with an annual subsidy of Rs. 500. A number of books were added to the library, and the reading room run by it continued to be popular. The Union received a grant of Rs. 200 from the Government for the purchase of books for its library. The President and some other members of the Executive Committee carried on general propaganda on non-credit work, co-operative insurance and rural reconstruction. Lectures were delivered with the aid of magic lanterns on rural reconstruction. In six select centres rural reconstruction work was also continued this year.

The Tamil Nadu Co-operative Federation at Coimbatore continued the publication of the Tamil journal "Kooturavu". During the year the headquarters of the Andhra Sahakara Sammelanam were transferred from Bezwada to Rajahmundry. It did practically no work except conducting training classes for panchayatdars of 35 societies at two centres; it has since the close of the year resumed the publication of the Telugu journal "Sahakaramu."

District Co-operative Federations.

24. There were eight federations at the beginning of the year. Mostly for reasons of economy, the registration of the following federations was cancelled:—

1. Trichinopoly District Federation.
2. Tinnevelly do.
3. Malabar do.
4. Cuddapah do.
5. Kistna do.
6. Madura-Ramnad do.

In the case of Nos. 1 and 2, the cancellation order took effect before the close of the year. In respect of Nos. 3, 4, 5 and 6 the cancellation order took effect since the close of the year. The appeals filed by the Kistna and Madura-Ramnad Federations against the orders of liquidation were not successful. There were thus only two federations—Vellore and Conjeevaram—at the end of the year and they have voluntarily suspended their activities and handed over their functions to the respective Central Banks. These federations have proved unnecessary.

Supervision.

25. The primary societies were grouped for the purposes of supervision under different agencies as follows:—

1.	Affiliated to local supervising unions	9,014
2.	Affiliated to district federations directly	51
3.	Affiliated to Central Banks for supervision ...	686
4.	Under the Fisheries Department	49
5.	Under the Special Police Officers for Kallars ...	249

It may be observed that the majority of the primary societies were under the supervision of local Co-operative unions of which there were 360 at the beginning of the year. During the year most of the unions were reorganized and regrouped with a view to economy and efficiency, and consequently fifty-nine bad or moribund unions were disregistered as against 18 in the previous year. There were thus 301 supervising unions on the 30th June 1935. The Government have generally accepted my suggestion that the supervision of societies should be undertaken by Central Banks assisted by local co-operative unions, which should have the powers of appointment, punishment or discipline of supervisors and that the officers of the Department should keep themselves in personal touch with the unions and stimulate them to exercise vigorous supervision. With this end in view, I have issued instructions that either the Deputy Registrar or the Sub-Deputy Registrar should be present at the annual general meetings of unions and help the Unions in reviewing the work of societies in the year under report and in drawing up a programme of work for the following year and in carrying it out.

The unions maintained 593 supervisors. The expenditure incurred by them was Rs. 4·80 lakhs while their income from supervision fund, grants from Central Banks and District Federations amounted to Rs. 1·87 lakhs, Rs. 1·90 lakhs, and Rs. 0·23 lakh respectively. Including the arrears of previous years Rs. 3·54 lakhs had to be collected in all districts from primary societies towards supervision fund. Of this, Rs. 2·32 lakhs were collected and Rs. 1·22 lakhs were in arrears at the end of the year.

The local co-operative unions were doing good work in the past and though their present working cannot in all cases be said to be satisfactory, they cannot be dispensed with for the simple reason that they cannot be replaced by any suitable organization which can possess local knowledge of societies and can have influence over them. The effective supervision of societies should, in my opinion, be arranged by Central Banks assisted by local co-operative unions. In other words, the control and direction of the arrangements should be with Central Banks and unions should attend to the actual work of supervision with a certain degree of freedom and initiative. In furtherance of this all bad unions are being cancelled, their societies being divided among the surviving good unions. It would be absurd to say that in most districts there are not sufficient educated and intelligent men prepared to run a sufficient number of unions. Needless to say, only trained men should be selected as supervisors and should be confined to their legitimate work.

Training institutes and co-operative education.

26. In G.O. No. 867, Development, dated 26th June 1934, the Government ordered the starting of a Central Co-operative Institute at Madras for the training of candidates for departmental requirements and two mufassal peripatetic classes for imparting instruction to men intended for employment in non-official co-operative institutions. The Central Institute began its first session in

October 1934. Fifty-nine candidates were admitted, but only 43 attended the complete course, the others having left in the middle of the session.

The Government have sanctioned the continuance of the institute for a further period of one year and the second session is now running.

The first peripatetic class for the Tamil districts was held at Vellore from 20th November 1934. For the examination held in April last by the Madras Provincial Co-operative Union, 44 students sat out of 46 students trained. In addition to one Sub-Deputy Registrar deputed to work as Superintendent, the Government sanctioned a subsidy of Rs. 550 to the Provincial Co-operative Union to meet the cost of two instructors appointed by it. The second class is now running at Tanjore. The peripatetic classes for the Telugu districts were not held during the year.

Classes for training the panchayatdars of village societies and supervisors in the principles and practice of co-operation were held by the District Federations and Central Banks in Chingleput, East Gōdāvari, Tanjore, Vizagapatam and Madras districts; the classes were held in fifty-five centres and 228 members of 49 societies attended them.

It has been felt for some time past that the inadequate training in the theory and practice of "Co-operation" for both the departmental and non-official employees as well as the general ignorance of members of societies are hindering the healthy development of the movement. It has now been proposed to launch a comprehensive scheme of co-operative training and education. The Government of India have been pleased to grant a subsidy to the Local Government for this purpose and the system of training now obtaining will be overhauled and revised.

The proposed scheme should make departmental and non-official employees thoroughly efficient and render the members of societies as well as the rural folk more enlightened in matters relating to the Co-operative movement. The proposals are now under the consideration of Government. In my opinion, education and propaganda are the crying needs of the day.

Agricultural Societies.

27. At the end of last year the total number of all types of agricultural societies was 11,773. Fifty-seven societies were registered while the registration of 179 societies was cancelled and 4 were removed by transfer to non-agricultural societies. Thus, at the end of the year there were 11,647 societies composed of 76 primary land mortgage banks, 11,143 ordinary credit societies, 79 purchase, purchase and sale societies and 349 other types of societies. The membership of these societies fell from 5,97,606 to 5,84,201 including 1,349 society members.

Progress.

-17-

Loans.—These societies disbursed Rs. 124·73 lakhs as loans to their members as against Rs. 92·16 lakhs in the previous year. The classification given below shows that the societies have in the main continued to advance loans for productive purposes, though I cannot say how far the purposes shown in the loan applications are correct :—

Year.	Number of members.	Working capital.	Loans for productive purposes. Number.	Amount.	Percentage.
(1)	(2)	(3)	(4)	(5)	(6)
		RS. (IN LAKHS.)		RS. (IN LAKHS.)	
1930-31	714,820	669·11	118,870	112·97	69·10
1931-32	674,417	592·80	63,979	64·88	66·59
1932-33	627,088	545·41	59,766	59·35	64·25
1933-34	597,606	519·96	52,927	51·02	55·37
1934-35	584,201	547·01	61,672	72·75	58·32

Year.	Loans for redemption of prior debts. Number.	Amount.	Percentage.	Loans for non-productive purposes. Number.	Amount.	Percentage.	Total loans. Number.	Amount.
	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
		RS. (IN LAKHS.)			RS. (IN LAKHS.)			RS. (IN LAKHS.)
1930-31 ...	22,683	48 22	29·49	2,367	2·31	1·41	143,920	163·50
1931-32 ...	13,473	31·10	31·93	1,477	1·45	1·48	78,929	97·43
1932-33 ...	12,310	31·68	34·30	1,484	1·34	1·45	73,560	92·37
1933-34 ...	14,158	39·39	42·74	1,725	1·75	1·89	68,810	92·16
1934-35 ...	15,648	50·12	40·19	1,597	1·86	1·49	78,917	124·73

It may be seen that the total number and amount of loans disbursed gradually contracted in previous years, while the figures for the year under report, show a marked increase. Of the total amount of Rs. 124·73 lakhs disbursed, Rs. 70·40 lakhs were on long term and Rs. 54·33 lakhs on short term; the ratio between short term and long term is 10 : 13. This increase in the long-term business is due to the inclusion in this class of an appreciable amount of long-term loans given by Primary Land Mortgage Banks. The proportion of long-term loans outstanding against members is still high being 74 per cent of the entire amount outstanding. The amount of loans due by agricultural societies to Central Banks was Rs. 343·48 lakhs, of which Rs. 74·75 lakhs were on short term and Rs. 268·73 lakhs on long term. This includes long-term loans of Rs. 51·69 lakhs outstanding against Primary Land Mortgage Banks. The amount due by members to these societies was Rs. 424·76 lakhs of which 313·97 lakhs were on long term.

It is encouraging to find an increase in the figures of loans disbursed. Co-operators as a whole were getting discouraged and there was a danger of the movement tending towards inanition: the Central Banks were afraid to issue loans. The Department throughout the year encouraged the disbursement of loans in fitting cases.

Primary Land Mortgage Bank.

28. There were 64 banks at the beginning of the year and 12 banks were registered: thus there were 76 banks at the end of the year. The banks are in the following districts:—

Bellary, Kurnool, Ganjam, Anantapur and Cuddapah, 1 in each	5
Salem, Ramnad and Tinnevelly, 2 in each	6
Guntur, Nellore, Madura and Trichinopoly, 3 in each.	12
South Arcot, Vizagapatam, North Arcot and Chingleput 4 in each	16
Kistna and West Godavari, 6 in each	12
East Gōdāvari and Tanjore, 8 in each	16
Coimbatore	9
	76

Since the close of the year one more bank was registered at Rasipuram in the Salem district.

Transactions.—A comparative statement of the transactions of these banks is given below:—

	1931-32.	1932-33.	1933-34.	1934-35.
1. Number of banks ...	38	57	64	76
2. Number of members ...	5,270	7,211	11,305	16,086
	RS.	RS.	RS.	RS.
3. Share capital	2,99,132	2,99,250	3,76,280	4,92,978
4. Borrowings—				
(a) Loans from the Central Land Mortgage Bank.	11,31,004	20,49,740	33,82,135	51,04,225
(b) Deposits	80,990	65,330	3,32,654	47,000
(c) Debentures—				
Public	5,90,400	5,79,450	3,01,450	5,58,000
Government ...	2,30,400	2,09,600	1,40,600	74,800
5. Reserve fund	19,343	24,428	30,612	34,935
6. Other funds	...	...	...	16,559
7. Working capital ...	22,81,269	32,27,798	45,63,731	63,28,472

Thirty-eight banks made a profit of Rs. 32,942 and 34 banks incurred a loss of Rs. 17,067 as against a profit of Rs. 12,833 earned by 22 banks and a loss of Rs. 24,089 incurred by 41 banks in the previous year. Four banks which were registered during the year but which started work after the close of the year made neither profit nor loss.

The old banks which floated debentures before the formation of the Central Land Mortgage Bank continued to enjoy the privilege. To reduce the rate of interest on its debentures, the Gudlavalleru Land Mortgage issued 5 per cent debentures to the extent of Rs. 2,60,200 in lieu of those bearing higher rates of interest

-18

redeemed last year. The Alamuru Land Mortgage Bank issued during the year debentures of the value of Rs. 8,850 bearing 5 per cent interest and it proposes to issue shortly debentures of the value of Rs. 50,000 carrying 4 per cent interest. These funds are to be utilized only for the redemption of the existing debentures carrying high rates of interest held by persons who are not willing to reduce the interest on them. The reduction of interest on the remaining debentures has already been effected. The remaining banks also are taking steps to reduce the rate of interest on their debentures or to redeem them. In all cases the benefit of the reduction of interest on the debentures is passed on to the individual borrowers.

"A" series debentures of the value of Rs. 65,800 and "B" series debentures of the value of Rs. 27,350 were redeemed by the primary banks during the year. The following statement shows the debentures issued by the several banks as on 30th June 1935:—

	"A" series.	"B" series.
	RS.	RS.
1. Alamuru	10,000	1,17,300 4,000*
2. Gudlavalleru	...	2,60,200
3. Vadlamannadu	...	94,300
4. Peelamedu	...	2,000
5. Kambliampatti	25,000	18,500
6. Kulittalai	16,800	20,700
7. Conjeevaram	23,000	24,000
8. Madurantakam	...	21,000 2,000*
Total ...	74,800	5,64,000

* Debenture deposits.

Out of the loans obtained from the Central Land Mortgage Bank, a sum of Rs. 51,04,225 was outstanding on 30th June 1935. An amount of Rs. 2,77,810 under principal and Rs. 2,41,128 under interest fell due during the year. The land mortgage banks paid the whole amount during the year.

Appendix No. 4, Section I (*a*), gives details of overdues by districts and the percentage of balance to demand under principal, arrear interest and current interest.

Demand, Collection and Balance.—During the year the banks had to recover from their members Rs. 4·28 lakhs under principal and Rs. 3·84 lakhs under interest including the arrears of the previous year. They collected Rs. 2·70 lakhs under principal and Rs. 3·59 lakhs under interest, leaving a balance of Rs. 1·58 lakhs under principal and Rs. 0·25 lakhs under interest. The percentage of arrears under principal and interest at the end of the year were 36·89 and 6·51 as against 47·68 and 12·84 respectively at the end of the previous year. The heavy overdues in some banks are shown below :—

Name of the Bank.		Principal overdue.	Interest overdue.	Percentage of overdues under Principal.	Percentage of overdues under Interest.
		RS.	RS.		
1. Pittapuram	...	27,700	523	78·47	9·25
2. Kaikaluru	...	7,008	1,663	73·64	20·30
3. Vadlamannadu	...	39,619	4,550	68·08	15·98
4. Conjeevaram	...	10,151	3,064	55·82	32·38
5. Kulittalai	...	7,247	2,695	46·66	14·49
6. Gudlavalleru	...	26,957	2,626	43·21	7·98
7. Bhimavaram	...	9,098	1,926	37·14	7·40
8. Nellore ...	...	3,601	202	36·35	2·67
9. Trichinopoly	...	3,274	299	36·02	4·32
10. Alamuru ...	...	14,348	745	30·49	2·56

The bulk of the overdues is in the old banks which were started before the Central Land Mortgage Bank was formed. Most of the overdue loans were granted before the economic depression set in and with the fall in the price of agricultural produce, the borrowers could not meet their obligations to their banks. There is already some improvement in the recovery of overdues and if the prices of agricultural produce rise, a definite improvement will follow. Banks have been permitted to re-open loans which were closed owing to default provided that the defaulters pay the whole overdues and the banks obtained the previous approval of the President of the Central Land Mortgage Bank and of the Registrar in each case. Most of the banks have not taken advantage of this provision.

The model by-laws of Land Mortgage Banks were recast during the year and were recommended to all banks for adoption at the earliest opportunity. Provision has been made in the by-laws for the nomination of two persons to the board of management, one by the Registrar and the other by the President of the Central Land Mortgage Bank, in accordance with the orders of Government that there should be a definite non-borrowing and independent element on the board of management of all Land Mortgage Banks in order to safeguard the interests of the Central Land Mortgage Bank and of the Government owing to their unconditional guarantee of the principal and interest on the debentures of the Central Land Mortgage Bank. The maximum amount that could be borrowed by an individual member from a bank was all along only Rs. 5,000 but since the close of the year the Government have permitted the enhancement of the maximum amount to Rs. 10,000 by Land Mortgage Banks in select areas. This permission will be granted very carefully.

During the year under report applications sent up by primary banks for loans amounting to Rs. 28,52,225 were considered by the Executive Committee of the Central Land Mortgage Bank out of which those for Rs. 1,89,150 only were rejected for various reasons, such as want of repaying capacity and insufficient security ; whereas

in the previous year applications for loans to the extent of Rs. 3,61,310 were rejected out of Rs. 28,75,000 applied for by primary banks. The loans which the Central Land Mortgage Bank may have to reject are bound to become less as the directors of primary Land Mortgage Banks gain more experience and exercise care in the selection and scrutiny of loan applications. The Executive Committee of the Central Land Mortgage Bank scrutinizes the applications one by one and now gives a reason for each case of rejection.

The utility of Land Mortgage Banks for the redemption of prior debts is being increasingly realized by the agricultural population and the demand for banks throughout the Presidency is increasing. There are banks now in all districts except South Kanara, Malabar, Chittoor and the Nilgiris. Investigations for the organization of land mortgage banks in some districts are progressing. The existing banks cover a total area of 6,975 villages and loans have already been granted in 1,548 of these villages. These banks issued 2,782 loans amounting to Rs. 51,06,051 up to 30th June 1934 and during the year under report 1,099 loans amounting to Rs. 20,57,037 were granted. Out of 1,055 loans for Rs. 19,99,960 issued during the year out of the funds borrowed from the Central Land Mortgage Bank, 622 loans for 5,49,965 were for amounts below Rs. 2,000 and the effect of the recent amendment to the Agriculturists Loans Act, on this portion of the banks business, will be watched.

It may be interesting to mention here that some of the land mortgage banks are already taking steps to compound informally the debts of their members with their creditors. Information is scrappy but the few particulars which have been gathered indicate that in 143 cases where the original debts of the members amounted to Rs. 3,68,889, the creditors were persuaded to write off an amount of Rs. 38,191 before the banks discharged the debts completely. It remains to be seen how far the banks will be in a position to take over the debts which may be compounded by the Debts Conciliation Boards proposed to be set up if and when the Debts Conciliation Bill now before the Legislative Council becomes law.

The Madras Co-operative Land Mortgage Banks Act (X of 1934) empowers land mortgage banks in cases where they discharge the prior debts of their members, to require any person to whom any such debts are due to receive payment of such debts within a period specified. As the Act was silent as to the place at which the creditors were to receive the payment, it was amended during the year making it obligatory on creditors to receive payment at the offices of the banks.

Credit Societies (excluding Primary Land Mortgage Banks).

29. The number of agricultural credit societies fell from 11,284 at the beginning of the year to 11,143 at the close of the year. Of these, 14 had not started work by the end of the year. Of the total number of societies, 17 were on the basis of limited liability, namely, 9 grain banks, 3 seed societies, 4 credit societies and 1 rural reconstruction society.

Members.—The total membership fell from 5,51,236 to 5,32,346. The following particulars show the financial position of credit societies :—

	1933-34.	1934-35.
	RS. (IN LAKHS.)	RS. (IN LAKHS.)
1. Paid-up share capital	64·19	58·33
2. Deposits by members	10·59	9·37
3. Do. by non-members	20·65	20·44
4. Loans from financing banks and other societies	298·09	281·04
5. Loans from Government	4·39	4·66
6. Reserve fund	66·87	70·31
7. Other Funds	...	13·52
8. Total working capital	464·78	457·67
9. Net profit	8·70	9·30
10. Loss	24·38	23·48

Profits.—The total divisible profits earned by some agricultural credit societies rose from Rs. 8·70 lakhs to Rs. 9·30 lakhs, while the total loss not yet recouped by the remaining societies was Rs. 23·48 lakhs on the last day of the year. Forty-seven per cent of the agricultural credit societies account for this loss, all the districts contributing.

Arrears.—A statement showing the percentage of balance to demand for the last five years is given below :—

Year.	Demand under principal in the year.	Amount overdue.	Percentage of columns (3) to (2).	Interest overdue at the end of the previous year.
(1)	(2)	(3)	(4)	(5)
	RS. (IN LAKHS.)	RS. (IN LAKHS.)		RS. (IN LAKHS.)
1930-31	427·30	254·52	59·56	46·96
1931-32	436·88	275·74	63·11	61·54
1932-33	391·42	264·41	67·55	68·09
1933-34	356·24	251·89	70·71	74·76
1934-35	324·26	225·84	69·65	80·97

Year.	Interest overdue at the end of the year out of the amount in column (5).	Percentage of columns (6) to (5).	Interest accrued and fallen due during the year.	Balance overdue at the end of the year out of the amount in column (8).	Percentage of columns (9) to (8).
	(6)	(7)	(8)	(9)	(10)
	RS. (IN LAKHS.)		RS. (IN LAKHS.)	RS. (IN LAKHS.)	
1930-31	30·62	65·20	62·75	31·35	49·91
1931-32	38·31	62·25	60·43	31·29	51·77
1932-33	44·87	65·89	54·01	32·22	59·65
1933-34	52·62	70·39	48·54	31·11	64·10
1934-35	58·70	72·50	39·31	25·02	63·65

20

Appendix 4, section I (*b*) gives details of overdues by districts and the percentage of balance to demand under principal, arrear interest and current interest. Under long-term loans, the arrears were above 45 per cent in all districts. The arrears under short-term were heavy—above 60 per cent—in Anantapur, North Arcot, South Arcot, Bellary, Chingleput, Chittoor, Cuddapah, Ganjām, Guntūr, Kurnool, Malabar and Ramnad districts. The arrears were below 40 per cent in the districts of Coimbatore, Madura, Tinnevelly and Trichinopoly, whose percentages were 36·35, 33·26, 38·98, and 35·86 respectively.

Purchase, purchase and sale societies.

30. There were 75 societies of this type at the beginning of the year. Thirteen societies were registered during the year, while nine societies were cancelled. Thus the number at the end of the year was 79. These societies are classified as follows :—

	NO.		NO.
1. Loan and sale societies ...	64	4. Milk-supply union ...	1
2. Stores and trading unions...	10	5. Miscellaneous	2
3. Agricultural improvement societies	2	Total ...	79

The purchases made by these societies amounted to Rs. 3,69,444 and the sales to Rs. 17,03,884. The following societies contributed to the bulk of the sales :—

	RS.		RS.
1. Tiruppur Cotton Sale Society	4,04,067	4. Anakapalle Loan and Sale Society ...	1,55,975
2. Koilpatti Cotton Sale Society	2,95,789	5. Madras Milk Supply Union	1,35,664
3. South Arcot Central Groundnut Sale Society	2,29,061	6. Dharmavaram Loan and Sale Society ...	66,628

The South Arcot Central Groundnut Loan and Sale Society continued to undertake the marketing of groundnut in Cuddalore, Vriddhachalam, Tirukkoyilur and Kallakuruchi taluks. During the year, the jurisdiction of the society was extended to the Udayarpalaiyam taluk of the Trichinopoly district. The three warehouses at Cuddalore, Tirukkoyilur and Vriddhachalam showed good progress in marketing the produce in the year. The Agricultural Demonstrators and the Co-operative Inspector did intensive propaganda in the area explaining to the ryots the objects and advantages of the marketing scheme and under their supervision, the Central Bank advanced short term loans to credit societies which financed the groundnut cultivation of the members and watched that the loans were properly utilized. It was obligatory on the part of the borrowers to sell their produce through the warehouses.

Loans amounting to Rs. 26,817 were outstanding against 36 societies at the beginning of the year. Rs. 19,689 were disbursed to 20 societies in the year and Rs. 20,446 were collected out of the sale-proceeds of groundnut sold through the warehouses from 36 societies. At the end of the year Rs. 26,060 were outstanding against 37 societies of which Rs. 12,578 were overdue. The reasons for the heavy arrears are said to be due to poor crops and disloyalty on the part of some borrowers. The ryots had the benefit of fair weights and good price by selling through the warehouses. The three warehouses together sold 8,190 candies of groundnut for Rs. 2,29,061 as against 2,866 candies for Rs. 57,660 in the previous year. The saving to the ryots is estimated to range from Rs. 1-8-0 to Rs. 2-4-0 per candy. With an improvement in the price of groundnut the society may prove to be of immense help to the ryots.

The Tiruppur Loan and Sale Society transacted large business in cotton in the year. Loans to the extent of Rs. 95,927 were advanced to members. The society sold its members' produce to the extent of Rs. 4·04 lakhs and held stock for Rs. 11,686. It made a profit of Rs. 3,502 on the year's business.

The Rasipuram Trading Society in the Salem district was revived in the year. The Salem District Bank helped the society with a grant of Rs. 200 for the purchase of a weighing machine and for meeting a portion of its establishment charges. The bank also allowed an overdraft of Rs. 10,000 on the security of produce in the custody of the society. A departmental Senior Inspector and the Union staff went round the villages in the area and carried on propaganda. Consequently, the ryot members brought to the society 1,717 pothies of cotton and the society sold in weekly auctions 1,526 pothies of cotton for Rs. 52,739, earning a commission of Rs. 768. It is estimated that the savings effected to ryots by this arrangement were Rs. 7,630.

The Anakapalle Loan and Sale Society undertook the sale of 109,600 maunds of jaggery valued at Rs. 1,24,000 in the year. The Tadpatri Loan and Sale Society in the Anantapur district sold 10,466 lbs. of cotton kappas at a premium of Rs. 5 per bale over the local produce.

The profits of some of these societies were Rs. 19,530 and the losses of others were Rs. 6,892. The transactions of a few loan and sale societies which have done substantial work are furnished in the statement on page 37.

The main object of the societies at Cuddalore and Tiruppur is to arrange for the marketing of groundnut and cotton produced in the districts of South Arcot and Coimbatore. To this end, the operations of these societies have been extended to the whole district. The Central Banks in these districts lend moneys to village credit societies to enable them to finance the cultivation of groundnut and cotton by their members on condition that the borrowers agree to sell their produce through the sale societies. The arrangement is that the credit societies should receive and stock the produce in the respective villages to enable the sale societies to enter into contract with exporting firms for the sale of the produce grown in the district.

21

Transactions of a few Loan and Sale Societies.

Name of district.	Name of society.	Produce dealt with.	Number of members. Individuals.	Number of members. Societies.	Paid-up share capital.	Borrowings from the Central Bank on the security of produce.	Repayments.	Advances to members.	Paid out of advance.	Value of goods received on pledges or for sale.	Value of stock sold as agent or owner.	Net profit or loss.
					RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
Anantapur.	Dharmavaram Co-operative Loan and Sale Society.	Paddy and cotton ...	247	42	3,910	1,517	10,046	21,779	32,166	43,200	66,628	+ 868
South Arcot.	South Arcot Co-operative Central Groundnut Loan and Sale Society.	Groundnut	55	162	4,710	...	...	...	125	2,29,152	2,29,061	− 409
Coimbatore.	Tiruppur Co-operative Trading Society.	Cotton kappas, lint and seeds.	748	63	20,805	98,812	1,02,932	95,927	1,07,506	3,78,038	4,04,067	+3,501
Do.	Erode Co-operative Loan and Sale Society.	Paddy, turmeric, cotton, etc.	99	43	2,175	3,954	8,934	61,457	65,268	1,13,762	1,22,238	− 454
Cuddapah.	Rajampet Co-operative Loan and Sale Society.	Rice, turmeric and groundnut.	40	6	620	39,012	29,916	48,446	39,029	65,838	...	+ 9
West Godavari.	The Bhimavaram Co-operative Loan and Sale Society.	Paddy	62	20	415	43,621	520	46,919	500	86,864	...	+ 170
Kistna ...	Viziavada Co-operative Loan and Sale Society.	Paddy and tobacco ...	54	22	2,730	1,38,031	1,08,114	73,061	42,252	1,38,702	...	+ 417
Madura.	Madura Co-operative Loan and Sale Society.	Paddy	54	33	2,855	24,934	11,836	30,495	17,988	57,779	36,218	+ 360
Do.	Dindigul Co-operative Loan and Sale Society.	Paddy, groundnut, cotton and cholam.	78	38	5,165	5,260	3,203	23,127	22,964	42,334	44,742	+ 12
Tanjore.	Nidamangalam Co-operative Loan and Sale Society.	Paddy	28	...	3,490	36,505	1,337	39,014	1,299	57,400	...	+ 79
Do.	Tanjore Co-operative Loan and Sale Society.	Paddy, ragi and green-gram.	85	5	1,755	68,183	62,519	68,123	63,491	98,721	...	...
Tinnevelly.	Tuticorin Co-operative Loan and Sale Society.	Cotton and Cotton-seeds.	121	33	4,890	50,288	36,035	91,288	73,378	1,70,980	1,40,053	+ 551
Do.	Kovilpatti Co-operative Loan and Sale Society.	Cotton	646	36	7,398	30,434	36,879	49,787	59,481	1,30,204	2,95,789	+1,803
Vizagapatam.	Anakapalle Co-operative Loan and Sale Society.	Jaggery	165	63	4,530	...	...	18,605	14,590	1,55,551	1,55,975	+ 743

If the whole area grown with groundnut or cotton, as the case may be, is brought effectively under the control of the societies, the possibility of direct dealings with the exporting firms and of bridging to some extent the gulf between the producer and the consumer is assured. The scheme of marketing groundnut in the South Arcot district is not yet a success, owing mainly to the poor yield and the consequent inability of the ryot to repay in full from out of the sale proceeds the loan taken. The experiment will, however, be continued for some time more. In regard to cotton the case is different. The ryot is at present in a better position and most of the loans given in the Tiruppur area have been repaid in full owing to the better prices which the cotton ryot was able to get. An intensive scheme of development on these lines in Coimbatore district has been launched with the financial help given by the Provincial Bank to meet the cost of the extra staff required for the purpose.

Loan and Sale Societies.—In order to give an impetus to co-operative marketing and sale, the Deputy Registrars have been instructed to keep in touch with the Provincial Marketing Officer and to explore the possibilities of organising co-operative sale societies with suitable warehousing encouragements in all important paddy-producing areas in the delta tracts.

One of the difficulties in the way of the successful working of loan and sale societies is the lack of suitable godowns and ~~this was~~ brought to the notice of Government. Government have since the close of the year issued orders. They consider that some direct help to these societies is necessary and that the question whether any Government assistance is desirable and necessary and what form it should take may be decided with reference to the circumstances of each society. I have instructed the Deputy Registrars to examine and report the case of deserving societies for financial aid.

Of the loans given by Government to sale societies for construction of godowns, Rs. 1,090 and Rs. 1,665 were outstanding against the Nandyal Loan and Sale Society (Kurnool district) and Ambur Agricultural Improvement Society (North Arcot district) respectively at the beginning of the year. The Nandyal Society sold its godowns and discharged in full the Government loan in the year, while the registration of the Ambur Society was cancelled.

Production and sale.

31. Under this class, there were 10 societies at the beginning of the year. Three milk-supply societies were registered in the year. Thus, there were at the end of the year 13 societies composed of 10 milk-supply societies, 2 agricultural and industrial societies and one salt licensees society.

The working of some of these societies is given below :—

Milk-supply Societies.—At the beginning of the year, there were 9 societies (7 in Chingleput classed as agricultural and 2 in Madras City classed as non-agricultural). During the year, three new societies (classed as agricultural) were registered in Chingleput district and one society in Madras was cancelled. Thus, there were 11 societies including one society in Madras City (classed as non-agricultural), at the end of the year. They had a membership of 430 with a paid-up share capital of Rs. 2,240. These societies supplied milk to the Madras-Milk Supply Union to the value of Rs. 1,04,237 during the year as against Rs. 75,553 in the previous year.

The Madras-Milk Supply Union.—The Union is making steady progress. It realized Rs. 1,35,664 by the sale of milk and milk products and earned a net profit of Rs. 4,667. There was an increase of Rs. 23,683 in the sales over that of the preceding year. There were 21 depots for the sale of milk in the city. The Union received about 876 measures of milk (659 from the city and 217 from the villages) on an average per day and supplied 374 measures daily to two State Hospitals. The average daily sales to the public were 419 measures as against 254 in the previous year. The contract secured by the Union for the supply of milk to the Mental and the Women and Children Hospitals was continued by Government in the year. It paid the third instalment of Rs. 2,125 towards the amount assessed by Government as damages for failure to fulfil the contract in past years. There was still a balance of Rs. 4,250 due to Government on this account on the 30th June 1935. Steps are being taken to secure a suitable plot for the installation of the plant for pasteurizing milk. The pasteurization of milk will go a long way to strengthening the working of the society. Milk will become available at all hours of the day and losses now incurred on account of "Spoilt milk" can be avoided and the public of Madras City can procure much more healthy milk. It is encouraging to see that more individuals are buying daily pure milk from this society: the increase of the society's business must improve the health of the citizens.

Agricultural and Industrial Societies.—The Kallakurichi Agricultural and Industrial Society with its two branches at Sankarapuram and Rishivandyam transacted no business except leasing out the main factory for Rs. 2,400 and managing the branch factories by itself. The total income so derived amounted to Rs. 8,458. It kept up its obligations to Government in respect of the loan outstanding under the State-aid loans.

The Udipi Agricultural and Industrial Co-operative Society at Kalyanpur is in the centre of an extensive sugarcane growing area. It put up a new bigger-sized sugarcane crushing mill with the help of a loan from the South Kanara Central Bank. The services of the departmental inspector lent to this society were extended for another year and the business showed a satisfactory increase. The society crushed sugarcane to the value of Rs. 12,160 and produced 6,079 maunds of jaggery: it hulled paddy and extracted oil from coconuts and gingelly seeds. The total loss sustained by the society till the 30th June last was Rs. 6,880.

An attempt was made, during the year, to supply to members of co-operative societies in the Nilgiris at the cheapest available rates, the manures required by them for the raising of their potato crops. During the last sowing season (March and April 1935), manures to the value of Rs. 40,000 were supplied to members, thereby effecting a saving of over Rs. 10,000 to them. The possibility of selling the potatoes of the members of these societies jointly was investigated and discussed at several meetings; but no definite action was taken. The Badagas are very keen on using co-operative methods in buying fertilisers and selling potatoes. It is the intention of the Department to help them to do so.

Other forms.

32. At the beginning of the year there were 340 societies under this class. Four societies were registered while eight were cancelled. There were 336 societies at the end of the year. The societies were distributed as shown below :—

1. Kudimaramat and irrigation societies	12
2. Agricultural demonstration societies	8
3. Land reclamation societies	11
4. Landholders' lease societies	8
5. Agricultural improvements societies	13
6. Arbitration union	1
7. Industrial and credit societies	2
8. Tenants and field labourers societies	281
Total ...	336

A brief account of some of these societies is given below :—

Kudimaramat and Irrigation Societies.—There were 12 societies, three in each of the districts of South Arcot, Tanjore and Tinnevelly and one in each of the districts of Guntūr, Kistna and Malabar. The Kudimaramat Societies executed the work of removal of silt and the digging of irrigation channels to the value of Rs. 967. 2,603 acres of land were irrigated with the water supplied by the irrigation societies, the total number of members benefited being 349. The number of members in all these societies was 707 and their share capital and working capital were Rs. 3,770 and Rs. 12,911, respectively.

Agricultural Demonstration Soicetics.—There were eight societies of this type at the close of the year with a membership of 337. The only society that did some useful work in the year is the Lalgudi Sivagnanam Agricultural Society. It cultivated 17 acres of land for the first and second Kuruvai (paddy) crops on improved methods and made a profit of Rs. 127. It sold manures to the value of Rs. 1,25,710. During the year, the society opened a loan and sale section with a view to advance moneys to its members on the pledge of produce and to undertake the marketing of their produce. On this security a sum of Rs. 4,945 was outstanding against members on the last day of the year.

Land Reclamation Societies.—There were four societies of this kind in Tanjore and seven in Trichinopoly. They had on their rolls

677 members with a paid-up share capital of Rs. 18,250. The Government loans outstanding against these societies amounted to Rs. 1,67,895 as against Rs. 2,02,626 at the end of the previous year. Of this, Rs. 1,595 were overdue. The extent of land reclaimed up to the beginning of the year by these societies was 1,725 acres; no land was reclaimed in the year. Eight hundred and ten acres still remained to be reclaimed at the end of the year.

The transactions of tenants and field labourers' societies are given in paragraph 42 under the heading "societies for the depressed and backward classes."

Better Living Societies.—In accordance with the instructions of Government, the Deputy Registrars have been asked to organize a few Better Living Societies in select centres in their districts. The objects are to reform bad customs prevalent amongst members, to prevent wastage of money, to inculcate habits of thrift, to provide educational assistance to members' children and to promote other measures designed to encourage in their members the spirit and practice of mutual help and self-help. These societies may also adopt rules for village sanitation, compulsory vaccination, etc. A society was registered and started in the Kistna district in the year. A few more societies have been started since the close of the year. Their working will be watched with interest.

Non-agricultural Societies.

Progress.

33. At the end of the year, there were 1,446 societies in this class with a membership of 2,91,700 as against 1,438 societies with a membership of 2,81,472 at the end of the preceding year. Eleven of these societies did not start work before the close of the year.

The paid-up share capital and working capital of these societies amounted to Rs. 95·93 lakhs and Rs. 371·16 lakhs, respectively. Loans to the extent of Rs. 240·59 lakhs were advanced by these societies for the purposes set forth in Appendix No. 2. Of the total amount of loans issued, Rs. 173·22 lakhs were given on long-term and Rs. 67·37 lakhs on short-term. Their indebtedness to Central Banks on 30th June 1935 was Rs. 23·97 lakhs, of which Rs. 11·25 lakhs represented short-term loans.

Appendix No. 1, section II, gives the demand, collection and balance of principal, arrear and current interest due by members to these societies. For amounts due by these societies to their creditors they were in arrears to the extent of Rs. 7·95 lakhs, against a demand of Rs. 277·41 lakhs under principal which works out to a percentage of 2·87 as against 2·97 in the previous year; the percentage of overdue interest was 3·82. During the year there was some improvement in principal as well as interest collections compared with the recoveries in the previous year. The net divisible profit earned by some of these societies was Rs. 11·76 lakhs, and the loss sustained by the remaining societies was Rs. 2·97 lakhs.

The detailed working of the various types under this class is given below :—

Credit societies.

34. The following statement shows the transactions of non-agricultural credit societies :—

	1933-34.	1934-35.
Number of societies	1,069	1,067
Number of members	248,750	257,428
	RS. (IN LAKHS.)	RS. (IN LAKHS.)
Paid-up share capital	77·62	82·63
Reserve fund	28·50	30·93
Deposits by members	85·55	89·75
Deposits from non-members ...	96·33	95·29
Loans from Government	0·21	0·16
Loans from Central Banks and other societies	20·65	19·01
Other funds	...	9·78
Total working capital	308·86	327·55
Divisible profits	10·37	10·48
Arrears.	Percentage.	
Principal	22·50	22·26
Interest	33·68	34·71

These 1,067 societies can be further classified as follows :—

Government servants ...	217	Factory employees ...	16
Municipal, Local Board, Railway Employees, etc., Superior ...	75	Thrift societies	9
Municipal, Local Board, Railway Employees, etc., Inferior	48	Others	702
		Total ...	1,067

Four Municipal Employees (Inferior) societies purchased and distributed in the year cloth and foodstuffs to the value of Rs. 18,796 and the savings effected by members in this way are estimated at Rs. 377.

Loans.—During the year these societies disbursed loans amounting to Rs. 235·32 lakhs, of which Rs. 66·21 lakhs were on short-term. The arrears under principal and interest due to and due by these credit societies are shown in section I (*b*) of Appendices Nos. 4 and 3 respectively. Most of the societies kept up their obligations to the depositors and the financing banks, the percentage of overdues in the presidency being 5·75 under long-term, 1·81 under short-term and 3·83 under interest. Out of a total demand of Rs. 188·10 lakhs under long-term and Rs. 84·48 lakhs under short-term loans outstanding against members, there was a balance of Rs. 42·12 lakhs

and Rs. 18·57 lakhs under long-term and short-term loans, respectively, the percentages of arrears working out to 22·39 and 21·98. The percentages of overdues under arrear and current interest were 57·10 and 24·25 as against 60·01 and 22·68 respectively in the previous year. The loss sustained by 207 societies of this class was Rs. 1·20 lakhs; the remaining societies earned a net divisible profit of Rs. 10·48 lakhs.

Fluid Resources.—The number of societies and banks which had to maintain fluid resources ranged from 154 to 163. The following statement shows the number of societies that had to maintain fluid resources and the number that failed to maintain them in each of the four quarters of the year :—

Quarter.	Number of societies at the beginning.	Number of societies at the end.	Number of failures.
I	154	159	26
II	159	154	25
III	154	162	34
IV	162	163	40

The necessity for maintaining the required standard of fluid resources was brought home to the societies concerned.

Financially these urban banks are strong and are so popular as to attract a good deal of public money into the movement. Most of these banks are working with their owned capital and deposits of members and non-members. These banks have successfully withstood the effects of the economic depression unlike the village credit societies.

Wage-earners' Societies.—Even at the risk of repetition I must utter a note of warning in regard to the working of this class of societies. Originally, they were intended to inculcate habits of thrift among wage-earners by putting by a fraction of their wages every month and to cater to their financial needs when necessary and thus rescue them from the clutches of the money-lenders. But it is disconcerting to find that this side of the working of these societies has been lamentably neglected and the borrowings of members have steadily gone up. I am afraid that instead of helping their members these societies have plunged them into debts. The tendency on the part of wage-earners to borrow heavily needs to be checked : it is unfortunately too often the case that the opportunity to borrow creates the desire to borrow.

Societies for purchase, purchase and sale and production, production and sale.

35. The total number of societies under these classes at the beginning of the year was 200. Seventeen societies were registered and one was brought in by transfer from non-agricultural credit, limited, while the registration of 18 societies was cancelled. Thus, the number of societies at the end of the year

remained the same, namely, 200. The classification of these societies is given below:—

Stores	65	Milk-supply society in Madras	1
School and college societies	81	Industrial and credit societies	2
Weavers' societies ...	29	Miscellaneous	12
Coir workers' societies...	2		
Fishermen societies...	8	Total ...	200

These societies had on their rolls 20,659 members (including 191 society members) with a paid-up share capital of Rs. 3,06,021. Their total working capital amounted to Rs. 12,97,440. The net profits made by some of these societies amounted to Rs. 49,847 and the loss incurred by the rest was Rs. 1,29,153. A brief account of the work done by some of the important societies is given below:—

36. These societies classed under "Purchase" had a working capital of Rs. 7·95 lakhs. The stock on hand at the beginning of the year was worth Rs. 2,49,142 and goods worth Rs. 18,28,980 were purchased in the year. They sold goods worth Rs. 19,83,615 leaving at the end of the year stock valued at Rs. 2,72,252 on hand. The profits earned by some of these societies amounted to Rs. 48,433 as against Rs. 37,017 in the previous year, while the loss sustained by the rest amounted to Rs. 29,945 as against Rs. 35,746 in the previous year.

Stores.

The Triplicane Urban Co-operative Society with its 25 branches in the Madras City and 5,600 members with a paid-up share capital of Rs. 94,960 still leads. It purchased goods to the value of Rs. 8·38 lakhs and sold goods for Rs. 9·20 lakhs. It earned a net profit of Rs. 16,329 as against Rs. 7,208 in the previous year.

The Pudupalaiyam and Manjakuppam Stores continued to work satisfactorily. These societies had a stock of Rs. 2,555 at the beginning of the year. They purchased goods worth Rs. 43,127 in the year and distributed articles to their members for Rs. 46,378. The profits earned by these societies were 1,743.

The Aravankadu Cordite Factory Stores and the Madras Government House Co-operative Stores transacted appreciable business. Goods to the extent of Rs. 1,36,325 were purchased in the year and articles were distributed to the value of Rs. 1,46,741 to their members. The net profits earned by them amounted to Rs. 5,942.

The Kodaikanal Co-operative Stores continued to work successfully.

School and College Societies.—There were 81 students' stores at the end of the year as against 89 at the beginning of the year. The following figures indicate the progress made by them:—

	1933–34.	1934–35.
1. Members	3,814	3,667
2. Associate members	8,833	9,996

25

	1933–34.	1934–35.
	RS.	RS.
3. Paid-up share capital	7,094	7,875
4. Value of books, stationery, etc., purchased	86,092	80,868
5. Value of articles sold	89,176	83,179
6. Stock on hand at the close of the year	19,677	17,802
7. Savings effected	6,723	7,293
8. Bonus distributed from the profits of the previous year	3,211	2,754

Some of these societies made a net profit of Rs. 7,461, while the loss sustained by some others amounted to Rs. 685 as against Rs. 1,250 in the preceding year.

37. There were at the end of the year 29 societies exclusively for weavers. Of these, 15 societies remained dormant. The others purchased raw materials to the value of Rs. 18,537 and finished products from members worth Rs. 44,807. The value of finished products sold to the public was Rs. 49,340. The total working capital of all these societies was Rs. 99,770. The profits earned by some of the societies amounted to Rs. 924, while the loss incurred by some others was Rs. 4,075.

Weavers' societies.

The Coimbatore Devanga Weavers' Society purchased raw materials worth Rs. 12,090 and finished products of members to the value of Rs. 27,327 and sold them to the public for Rs. 28,198.

The Salem Weavers' Co-operative Society has done another year of good work and proved to be of service to the weaving community of Salem. The services of the Junior Inspector who was deputed to work as its marketing officer to push on sales, were continued. Its sales during the year amounted to Rs. 17,079 as against Rs. 41,450 in the previous year. The fall in the sales is reported to be due to the general depression. It continues to supply goods mainly to co-operative institutions and other leading firms in the City.

Generally speaking, these societies cannot make appreciable progress as they find it too difficult to compete with mill products.

The number of credit societies in which weavers contributed more than 60 per cent of the members rose from 74 at the beginning of the year to 86 at the end of the year. They had a paid-up share capital of Rs. 48,751 and a working capital of Rs. 3,45,589. The profit and loss made by these societies were Rs. 7,924 and Rs. 13,975 respectively.

It was recognized that the absence of a central institution to co-ordinate the activities of the several primary weavers' societies in this Presidency accounted for the non-development of these societies. The Government of India have also announced a contribution of Rs. 59,500 for the year for the improvement of cotton hand-loom industry of this province. To achieve this object a Provincial Hand-loom Weavers' Society was started in Madras on 12th August 1935. The strength of the Board of Directors of this society is 15, of whom the Director of Industries, the Principal, Government Textile Institute and myself are the ex-officio members. Its main objects are—

(i) to arrange for the purchase of raw material and appliances required by affiliated societies and for their sale on reasonable terms;

(ii) to arrange for the sale of the finished products of the affiliated societies; and,

(iii) to give financial and other help to the societies.

The society has appointed one marketing officer and seven supervisors to carry out its objects. It is hoped that the society will help in the organization of hand-loom industry on a commercial basis.

Industrial and credit societies.

38. There were four societies of this type, two in the Vizagapatam district and two in the Kistna district, at the close of the year for the manufacture of sugar.

The Vuyyur society (Kistna district) started in February 1934 for the manufacture of sugar had on its rolls 530 members with a paid-up share capital of Rs. 97,878 at the end of the year. Out of the loan of Rs. 10 lakhs sanctioned by the Madras Provincial Co-operative Bank, the society received during the year Rs. 6·48 lakhs, and utilised Rs. 5·69 lakhs towards the purchase of plant and machinery. The erection of plant and machinery and the construction of buildings are nearing completion and it is expected that it will commence work during the coming season.

The Etikoppaka Industrial and Credit Society (Vizagapatam district) started two years ago for the benefit of sugarcane-growers in Anakapalle area, has worked for two seasons. Owing to heavy initial expenditure and the defective nature of the plant, the factory worked for a period of 95 days only and the sale-proceeds of sugar and other products manufactured amounted to Rs. 57,560.

The Sri Ramakrishna Industrial and Credit Society at Tummapala (Vizagapatam district) could not do much work.

Subsidy to Sugarcane Growers.—The Government of India announced its decision to create a separate fund out of the excise duty levied by it on white sugar and to distribute the amount so funded among the various provinces to help co-operative organizations composed of sugarcane growers. Under this scheme, this Presidency would get about Rs. 60,000 during the current year. The Deputy Registrars have been instructed to organise societies in factory areas, such as Bobbili, Kirlampudi, Podanur and Nellikuppam. A cane-growers society was started at Bobbili in July last. Arrangements have been made to start similar societies in other areas. Proposals for utilising the grant of Rs. 60,000 have already been submitted to Government and their orders are awaited.

The Hospet Sugarcane Growers' Co-operative Society was registered and started in the beginning of the year, with the object of financing the cane-growers in the area. It advanced loans to members for cultivation of about 700 acres of land to the extent of Rs. 79,729. It borrowed money from the Hospet Central Bank, the

Provincial Bank and the India Sugar Refineries, Ltd., Hospet, to the extent of Rs. 51,312.

The Bobbili Sugarcane-Growers Society, started since the close of the year, has a demonstration farm of 472 acres and started the plantation of cane on scientific lines with the help of the Agricultural Department.

Since the close of the year, arrangements have been made to form societies in the following centres:—

Guntūr District.

1. Bellavaripalem.
2. Pallekona.
3. Ullipalem.
4. Gudavalli.

Ganjām District.

5. Lakshminarusupeta.

East Gōdāvari District.

6. Kirlampudi (since registered).

Coimbatore District.

7. Podanur area.

North Arcot District.

8. Mailpatti area.

Insurance societies.

39. The two societies in this class at the beginning of the year, continued to work.

The South India Co-operative Insurance Society, Madras.

This is the fourth year of the working of this society. At the end of the year under review, there were 2,226 members on the rolls composed of 2,190 individuals and 36 societies. Its paid-up share capital amounted to Rs. 44,664 and of this, the societies held Rs. 37,000. At the beginning of the year there were 10 proposals for policies amounting to Rs. 9,950 pending acceptance. One thousand four hundred and thirty-nine proposals for policies to the value of Rs. 11,77,100 were received in the year. Of these, 1,368 proposals for Rs. 11,16,900 were accepted and 20 proposals for Rs. 17,700 were rejected. Thus, there were at the end of the year 51 proposals for Rs. 42,500 pending acceptance. Of the 1,368 proposals accepted, policies were issued in respect of 1,067 cases to the value of Rs. 8,62,350. Six claims amounting to Rs. 7,500 were pending payment at the beginning of the year. Claims in respect of 7 policies aggregating to Rs. 5,500 on account of the death of policy-holders were intimated during the year; five policies for Rs. 4,000 were paid off. There were 8 claims to the extent of Rs. 9,000 pending payment at the end of the year. The total life business in the books of the society at the end of the year amounted to Rs. 21,62,700 in respect of 2,520 policies as against 1,453 policies for an assured sum of Rs. 13,00,350 at the close of the previous year. Premia of Rs. 83,947 were collected in the year as against Rs. 47,119 in the previous year. The society has introduced new plans of assurance, such as, Legacy Policy for Children, Children's Educational Annuity, Pension Annuity, etc. The 39 Local Boards, constituted in several centres, continued to canvass business in the year. Of the 1,067 policies to the value of Rs. 8,62,350 issued during the year, the Telugu Districts contributed a business of Rs. 3·91 lakhs covering 480 policies, the Tamil districts, Rs. 1·99 lakhs covering 207 policies, the West Coast, Rs. 33,550 covering 57 policies and the Madras City Rs. 16,750 covering 13 policies. It continued to make satisfactory progress.

The other society included in this class is the Postal and R.M.S. Co-operative Benefit Fund, Madras. It had 3,100 members on its rolls with a paid-up share capital of Rs. 39,158 on the last day of the year as against 2,711 members with a paid-up share capital of Rs. 39,498 in the previous year. During the year, the society collected Rs. 1·59 lakhs by way of premia as against Rs. 1·48 lakhs in the preceding year. Claims actually paid in the year on account of death and maturity of policies amounted to Rs. 1·11 lakhs as against Rs. 78,400 in the previous year. The total Life Assurance fund at the end of the year was Rs. 4·52 lakhs as against Rs. 3·31 lakhs in the previous year. Claims admitted or intimated to the extent of Rs. 37,490 remained unpaid on the last day of the year. Investments by way of deposits in Co-operative Banks, in Government Securities, etc., amounted to Rs. 3·55 lakhs and on mortgaged securities were Rs. 97,197. The Reserve Fund of the society amounted to Rs. 20,696.

The East Gōdāvari Local Fund and Municipal Officers' Mutual Fund at Cocanada was started in the year 1926 with the object of affording financial assistance to members on their retirement from service or to their families in case they died in harness. The system obtaining has been that all members had to contribute a death or retirement call of Re. 1 or As. 8, as the case may be. As it was found that this system was unscientific, the society was advised to adopt a scheme of insurance on the lines of the Postal and R.M.S. Benefit Fund. The Society having agreed to do so, the question of addressing the Government in the matter of granting exemption from certain provisions of the Indian Life Assurance Act is under consideration.

Other forms (building societies).

40. Of the 177 societies in this class, 120 were building societies. Their progress is indicated in the following statement :—

	1933–34.	1934–35.
Number of members	3,808	3,998
	RS.	RS.
Paid-up share capital	8·75 lakhs.	7·79 lakhs.
Net profits or loss ...	+ 64,086 — 8,585	+ 75,871 — 9,279
Loans outstanding to Government	17·45 lakhs.	15·91 lakhs.
Number of houses (completed)	1,573	1,449
	RS.	RS.
Estimated value	44·25 lakhs.	43·31 lakhs.
Number of houses (under construction)	48	97
	RS.	RS.
Estimated value	1·28 lakhs.	1·85 lakhs.

A sum of Rs. 6,551 under principal and Rs. 3,198 under interest were overdue in respect of Government loans as against Rs. 7,645 and Rs. 5,834 respectively in the previous year. The societies in the districts of Coimbatore, Guntūr and Kistna contributed heavily to these overdues.

A sum of Rs. 27·64 lakhs was outstanding against members on the last day of the year. Against a demand of Rs. 6·51 lakhs under principal and Rs. 2·89 lakhs under interest, Rs. 2·09 lakhs and Rs. 0·90 lakh respectively were overdue as against Rs. 2·95 lakhs and Rs. 1·10 lakhs in the previous year. The collections were good in Chingleput, Madras and Tanjore districts. The societies in the districts of Coimbatore, Ganjām, West Gōdāvari, Guntūr, Kistna, the Nilgiris, Salem and Vizagapatam contributed heavily to the overdues. A monthly review is issued on the progress of collections in building societies and the officers are asked to give very close attention to bad societies. The continued economic depression has added to the difficulties of collection.

A proposal to form a provincial building society for the purpose of financing primary building societies in the Presidency, was made during the year. A meeting of the leading co-operators was held in my office. The meeting unanimously resolved to form such a society subject to either a Government guarantee of the debentures that may be floated by the proposed society or in the alternative the purchase by Government of debentures for a definite sum every year for the next ten years. The Government, however, dropped the proposal but they will continue to make adequate provision in the provincial budget for the grant of loans to building societies.

Other forms (other societies).

41. Excluding the building societies, there were 57 societies in this class at the end of the year. They are classified as under :—

1. Labour contract societies...	19	6. Benefit fund societies ...	3
2. Forest coupe societies ...	2	7. Miscellaneous	6
3. Societies for purchase of house-sites	2		
4. Printing societies	4	Total ...	57
5. Fishermen societies ...	21		

A brief account of the working of some of these societies is given below :—

Labour Contract Societies.—There were 19 societies of this type. Of these, 9 did not do any work in the year. The number of members was 1,138 of whom 125 were helpers and 1,013 were actual workers. They had a paid-up share capital of Rs. 7,320 and a reserve fund of Rs. 12,198. The total value of the work pending execution at the beginning of the year and that secured during the year was Rs. 27,791. Of this, the societies executed work to the value of Rs. 25,850 in the year. Thus, there was work to the value of Rs. 1,941 pending execution at the end of the year. Members derived Rs. 12,040 as wages and non-members were paid

Rs. 3,935. Some of these societies earned a net profit of Rs. 2,272 while others incurred a loss of Rs. 341. The bonus paid to members was Rs. 186.

Printing Societies.—The four printing societies, one in each of the districts of Coimbatore, Tanjore and Trichinopoly and in Madras City, continued to work in the year. Their transactions on 30th June 1935 were as follows:—

	1933-34.	1934-35.
	RS.	RS.
1. Paid-up share capital	31,635	32,826
2. Reserve fund	10,291	10,560
3. Borrowed capital	9,647	10,829
4. Value of business done ...	29,378	33,742
5. Working expenses	16,316	19,680
6. Net profit	+2,733	+2,056
7. Loss	−6,033	−8,162

The societies in Coimbatore and Tanjore earned a net profit of Rs. 2,056. The Madras Co-operative Central Printing Works though it made a profit of Rs. 1,432 for the year, has yet to recoup the loss of previous years to the extent of Rs. 2,893. The working of the Trichinopoly Printing Society resulted in a loss of Rs. 1,930 for the year. With the addition of the previous years' loss, it has yet to recoup a total loss of Rs. 5,275. The officers concerned have been asked to investigate the matter. Including the arrears to be recovered in respect of printing and binding done by all the societies in the previous year, the total amount recoverable in the year was Rs. 45,215. Of this, a sum of Rs. 32,175 was actually realized and a balance of Rs. 13,040 was pending recovery from customers on the last day of the year.

The Madras Central Co-operative Printing Works is not working satisfactorily and in its present form did not admit of reorganization; the only course seemed to be its liquidation and the registration of another on altogether different lines in its place. With this end in view, I have, since the close of the year, cancelled the registration of the society.

Thrift Societies.—At the end of the year there were 12 societies including three benefit fund societies as against 9 in the previous year. Their paid-up share capital amounted to Rs. 12,527. The savings of members in these societies are shown below:—

	1933-34.	1934-35.
	RS.	RS.
1. Recurring deposits	6,889	3,266
2. Current deposits	...	1,063
3. Savings deposits	2,329	829
4. Provident deposits	7,011	5,622
5. Fixed deposits	2,678	50
6. Thrift deposits	9,862	16,775

28

During the year there was a marked increase in thrift deposits. These societies advanced loans to members to the extent of Rs. 10,301 and invested Rs. 35,526 in deposits with other societies. It is a pity that all societies do not recognise sufficiently that "thrift" is part of their business.

Fishermen's Societies.—At the end of the year, there were 29 societies—8 classed as non-agricultural, purchase, purchase and sale, and 21 classed as non-agricultural, other forms—for the benefit of the fishermen community.

A brief account of the working of some of these societies is given below:—

The four societies in Kurnool obtained during the year fishing lease in tanks and canals from the Fisheries Department on an annual rental of Rs. 1,520. The sale of fish amounted to Rs. 3,056. One society earned a net profit of Rs. 89 and the other three worked at a loss of Rs. 45. The loss is mainly attributed to want of proper facilities for fishing during the heavy floods.

The Kandukur Fishermen Society in Nellore renewed the lease of the fisheries in the Mopad and Machavaram tanks for three years from 1st January 1935 on an annual rental of Rs. 915.

Depressed and backward classes' societies.

42. The number of societies formed specially for the Adi-Dravidas, Adi-Andhras, Fishermen, Kallars and other backward classes was 2,777 as against 2,776 in the previous year.

In pursuance of the orders contained in G.O. No. 1165, Development, dated 14th August 1934, the supervision of these societies has been taken over by the Department from 1st October 1934. These societies are still financed chiefly by the Madras Christian Central Bank. The overdues to the bank on the last day of the year amounted to Rs. 3,11,292 under principal and Rs. 26,189 under interest as against Rs. 3,21,219 and Rs. 13,916 respectively, in the previous year. The percentages work out to 52·7 under principal and 36·3 under interest as against 52·2 and 20·8 respectively in the previous year.

The following statement shows the transactions of these societies:—

Particulars.	Societies under Co-operative Department.	Societies under Kallar Special Officers.	Societies under Fisheries Department.
Number of societies ...	2,479	249	49
Number of members ...	106,196	[illegible]	[illegible]
	RS.	RS.	RS.
Paid-up share capital ...	7,45,214	87,185	42,083
Deposits from members.	1,02,609	123	1,863
Deposits of non-members and loans from Central Banks ...	10,72,50[illegible]	Nil.	12,020

4-A

Particulars.	Societies under Co-operative Department.	Societies under Kallar Special Officers.	Societies under Fisheries Department.
	RS.	RS.	RS.
Loans from Government.	2,98,191	1,63,844	...
Reserve fund	4,23,787	1,06,363	29,277
Other funds ...	44,594	...	1,297
Working capital ...	26,86,898	3,57,515	86,540
Divisible profits ...	55,384	27,875	3,245
Loss	1,81,464	260	4,248

At the end of the year, a sum of Rs. 77,129 was overdue from societies in charge of this department in respect of loans amounting to Rs. 2,52,642 outstanding to Government. Kallar societies in charge of the Special Kallar Officers were in arrears of Rs. 1,08,454 out of Rs. 2,09,393 outstanding to Government.

As it was felt that the Depressed Classes societies would not function unless they be very closely supervised, the directors of the Christian Central Bank and I met and after discussion decided on a tentative scheme. Accordingly I addressed the Government to approve of the scheme of supervision of Depressed Classes societies in the Chingleput district by the appointment of group clerks as an experimental measure. The Government were pleased to sanction in February 1935 the appointment of 25 group clerks on Rs. 15 each per mensem for a period of six months. Two junior inspectors were also permitted to be retained for guiding and controlling the group clerks in their work and for attending to such of the bad societies as required personal attention. The details of the scheme are that each group clerk should be in charge of six societies, supervise them, attend to the maintenance of accounts, collect the arrears from members in driblets through hundi boxes during harvest season with the assistance of the panchayatdars, rectify defects and in short, attend to all matters connected with the well-being of the societies in his charge. The scheme was actually begun only from 25th March 1935. The group clerks took some time to acquaint themselves with the condition of the societies as well as the nature of the work; so no appreciable work could be done till May 1935. In the circumstances the Government have again been addressed, since the close of the year, to sanction the continuance of the scheme for a further period of six months. These societies will never flourish without close supervision.

Societies for hill tribes.

43. There were 114 societies under this class, one in North Arcot, 71 in the Nilgiris, 10 in Salem, and 32 in the Agency of Ganjām, East Gōdāvari and Vizagapatam including stores and other societies. The societies in the Nilgiris are exclusively for the hill tribes of Badagas and Kotas. These 71 societies had a membership of 3,228 with a paid-up share capital of Rs. 17,994 and a working capital of Rs. 3·60 lakhs. The Agency Societies had 8,020 members on their rolls with a paid-up share capital of Rs. 54,973 at the end of the year.

They purchased outright the requirements of their members to the value of Rs. 42,350 and distributed the articles to the members. They also purchased members' products to the value of Rs. 3,869 for sale to the public. Their progress is fairly satisfactory.

Societies for joint cultivation of land and purchase of house-sites.

44. The total number of societies for joint cultivation by members and for purchase of house-sites was 772 as against 788 in the previous year. Their membership was 32,523. They obtained during the year 63 acres of land for joint cultivation in addition to 37,823 acres held at the beginning of the year. The societies gave up 2,777 acres of land in the year. Thus, there were 35,109 acres in the enjoyment of the members at the close of the year. Land revenue collected from members, and that paid to Government were Rs. 1,61,654 and Rs. 1,61,029 respectively. A sum of Rs. 4,269 was collected from members, out of which Rs. 4,158 were paid to owners of land towards the lease. The members of these societies held in their enjoyment 12,020 house-sites and 10,303 houses constructed by them, at the end of the year. These societies advanced loans to the members to the extent of Rs. 1·50 lakhs and recovered an amount of Rs. 1·54 lakhs. A sum of Rs. 5·61 lakhs was outstanding against members on the last day of the year.

In ten districts, some of the credit societies undertook the joint purchase of members' requirements such as agricultural requisites, manures, rice, cloths and other articles to the extent of Rs. 1·77 lakhs saving Rs. 14,053 to their members. The societies in the districts of Kistna, Trichinopoly and Madras were responsible for the joint purchase of articles worth Rs. 1·64 lakhs. A few societies in the districts of West Gōdāvari, Kurnool and Madura effected joint sale of their members' produce to the value of Rs. 65,738. The cardamom societies in Madura district alone contributed to the bulk of the sales to the extent of Rs. 60,211.

Women's societies.

45. A perusal of the Punjab Registrar's report, in which he alluded to the existence of 218 women's societies in the Punjab, makes it the more amazing that only two women's societies exist in this Presidency. Both these are in Calicut; one is doing very little and the other has just begun. Of course, women are members of many societies but there is no reason why women's societies should not flourish in Madras. I have asked Government to sanction the appointment of women organizers in the City and on the West Coast in order that this legitimate co-operative activity may be organized and spread. Co-operative Stores, especially, should be a good field for women's work.

General.

46. Before I conclude I must refer to a growing tendency on the part of members of societies to prefer petty and frivolous disputes regarding the election of directors and office-bearers and to introduce politics into the movement. The time and energy of departmental officers are

wasted in enquiring into these disputes to the detriment of their more important work. It is the duty of all co-operators to see that this tendency is checked. As in other democratic institutions, co-operators should take their failure in elections in a sportsmanlike spirit and should join hands with those elected in a common endeavour to work the societies for the good of all concerned.

If, however, on account of these election disputes the management of a society is found to affect its financial interests, official interference may be necessary and the Registrar can be moved in such cases to exercise his statutory functions to set matters right. The important point is that the societies should be properly managed and successfully run, whoever may be in power and the interests of individual members should be subordinated to the larger interests of the community.

Although the agricultural credit movement has not shown much progress during the last few years, at least further deterioration has been arrested; and I have every hope that, if the present sustained efforts on the part of non-official co-operators and the official staff are continued, the movement can be revived. Progress lies in the harmonious co-ordination of the activities of the several co-operative institutions working in the Presidency, that is to say, the credit societies have to be linked up with Land Mortgage Banks, Co-operative Sale Societies and Better Living Societies. While the Credit Societies and the Land Mortgage Banks tackle the problem of rural credit, the Sale Societies should assist the ryot in the marketing and sale of his produce and get him a reasonable return for his produce and the Better Living Societies should reform social habits. All the several societies working together may bring about a socio-economic reconstruction. The aim of the movement should be to make the members of Co-operative Societies "Better men, better cultivators and better citizens." What is required is rural leadership. It may be impossible to expect a "Raiffeisen" in every village, but it is not impossible to expect three or four honest and keen men in every village who can take up co-operative work enthusiastically and make it a success.

Conclusion.

47. In conclusion, I would express my hearty thanks to co-operators all over the Presidency for the courtesy shown to me during my tours and for the co-operation extended to the officers and the staff of the department. I would also place on record the loyal services rendered by my subordinates throughout the year. Before I write the next administration report, M.R.Ry. Diwan Bahadur K. Deivasikhamani Mudaliyar Avargal, Joint Registrar, will have retired from service. I take this opportunity to record the valuable services rendered by him to the co-operative movement and the department during the last thirty years. His wide knowledge and experience of the movement have been of considerable help to the department and his retirement will be a distinct loss to the movement.

The Government were pleased to confer "Knighthood" on M.R.Ry. Diwan Bahadur M. Ramachandra Rao Garu, President of the Madras Co-operative Central Land Mortgage Bank and the title of "Diwan Bahadur" on M.R.Ry. Rao Bahadur T. A. Ramalinga Chettiar Avargal, President of the Coimbatore District Urban Bank and Vice-President of the Madras Co-operative Central Land Mortgage Bank, in recognition of their services to the co-operative movement. On the occasion of the celebration of the Silver Jubilee of His Majesty the King Emperor's reign (Silver Jubilee) medals were also awarded to the following nine officers of the department:—

1.	M.R.Ry.	Diwan Bahadur K. Deivasikhamani Mudaliyar Avargal.	Joint Registrar.
2.	„	M. Giriappa Avargal ...	Deputy Registrars.
3.	„	K. Subrahmanyam Garu ...	Deputy Registrars.
4.	„	J. C. Ryan Avargal ...	Deputy Registrars.
5.	„	T. R. Ranganatha Ayyangar ...	Sub-Deputy Registrars.
6.	„	M. Nagappa Chettiar ...	Sub-Deputy Registrars.
7.	„	S. Sambanda Mudaliyar ...	Sub-Deputy Registrars.
8.	„	A. Singararaju Pillai ...	Senior Inspector.
9.	„	G. Aswathanarayana Sastri ...	Junior Inspector.

The relations with the other departments continued to be cordial.

I have the honour to be,

Sir,

Your most obedient servant,

T. AUSTIN,

Registrar.

APPENDICES.

32

Appendix No. 1.—*General Summary of Progress of Co-operative Societies in* 1934–35.

SECTION I.—WORKING CAPITAL OF SOCIETIES ON 30TH JUNE 1935.

(1)	The Madras Co-operative Central Land Mortgage Bank (1). (2)	The Madras Provincial Co-operative Bank. (1). (3)	Central Banks (32). (4)	Societies affiliated to Supervising Unions (326) (c). (5)	Agricultural societies: Land Mortgage Banks (72) (d). (6)	Agricultural societies: Credit societies (other than land mortgage banks) (11,129) (e). (7)
	RS.	RS.	RS.	RS.	RS.	RS.
Share capital	2,38,400	6,58,750	54,52,940	...	4,92,973	58,32,993
Deposits from members ...	...	(b) 90,39,421	(b) 2,73,73,232	...	...	9,36,416
Loans from other societies.	1,86,832	70,25,975	1,28,37,060	...	51,04,225	2,81,04,530
Loans and deposits of non-members (individuals) ...	(a) 50,92,700	...	...	...	6,05,000	20,44,379
Loans from Government ...	...	...	...	...	74,800	4,65,898
Reserve fund	44,328	14,50,000	30,27,257	...	34,935	70,30,555
Other funds	13,463	5,03,679	24,22,808	...	16,539	13,52,341
Total working capital on 30th June 1935	55,75,723	1,86,77,825	5,11,12,797	5,50,43,098	63,28,472	4,57,67,112
Total working capital on 30th June 1934	37,40,481	1,90,95,593	5,35,02,838	6,04,57,966	45,63,731	4,64,77,799
Divisible profits, 1934–35 ...	69,327	2,04,462	4,21,415	...	32,942	9,30,083
Loss unrecouped	...	...	2,607	...	17,069	23,47,513
Reserve fund including additions to be made as per audit order of 1934–35	61,660	15,01,116	31,32,610	...	42,216	75,34,977
Value of goods purchased as owner	...	...	...	...	...	...
Value of goods sold as owner	...	...	...	...	...	...
Value of goods purchased as agent	...	...	...	...	...	...
Value of goods sold as agent	...	...	...	...	...	...

(1)	Agricultural societies: Purchase and production (89) (f). (8)	Agricultural societies: Others (335) (g). (9)	Total of Agricultural societies. (10)	Non-agricultural societies: Credit (1,063) (h). (11)	Non-agricultural societies: Purchase and production (194) (i). (12)	Non-agricultural societies: Others (178) (j). (13)	Total of Non-agricultural societies. (14)	Total, 1934–35. (15)	Total, 1933–34. (16)
	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
Share capital	2,28,604	2,20,515	67,75,085	82,63,327	3,06,021	10,23,995	95,93,343	2,27,18,518	2,24,76,586
Deposits from members	43,637	6,30,674	16,10,727	89,75,345	2,06,797	84,658	92,66,800	4,72,99,186	5,40,06,264
Loans from other societies.	4,03,754	6,77,493	3,42,90,002	19,00,658	4,52,721	1,24,078	24,77,457	5,68,17,326	5,73,39,349
Loans and deposits of non-members (individuals)	67,386	3,251	27,20,016	95,28,441	18,758	72,137	96,19,336	1,74,32,052	1,24,65,377
Loans from Government	15,954	1,67,895	7,24,547	15,992	...	14,89,260	15,05,252	22,29,799	25,52,482
Reserve fund	65,383	31,164	71,62,037	30,92,599	2,28,538	2,12,827	35,33,964	1,52,17,586	} 1,43,84,483
Other funds	26,857	23,200	14,18,987	9,78,501	84,605	56,942	11,20,048	54,78,435	}
Total working capital on 30th June 1935	8,51,575	17,54,192	5,47,01,351	3,27,54,863	12,97,440	30,63,897	3,71,16,200	16,71,83,896	...
Total working capital on 30th June 1934	5,36,785	4,17,292	5,19,95,607	3,08,86,157	10,41,669	29,42,196	3,48,70,022	...	16,32,04,541
Divisible profits, 1934–35	19,810	8,453	9,91,288	10,48,108	49,847	78,461	11,76,416	28,62,908	27,74,329
Loss unrecouped	16,398	91,510	24,72,490	1,19,978	1,29,153	48,278	2,97,409	27,72,506	27,63,587
Reserve fund including additions to be made as per audit order of 1934–35	70,613	34,032	76,81,838	33,59,412	2,35,217	2,32,270	38,26,899	1,62,04,123	1,53,07,187
Value of goods purchased as owner	4,87,757	...	4,87,757	...	20,23,601	...	20,23,601	25,11,358	29,68,742
Value of goods sold as owner	9,47,685	...	9,47,685	...	20,02,763	...	20,02,763	29,50,448	20,39,072
Value of goods purchased as agent	28,705	...	28,705	...	63,344	...	63,344	92,049	1,22,059
Value of goods sold as agent	17,03,888	...	17,03,888	...	68,231	...	68,231	17,72,119	2,84,439

(a) Debentures.
(b) Includes deposits of non-members.
(c) Includes the Madras Provincial Co-operative Union, two Language Federations, five Training Institutes, eleven Audit Unions and six Federations of Unions.
(d) Excludes four societies not started.
(e) Excludes fourteen societies not started.
(f) Excludes three societies not started.
(g) Excludes one society not started.
(h) Excludes four societies not started.
(i) Excludes six societies not started.
(j) Excludes one society not started.

SECTION II.—DEMAND, COLLECTION AND BALANCE OF PRINCIPAL AND INTEREST DUE TO SOCIETIES IN 1934–35.

1934–35. (1)	Demand: Provincial and Central Banks. (2)	Demand: Agricultural. (3)	Demand: Non-agricultural. (4)	Demand: Total. (5)	Collection: Provincial and Central Banks. (6)	Collection: Agricultural. (7)	Collection: Non-agricultural. (8)	Collection: Total. (9)
	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
Principal including arrears	2,91,52,337	3,36,19,921	2,79,80,881	9,07,53,139	(a) 1,25,60,961	(b) 1,07,18,301	(c) 2,16,24,299	4,49,03,561
Interest due in previous years (arrear interest).	5,05,800	81,74,527	12,84,837	99,65,164	2,48,037	22,72,666	5,59,150	30,79,853
Interest due in 1934–35 (current interest) ...	24,56,212	43,31,042	27,15,622	95,02,876	21,66,233	17,88,995	20,58,546	60,13,774

1934–35. (1)	Balance: Provincial and Central Banks. (10)	Balance: Agricultural. (11)	Balance: Non-agricultural. (12)	Balance: Total. (13)	Percentage of balance to demand: Provincial and Central Banks. (14)	Percentage of balance to demand: Agricultural. (15)	Percentage of balance to demand: Non-agricultural. (16)
	RS.	RS.	RS.	RS.			
Principal including arrears	1,65,91,376	2,29,01,620	63,56,582	4,58,49,578	56·91	68·12	22·72
Interest due in previous years (arrear interest).	2,57,763	59,01,861	7,25,687	68,85,311	50·96	72·20	56·48
Interest due in 1934–35 (current interest)	2,89,979	25,42,047	6,57,076	34,89,102	11·81	58·69	24·20

(a) Includes extension for Rs. 5,23,208, (b) for Rs. 3,39,540 and (c) for Rs. 4,14,577.

SECTION III.—DEMAND, COLLECTION AND BALANCE OF PRINCIPAL AND INTEREST DUE TO SOCIETIES IN 1933-34.

1933-34.	Demand.				Collection.			
	Provincial and Central Banks.	Agricultural.	Non-agricultural.	Total.	Provincial and Central Banks.	Agricultural.	Non-agricultural.	Total.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Principal including arrears ...	3,28,65,889	3,60,52,310	2,67,55,550	9,56,73,749	1,51,63,949(a)	1,07,13,289(b)	2,05,64,739(c)	4,64,41,963
Interest due in previous years ...	4,09,852	75,12,540	11,13,384	90,35,777	2,12,455	22,26,907	4,59,445	28,97,807
Interest due in 1933-34 ...	28,10,915	49,08,747	26,98,963	1,04,18,625	24,64,082	17,76,542	20,68,817	63,09,441

1933-34.	Balance.				Percentage of balance to demand.		
	Provincial and Central Banks.	Agricultural.	Non-agricultural.	Total.	Provincial and Central Banks.	Agricultural.	Non-agricultural.
	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	Rs.	Rs.	Rs.	Rs.			
Principal including arrears ...	1,77,01,940	2,53,39,021	61,90,820	4,92,31,781	53·86	70·28	23·14
Interest due in previous years ...	1,97,398	52,86,633	6,53,939	61,37,970	48·16	70·38	58·73
Interest due in 1933-34 ...	3,46,833	31,32,205	6,30,146	41,09,184	12·41	63·81	23·35

(*a*) Includes extension of Rs. 7,00,263, (*b*) for Rs. 3,32,100 and (*c*) for Rs. 6,47,754.

33

APPENDIX No. 2.

Synopsis of Loans in Agricultural and Non-Agricultural Societies (other than Central Banks) in 1934-35 and 1933-34.

APPENDIX No. 2.—*Synopsis of Loans in Agricultural and Non-agricultural Societies (other than Central Banks) in 1934–35 and 1933–34.*

Loans.	Agricultural, 1934–35. Amount.	Agricultural, 1934–35. Percentage.	Agricultural, 1933–34. Amount.	Agricultural, 1933–34. Percentage.	Non-agricultural, 1934–35. Amount.	Non-agricultural, 1934–35. Percentage.	Non-agricultural, 1933–34. Amount.	Non-agricultural, 1933–34. Percentage.
A.—LOANS ISSUED DURING THE YEAR CLASSIFIED ACCORDING TO (1) PURPOSE AND (2) VALUE.								
(1) PURPOSE.	RS.		RS.		RS.		RS.	
For cultivation expenses.	19,05,503	15·28	14,80,596	16·07	4,78,524	1·99	3,48,990	1·57
For purchase of cattle ...	6,24,062	5·00	6,10,250	6·62	1,30,060	0·54	1,29,016	0·58
For payment of kist ...	8,18,905	6·57	6,55,647	7·11	1,43,865	0·60	69,325	0·31
For improvement of lands	4,76,581	3·82	3,48,910	3·78	2,47,813	1·03	1,90,544	0·85
For purchase of raw materials	1,00,743	0·81	32,307	0·35	1,37,978	0·57	1,44,913	0·65
For trade	17,65,179	14·15	7,53,717	8·18	32,14,708	13·36	29,86,318	13·40
For education	29,278	0·23	14,728	0·16	3,06,969	1·28	3,30,055	1·48
For building, buying or repairing houses ...	4,24,076	3·40	3,90,502	4·24	19,22,425	7·99	16,75,217	7·52
For manufacture and purchase of country carts	30,431	0·24	34,783	0·38	40,855	0·17	1,28,541	0·58
For purchase of lands ...	2,20,402	1·77	1,75,595	1·91	2,83,771	1·18	2,84,808	1·28
For purchase of food and necessaries of life ...	8,79,733	7·05	6,05,210	6·57	48,99,150	20·36	43,46,794	19·50
Total, loans for productive purposes ...	72,74,893	58·32	51,02,245	55·37	118,06,118	49·07	1,06,34,551	47·72
For paying off prior debts	50,12,525	40·19	39,38,943	42·74	82,27,143	34·20	77,10,194	34·60
For marriages	90,769	0·73	89,266	0·97	26,97,520	11·21	27,05,746	12·14
For other ceremonies ...	22,257	0·18	21,495	0·23	5,75,489	2·39	3,66,712	1·65
For litigation and other non-productive purposes	72,842	0·58	63,815	0·69	7,53,404	3·13	8,67,899	3·89
Total, non-productive purposes	1,85,868	1·49	1,74,576	1·89	40,26,413	16·73	39,40,357	17·68
Grand total ...	1,24,73,236	100·00	92,15,764	100·00	2,40,59,674	100·00	2,22,85,102	100·00
(2) VALUE.								
Loans not exceeding Rs. 50	12,97,704	10·40	11,50,646	12·48	29,50,030	12·26	27,62,924	12·40
Loans exceeding Rs. 50 but not exceeding Rs. 100	14,61,106	11·71	12,39,596	13·44	35,81,711	14·89	34,55,415	15·51
Loans exceeding Rs. 100 but not exceeding Rs. 250	27,87,328	22·35	18,05,002	19·62	53,49,165	22·23	49,60,619	22·26
Loans exceeding Rs. 250.	69,27,148	55·54	50,20,520	54·46	1,21,78,768	50·62	1,11,06,144	49·83
Total ...	1,24,73,236	100·00	92,15,764	100·00	2,40,59,674	100·00	2,22,85,102	100·00

Loans.	Agricultural, 1934–35. Amount.	Agricultural, 1934–35. Percentage.	Agricultural, 1933–34. Amount.	Agricultural, 1933–34. Percentage.	Non-agricultural, 1934–35. Amount.	Non-agricultural, 1934–35. Percentage.	Non-agricultural, 1933–34. Amount.	Non-agricultural, 1933–34. Percentage.
B.—LOANS OUTSTANDING AGAINST MEMBERS AT THE END OF THE YEAR CLASSIFIED ACCORDING TO (1) SECURITY AND (2) PERIOD.								
(1) SECURITY.	RS.		RS.		RS.		RS.	
1. Loans on security of deposits	37,445	0·09	28,868	0·07	6,51,380	2·21	5,79,182	2·07
2. Loans on pledge of movables—								
(a) Jewels ...	2,440	...	3,273	...	86,855	...	3,49,037	...
(b) Standing crops	1,36,395	...	16,702	...	977	...	7,546	...
(c) Produce and finished products ...	9,47,928	...	4,12,038	...	1,05,746	...	4,404	...
Total movables (a+b+c)	10,86,763	2·56	4,32,013	1·03	1,93,578	0·66	3,60,987	1·28
3. Loans on mortgage of immovable properties ...	2,51,65,602	59·25	2,39,53,013	56·99	99,05,505	33·55	96,66,590	34·53
4. Loans on the joint security of one or more members ...	1,59,07,096	37·45	1,73,56,422	41·30	1,68,17,793	56·97	1,61,99,274	57·86
5. Loans on simple bond of borrowers.	2,79,490	0·65	2,57,184	0·61	19,51,877	6·61	11,92,219	4·26
Total (1+2+3+4+5)	4,24,76,396 (a)	100·00	4,20,27,500	100·00	2,95,20,133	100·00	2,79,98,252	100·00
(2) PERIOD.								
Loans not exceeding one year	1,10,78,978	26·08	1,13,66,601	27·04	52,78,725	17·88	51,78,268	18·49
Loans exceeding one year, but not exceeding two years ...	24,61,370	5·79	25,82,548	6·15	88,03,352	29·82	87,44,141	31·23
Loans exceeding two years, but not exceeding five years ...	1,63,75,857	38·56	1,66,78,547	39·69	1,09,46,362	37·08	1,01,70,568	36·33
Loans exceeding five years	1,25,60,191	29·57	1,13,99,804	27·12	44,91,694	15·22	39,05,275	13·95
Total ...	4,24,76,396 (a)	100·00	4,20,27,500	100·00	2,95,20,133	100·00	2,79,98,252	100·00

(a) Excludes Rs. 7,342 due from Banks and Societies.

APPENDIX No. 3—SECTION I (a).—*Demand, Balance and Percentage of loans due by Land Mortgage Banks to the Madras Co-operative Central Land Mortgage Bank and Others,* 1934–35—Nil.

APPENDIX No. 3—SECTION I (b).—*Demand, Balance and Percentage of Loans due by Agricultural (excluding Land Mortgage Banks) and Non-Agricultural Credit Societies to Central Banks and Others,* 1934–35.

District.	Principal. Long term. Demand.	Principal. Long term. Balance.	Principal. Long term. Percentage.	Principal. Short term. Demand.	Principal. Short term. Balance.	Principal. Short term. Percentage.	Interest. Demand.	Interest. Balance.	Interest. Percentage.
	RS.	RS.		RS.	RS.		RS.	RS.	
Agricultural Societies.									
Anantapur	8,83,305	7,85,648	88·94	89,751	60,646	67·57	1,07,782	29,079	26·98
Arcot, North	13,07,748	10,32,666	78·97	1,96,505	1,30,072	66·19	1,81,750	35,357	19·45
Do. South	12,28,736	11,18,265	91·01	93,755	51,107	54·51	1,77,125	75,186	42·45
Ballary	7,49,115	7,11,266	94·95	90,228	70,379	78·00	1,18,072	64,280	55·55
Chingleput	14,87,193	11,49,808	77·31	1,50,051	35,149	23·42	2,11,305	33,361	15·79
Chittoor	5,00,432	4,55,241	90·97	12,071	3,270	27·09	72,118	15,611	21·65
Coimbatore	6,55,724	1,57,726	24·05	2,90,908	20,068	6·89	1,31,258	7,867	5·99
Cuddapah	3,94,334	3,77,098	95·63	41,397	35,024	84·61	69,219	43,330	62·60
Ganjām	7,46,046	5,78,747	77·58	5,70,656	4,52,699	79·33	1,30,827	17,479	13·36
Gōdāvari, East	5,60,303	3,26,645	58·30	16,22,432	7,73,450	47·67	2,05,945	18,574	9·02
Do. West	5,13,097	3,49,064	68·03	9,47,511	5,00,776	52·83	1,43,275	31,484	21·97
Guntūr	6,40,822	4,13,899	64·59	6,00,694	4,20,760	70·05	1,25,495	9,815	7·82
Kanara, South...	73,557	10,204	13·87	4,10,797	54,238	13·20	38,599	2,703	7·00
Kistna	4,39,973	2,68,846	61·11	7,32,445	3,29,445	44·98	1,11,443	10,613	9·52
Kurnool	5,90,538	5,38,357	91·12	60,321	53,583	88·83	83,067	34,491	41·52
Madras	...	...	...	...	...	...	...	...	...
Madura	6,90,750	3,93,010	56·90	1,39,925	15,627	11·17	1,04,958	27,913	26·59
Malabar	6,16,632	5,43,109	88·08	98,521	61,066	61·98	1,13,537	40,950	36·07
Nellore	3,62,900	2,75,239	75·84	4,15,419	2,08,340	50·15	95,729	36,193	37·81
Nilgiris, the	40,285	5,984	14·85	37,779	7,375	19·52	11,181	425	3·80
Ramnad	5,25,210	3,84,403	73·19	82,640	27,824	33·67	71,395	18,566	26·00
Salem	9,67,120	5,12,399	52·98	2,40,551	35,892	14·92	1,56,492	10,478	6·69
Tanjore	14,04,036	10,48,322	74·66	3,38,055	61,179	18·09	2,10,227	63,915	30·43
Tinnevelly	2,12,850	1,18,411	55·63	2,45,105	60,869	24·83	48,693	8,545	17·54
Trichinopoly	14,22,475	7,79,695	54·81	4,18,515	22,721	5·43	2,21,008	18,623	8·43
Vizagapatam	1,09,576	74,355	67·86	8,86,253	4,75,774	53·68	80,630	9,919	12·30
Total ...	1,71,22,757	1,24,08,407	72·47	88,12,285	39,67,333	45·02	30,21,130	6,64,757	22·00
Non-Agricultural Societies.									
Anantapur	2,07,704	10,610	5·15	9,44,084	146	0·02	36,699	1,021	2·78
Arcot, North	1,36,320	5,479	4·02	5,26,468	1,999	0·38	29,415	1,868	6·35
Do. South	3,87,240	52,525	13·56	4,98,788	7,899	1·58	40,923	807	1·97
Bellary	59,432	10,050	16·93	75,029	9,482	12·64	17,566	2,974	16·90
Chingleput	2,47,027	31,615	12·79	5,64,011	627	0·11	47,547	358	0·75
Chittoor	16,979	6,987	41·15	19,39,769	549	0·03	43,283	68	0·16
Coimbatore	1,92,588	330	0·17	20,47,713	1,036	0·05	44,300	445	1·00
Cuddapah	50,769	7,656	15·08	87,574	2,977	3·40	13,270	1,523	11·48
Ganjām	1,41,009	11,756	8·34	2,21,200	16,054	7·26	22,155	315	1·42
Gōdāvari, East	17,935	3,261	18·18	3,18,819	7,972	2·50	19,317	863	4·47
Do. West	1,905	250	13·12	92,474	6,499	7·03	5,862	309	5·76
Guntūr	6,429	1,588	24·70	2,51,023	18,297	7·29	14,372	1,778	12·37
Kanara, South	1,26,508	3,217	2·54	9,89,279	9,443	0·95	25,454	402	1·58
Kistna	39,381	2,212	5·62	4,49,062	15,541	3·46	15,016	654	4·36
Kurnool	33,966	2,324	6·84	64,121	8,624	13·45	9,417	404	4·29
Madras	19,29,150	39,915	2·07	20,57,349	910	0·04	2,77,302	2,591	0·93
Madura	1,48,635	4,650	3·13	22,76,940	2,39,790	10·53	69,536	19,711	28·35
Malabar	42,626	13,678	32·09	65,571	4,906	7·48	14,285	992	6·90
Nellore	68,991	42,197	61·16	1,65,834	...	4·31	17,434	696	3·99
Nilgiris, the	29,581	...	...	1,49,135	7,142	...	9,299	...	...
Ramnad	2,21,128	6,492	2·89	10,77,416	2,127	0·20	27,555	275	1·00
Salem	1,72,623	13,055	7·56	19,61,624	4,174	0·21	67,809	610	0·90
Tanjore	2,98,172	5,214	1·75	12,31,740	8,025	0·65	59,547	512	0·86
Tinnevelly	1,08,109	2,698	2·48	10,64,495	3,986	0·37	27,621	973	3·52
Trichinopoly	2,23,605	4,205	1·88	12,33,815	2,070	0·11	93,867	937	0·99
Vizagapatam	91,306	5,611	6·15	13,12,353	11,999	0·91	37,603	475	1·27
Total ...	49,99,416	2,87,575	5·75	2,16,68,686	3,92,274	1·81	10,85,954	41,561	3·83

35

APPENDIX No. 3—SECTION II.—*Percentage of overdues by primary societies to individual Central Banks towards principal, arrear interest and current interest for* 1934–35.

Serial number.	Name of the Bank.	Percentage of principal overdue to demand.		Percentage of overdue arrear to interest demand.	Percentage of overdue current interest to demand.
		Long term.	Short term.		
1	Anantapur District Co-operative Central Bank, Limited.	88·22	34·28	86·24	17·72
2	Arcot (North) District Co-operative Central Bank, Limited, Vellore.	77·88	61·62	31·79	13·64
3	Arcot (South) District Co-operative Central Bank, Limited, Cuddalore.	89·70	39·35	62·52	21·81
4	Bellary District-Hospet Co-operative Central Bank, Limited.	90·82	70·96	81·47	33·32
5	Chingleput District Co-operative Central Bank, Limited, Conjeeveram.	78·09	8·04	48·21	9·61
6	Chittoor District Co-operative Central Bank, Limited.	87·69	5·96	35·41	17·66
7	Coimbatore District Urban Bank, Limited.	22·58	10·60	9·49	4·58
8	Cuddapah District Co-operative Central Bank, Limited.	83·78	60·60	80·82	37·36
	Ganjām District—				
9	Ganjām District Co-operative Banking Union, Limited, Berhampore.	66·63	53·68	64·98	9·98
10	Aska Co-operative Central Bank, Limited.	18·38	87·54	70·65	3·35
	Gōdāvari, East District—				
11	District Co-operative Bank, Limited, Cocanada.	72·88	72·66	39·79	18·32
12	Rajahmundry Co-operative Central Bank, Limited.	58·93	36·64	4·99	1·19
13	Ramachandrapuram Co-operative Central Bank, Limited.	65·58	49·40	*Nil.*	5·21
14	Sree Konaseema Co-operative Central Bank, Limited, Amalapuram.	53·25	41·87	30·36	2·36
	Gōdāvari, West District—				
15	West Gōdāvari District Co-operative Central Bank, Limited, Ellore.	70·05	59·86	41·80	1·44
16	Guntūr District Co-operative Bank, Limited, Tenali.	61·15	72·22	11·47	4·28
17	Kanara (South) District Central Co-operative Bank, Limited, Mangalore.	11·79	24·38	75·98	2·28
	Kistna District—				
18	Kistna District Co-operative Bank, Limited, Masulipatam.	66·34	41·70	18·30	5·43
19	Vizianvada Co-operative Bank, Limited, Bezwada.	28·31	24·85	21·31	3·78
20	Kurnool District Co-operative Central Bank, Limited.	90·15	46·84	57·93	17·77

APPENDIX No. 3—SECTION II.—*Percentage of overdues by primary societies to individual Central Banks towards principal, arrear interest and current interest for* 1934–35—cont.

Serial number.	Name of the Bank.	Percentage of principal overdue to demand.		Percentage of overdue arrear to interest demand.	Percentage of overdue current interest to demand.
		Long term.	Short term.		
	Madras District—				
21	Christian Central Co-operative Bank, Limited.	52·08	58·10	60·30	29·51
22	Madras District Co-operative Central Bank, Limited.	28·24	13·79	47·92	2·35
23	Madura-Ramnad Central Co-operative Bank, Limited, Madura.	62·62	66·20	80·79	13·79
24	Malabar District Co-operative Bank, Limited, Calicut.	83·22	75·22	42·57	29·14
25	Nellore District Co-operative Banking Union, Limited.	58·51	57·38	17·17	28·68
26	Ramnad District-Srivilliputtur Banking Union, Limited.	67·23	64·29	39·90	14·21
27	Salem District Urban Bank, Limited.	55·06	7·13	78·02	2·17
	Tanjore District—				
28	Co-operative Central Bank, Limited, Kumbakōnam.	63·92	47·82	42·44	11·54
29	Co-operative Central Bank, Limited, Tanjore.	88·32	23·08	63·71	26·95
30	Tinnevelly District Co-operative Banking Union, Limited.	56·85	25·82	29·19	4·69
31	Trichinopoly District Urban Bank, Limited.	57·66	6·73	28·06	5·85
32	Vizagapatam District Co-operative Central Bank, Limited, Vizianagram.	81·41	36·77	33·56	3·30

Appendix No. 4, Section I (a).—Demand, balance and percentage of loans due by members to Land Mortgage Banks, 1934–35.

District.	Principal. Demand.	Balance.	Percentage of balance to demand.
	RS.	RS.	
Arcot, North	9,626	3,837	39·86
Do. South	3,961	137	3·46
Bellary	108	...	...
Chinglepu*	31,044	12,668	40·81
Coimbatore	25,062	634	2·53
Gōdāvari, East	95,919	42,158	43·95
Do. West	56,296	9,793	17·40
Guntūr	3,699	...	...
Kistna	1,38,417	73,571	53·15
Madura	3,366	...	...
Nellore	7,746	1,354	17·48
Ramnad	891	...	...
Salem	783	...	...
Tanjore	24,070	3,180	13·2t
Tinnevelly	144	...	...
Trichinopoly	25,204	10,521	41·74
Vizagapatam	1,576	...	...
Total ...	4,27,912	1,57,853	36·89

Appendix No. 4, Section I (a).—Demand, balance and percentage of interest due by members to Land Mortgage Banks, 1934–35—*cont.*

District.	Arrear Demand.	Arrear Balance.	Arrear Percentage of balance to demand.	Current Demand.	Current Balance.	Current Percentage of balance to demand.
	RS.	RS.		RS.	RS.	
Arcot, North	470	470	100	15,369	1,158	7·53
Do. South	159	...	...	8,611	52	0·60
Bellary	...	...	...	172	...	...
Chingleput	2,122	432	20·36	18,215	3,121	17·13
Coimbatore	2,925	17	0·58	44,479	143	0·32
Ganjām	...	...	...	105	...	...
Gōdāvari, East	5,571	229	4·11	59,112	1,188	2·01
Do. West	2,052	...	...	53,099	2,271	4·28
Guntūr	8	8	100	8,933	24	0·27
Kistna	17,783	...	...	57,318	10,666	18·61
Madura	16	...	...	9,727	...	...
Nellore	652	...	...	7,057	202	2·86
Ramnad	...	...	...	1,684	...	...
Salem	...	...	...	2,831	...	...
Tanjore	1,671	1,495	89·47	32,572	314	0·96
Tinnevelly	...	...	...	347	80	23·05
Trichinopoly	3,134	490	15·63	25,002	2,487	9·95
Vizagapatam	...	...	...	2,614	...	...
Total *...	36,563	3,141	8·59	3,47,247	21,706	6·25

APPENDIX No. 4—Section I (b).

Demand, balance and percentage of loans due by members to Agricultural (excluding Land Mortgage Banks) and Non-Agricultural Credit Societies, 1933–1934 *and* 1934–35.

APPENDIX NO. 4—SECTION I (b).—*Demand, balance and percentage of loans due by members to Agricultural (excluding Land Mortgage Banks) and Non-Agricultural Credit Societies, 1933–34 and 1934–35.*

District.	Out of principal. 1933–34. Long term. Demand.	Balance.	Percentage of balance to demand.	Short term. Demand.	Balance.	Percentage of balance to demand.	1934–35. Long term. Demand.	Balance.	Percentage of balance to demand.	Short term. Demand.	Balance.	Percentage of balance to demand.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Agricultural Societies.	RS.	RS.		RS.	RS.		RS.	RS.		RS.	RS.	
Anantapur	10,76,123*	9,15,400*	85·06*	1,50,909*	1,20,321*	79·73*	10,09,801	8,94,673	88·60	1,27,108	1,07,747	84·77
Arcot, North	16,80,493	13,82,065	82·24	4,27,609	3,37,298	78·88	16,35,075	13,31,620	81·63	3,58,935	2,86,504	79·82
Do. South	14,01,184	12,51,235	89·30	1,60,611	1,14,191	71·10	13,41,825	12,13,486	90·44	1,54,821	1,06,169	68·58
Bellary	8,72,114	8,00,961	91·84	98,245	81,390	82·84	8,25,442	7,55,213	91·49	1,06,607	77,298	68·29
Chingleput	23,10,193	18,66,800	80·81	1,76,297	1,12,772	63·97	21,69,526	17,92,824	82·64	1,46,106	95,120	65·11
Chittoor	5,32,789	4,66,764	87·65	46,760	41,418	88·58	5,33,498	4,72,455	88·56	39,306	31,981	81·36
Coimbatore	13,08,064	6,30,077	48·17	4,84,164	2,05,578	42·46	10,88,412	4,99,885	45·94	4,23,839	1,54,053	36·35
Cuddapah	3,97,816	3,67,451	92·36	60,177	53,141	88·31	3,81,704	3,56,281	93·34	53,062	48,179	90·80
Ganjām	8,58,440	6,88,142	80·16	7,08,681	5,53,096	78·05	8,41,804	6,52,077	77·46	6,13,857	4,74,895	77·36
Gōdāvari, East	9,40,882	6,37,749	67·77	19,30,655	11,67,120	60·45	7,66,147	5,18,769	67·71	16,88,871	10,09,157	59·69
Do. West	7,00,405	4,79,739	68·49	12,53,682	7,82,628	62·43	5,91,589	4,07,119	68·82	10,92,930	6,19,972	56·73
Guntūr	7,45,251	6,01,512	80·71	9,08,349	6,75,331	74·35	6,88,790	4,67,368	67·85	7,18,285	4,92,252	61·58
Kanara, South	1,49,894	71,104	47·44	6,74,907	3,07,610	45·58	1,34,717	65,311	48·48	6,30,540	2,62,933	41·70
Kistna	6,60,447	5,04,541	76·39	10,88,098	6,21,001	57·07	5,29,580	3,69,299	69·73	9,14,675	4,98,817	54·54
Kurnool	5,97,587	5,33,469	89·28	84,187	75,631	89·84	5,95,236	5,32,185	89·41	85,072	73,700	86·63
Madras	...	...	...	...	...	...	...	...	...	...	...	...
Madura	10,06,869	7,02,800	69·80	2,55,219	97,456	38·19	9,63,523	6,49,889	67·45	2,24,011	74,506	33·26
Malabar	4,71,447	4,00,910	84·61	6,23,646	5,17,920	83·05	4,64,758	3,78,940	81·53	5,94,584	4,91,787	82·71
Nellore	4,25,658	3,25,481	76·47	6,10,168	3,79,985	62·28	3,91,563	2,92,929	74·81	5,55,463	3,30,580	59·51
Nilgiris, The	91,145	59,987	65·81	48,067	14,332	29·82	90,827	52,318	57·60	51,578	21,659	41·99
Ramnad	7,05,230	5,40,921	76·70	1,20,040	74,817	62·33	6,12,587	4,53,236	74·01	88,840	58,781	66·17
Salem	13,12,231	8,46,684	64·52	2,99,139	1,58,601	53·02	12,89,213	8,16,315	63·32	2,57,519	1,37,327	53·33
Tanjore	19,05,513	15,17,368	79·63	4,74,382	2,60,560	54·93	17,90,555	13,99,991	78·18	4,33,339	2,38,417	55·01
Tinnevelly	3,70,265	2,39,591	64·71	2,98,851	1,53,497	51·36	3,10,742	1,91,523	61·63	2,72,160	1,06,082	38·98
Trichinopoly	21,02,489	14,63,326	69·60	6,21,152	2,47,849	39·90	19,82,525	13,32,473	67·21	5,70,254	2,04,509	35·86
Vizagapatam	1,38,727	87,146	62·82	12,58,985	6,54,692	52·00	1,17,719	86,140	73·17	10,77,483	5,96,444	55·36
Total ...	2,27,61,259	1,73,81,223	76·36	1,28,62,930	78,08,235	60·70	2,11,46,988	1,59,55,310	75·60	1,12,73,245	65,98,869	58·50
Non-Agricultural Societies.												
Anantapur	4,28,009	1,59,421	37·25	1,29,045	19,127	14·82	4,09,185	1,62,950	39·82	1,54,516	17,963	11·63
Arcot, North	5,29,055	1,17,967	22·30	1,42,775	9,281	6·50	5,54,372	1,23,077	22·20	1,48,331	9,589	6·46
Do. South	6,15,566	2,84,969	46·29	93,064	14,922	16·03	5,38,760	2,60,270	48·31	95,015	16,062	16·90
Bellary	2,96,251	99,907	33·72	54,573	7,600	13·93	2,98,795	1,17,390	39·29	54,128	11,985	22·14
Chingleput	8,36,329	3,10,484	37·12	85,437	4,467	5·23	7,65,135	3,00,618	39·29	1,14,787	12,177	10·68
Chittoor	6,00,477	2,99,669	49·95	1,81,564	22,074	12·16	6,02,485	2,87,838	47·79	1,66,807	21,504	12·89
Coimbatore	6,87,465	1,96,655	28·61	4,11,071	79,853	19·43	7,30,595	1,89,975	26·00	4,41,629	1,24,500	28·19
Cuddapah	2,87,756	1,30,458	45·34	1,05,286	31,423	29·85	2,65,018	1,00,757	38·02	99,180	29,033	29·27
Ganjām	3,41,756	1,56,014	45·65	88,861	26,927	30·30	3,66,004	1,45,531	39·76	90,272	28,944	32·06
Gōdāvari, East	1,98,245	56,704	28·60	2,77,303	77,613	27·99	2,30,235	62,753	27·26	3,22,937	1,11,386	34·49
Do. West	14,808	3,609	24·37	1,28,253	55,509	43·28	12,147	3,408	28·06	1,36,618	54,339	39·77
Guntūr	1,42,276	84,591	59·46	1,93,687	80,228	41·42	1,25,714	69,202	55·05	1,97,023	75,865	38·51
Kanara, South	3,37,460	68,590	20·33	6,07,312	1,36,303	22·44	3,68,997	69,202	18·75	6,29,070	1,28,900	20·49
Kistna	1,23,803	70,044	56·58	2,34,821	91,540	38·98	1,37,077	62,472	45·50	2,96,485	1,14,532	38·63
Kurnool	1,53,187	77,312	50·47	39,867	7,690	19·29	1,60,657	75,717	47·13	31,894	7,979	25·02
Madras	59,88,870	5,30,289	8·85	8,36,982	50,084	5·98	67,11,349	6,48,375	9·66	8,89,614	60,002	6·75
Madura	4,59,263	1,23,724	26·98	10,64,606	5,57,347	52·35	5,57,054	1,58,647	28·48	10,39,243	5,52,433	53·16
Malabar	1,29,415	69,443	53·58	1,71,304	58,737	56·65	1,89,821	1,07,584	56·68	1,52,354	57,800	37·94
Nellore	2,86,191	1,53,835	53·75	81,276	19,638	24·16	3,17,255	1,58,489	49·96	91,406	20,276	22·18
Nilgiris, The	1,73,041	29,822	17·23	59,194	11,793	19·92	1,97,910	38,893	19·65	49,579	8,391	16·92
Ramnad	3,58,507	1,29,587	33·08	2,08,721	56,161	26·91	3,62,507	1,31,970	36·40	2,59,155	56,353	21·75
Salem	4,85,979	1,06,276	21·87	14,86,366	46,330	3·12	6,49,548	1,05,601	16·26	10,37,866	65,743	6·33
Tanjore	8,18,153	3,02,761	37·01	3,97,213	82,893	20·87	8,82,838	3,21,173	36·38	4,13,813	88,891	21·48
Tinnevelly	5,85,945	1,51,862	25·93	1,60,848	30,772	19·13	5,82,789	1,58,152	27·14	1,90,647	41,093	21·55
Trichinopoly	20,83,098	2,10,340	10·10	6,11,424	52,884	8·65	23,28,432	1,99,711	8·57	5,14,399	41,423	8·05
Vizagapatam	3,68,050	1,13,587	30·86	8,36,928	1,41,647	16·92	4,64,851	1,52,606	32·83	8,30,788	99,875	12·02
Total ...	1,73,28,955	40,37,920	23·30	86,90,781	18,12,943	20·86	1,38,09,530	42,12,361	22·39	84,47,556	18,57,038	21·98

* Includes Land Mortgage Banks.

APPENDIX NO. 4—SECTION I (b).—*Demand, balance and percentage of interest due by members to Agricultural (excluding Land Mortgage Banks) and Non-Agricultural Credit Societies, 1933–34 and 1934–35*—cont.

Districts.	Out of interest overdue at the end of the previous year (arrears).						Out of interest accrued and fallen due during the year (current).					
	1933–34.			1934–35.			1933–34.			1934–35.		
	Demand.	Balance.	Percentage.	Demand.	Balance.	Percentage.	Demand.	Balance.	Percentage.	Demand.	Balance.	Percentage.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Agricultural Societies.	RS.	RS.		RS.	RS.		RS.	RS.		RS.	RS.	
	(a)	(a)	(a)				(a)	(a)	(a)			
Anantapur	4,17,335	3,17,475	76·07	4,20,582	3,40,100	80·86	1,83,314	1,45,853	79·56	1,41,526	1,16,487	82·31
Arcot, North	5,99,770	4,41,603	73·63	6,62,683	4,76,834	71·96	3,10,903	2,38,139	76·60	2,44,613	1,86,339	76·18
Do. South	5,31,973	4,22,982	79·51	5,89,217	4,73,360	80·34	2,14,601	1,83,512	85·51	1,91,528	1,67,164	87·28
Bellary	2,63,159	2,04,621	77·76	3,12,127	2,62,653	84·15	1,30,066	1,04,451	84·92	1,00,432	88,044	87·75
Chingleput	6,90,892	4,96,255	71·83	7,40,663	5,66,364	76·45	3,33,250	2,45,394	73·64	2,81,484	2,07,192	73·61
Chittoor	1,91,970	1,57,219	81·90	2,12,795	1,75,944	82·68	86,667	68,126	78·61	84,056	65,604	78·05
Coimbatore	3,27,952	1,92,368	58·66	3,13,969	2,21,521	70·56	2,99,074	1,31,400	43·94	2,27,925	86,598	38·00
Cuddapah	2,09,754	1,75,334	83·39	2,19,579	1,94,475	88·57	59,532	56,617	95·10	56,749	52,890	93·20
Ganjām	1,73,338	88,508	51·06	1,99,610	1,16,297	58·26	1,86,095	1,14,323	61·43	1,70,873	1,18,346	69·26
Gōdāvari, East ...	3,01,330	1,65,863	55·04	3,29,832	1,93,371	58·93	3,38,462	1,49,906	44·29	2,37,273	1,08,934	45·91
Do. West ...	3,16,416	2,23,921	70·77	3,44,654	2,30,491	66·88	2,74,078	1,69,514	61·85	1,67,096	1,09,979	65·82
Guntūr	2,49,037	1,36,748	54·92	2,57,784	1,34,506	52·18	1,68,519	1,15,679	68·64	2,31,066	1,50,588	65·17
Kanara, South ...	1,41,114	1,03,077	73·05	1,38,248	1,11,015	80·31	85,666	45,391	52·91	77,125	35,065	45·46
Kistna	2,81,844	1,52,148	53·98	3,20,371	1,89,632	59·19	2,60,410	1,83,754	70·56	1,39,917	84,921	60·69
Kurnool	1,93,671	1,50,337	77·63	2,28,480	1,81,260	79·33	83,629	74,045	88·54	85,748	74,690	87·10
Madras	...	...	...	...	...	...	...	...	...	...	...	...
Madura	2,34,421	1,53,846	65·63	2,48,530	1,67,451	67·38	1,81,606	1,00,398	55·28	1,55,921	88,334	56·65
Malabar	3,23,582	2,55,116	78·84	3,72,984	2,89,975	77·75	1,45,065	1,23,590	85·19	1,22,655	99,794	81·36
Nellore	2,36,881	1,65,793	69·99	2,36,749	1,57,907	66·70	1,37,637	99,910	72·59	92,287	62,208	67·41
Nilgiris, The	44,059	31,988	72·60	52,453	43,667	83·24	31,811	21,445	67·41	27,904	12,894	46·21
Ramnad	2,42,763	1,75,439	72·27	2,24,703	1,70,753	75·55	1,20,895	81,353	67·29	94,973	66,756	70·29
Salem	2,81,777	1,88,146	66·77	3,05,528	2,06,328	67·31	2,54,476	1,22,136	48·10	2,35,061	1,10,719	47·10
Tanjore	6,11,309	4,67,499	76·18	6,85,403	5,32,910	77·75	3,41,398	2,29,972	67·36	2,82,999	2,01,652	71·26
Tinnevelly	1,48,264	97,414	65·70	1,43,402	90,441	63·07	85,917	54,662	63·62	67,695	37,159	54·89
Trichinopoly	4,08,310	2,71,504	66·49	4,87,776	3,14,549	64·49	4,16,834	2,17,782	52·25	3,20,307	1,56,138	48·75
Vizagapatam	55,586	26,481	47·64	47,755	28,488	59·66	1,24,336	27,535	22·15	94,021	13,635	14·52
Total ...	74,75,597	52,61,691	70·39	80,96,887	58,70,295	72·50	48,54,241	31,10,887	64·10	39,31,234	25,02,130	63·65
Non-Agricultural Societies.												
Anantapur	24,294	14,242	58·62	39,625	21,196	53·49	53,451	15,785	29·53	52,070	16,588	31·86
Arcot, North	42,490	21,926	51·60	38,096	24,350	63·92	66,467	15,360	23·11	69,001	14,832	21·50
Do. South	82,701	60,217	72·81	79,877	55,089	68·97	74,683	22,793	30·52	71,598	32,514	45·41
Bellary	26,227	14,647	55·85	23,418	9,323	39·81	34,607	12,569	36·32	35,742	17,960	50·25
Chingleput	66,000	36,968	56·01	75,359	36,648	49·96	1,18,325	44,667	37·75	1,04,073	49,455	47·52
Chittoor	43,324	22,419	51·75	66,680	44,450	66·66	1,05,824	47,579	44·96	71,329	13,306	18·65
Coimbatore	38,648	21,666	56·06	44,539	27,149	60·96	1,15,634	22,754	19·68	1,16,202	19,001	16·35
Cuddapah	14,471	4,981	34·42	19,667	2,083	10·59	31,400	11,598	36·94	33,250	17,304	52·04
Ganjām	31,600	17,932	56·75	34,625	19,650	56·75	47,717	15,091	31·63	44,384	13,710	30·89
Gōdāvari, East ...	17,561	10,607	60·40	18,817	9,592	50·98	47,446	9,464	19·95	54,297	16,015	29·50
Do. West ...	8,824	2,272	25·75	8,115	2,661	32·79	14,128	7,269	51·45	17,297	9,251	53·48
Guntūr	46,628	29,020	62·24	42,076	28,170	66·95	33,148	11,647	35·14	34,251	12,219	35·67
Kanara, South ...	49,776	36,928	74·19	59,927	43,896	73·25	78,744	19,666	24·97	79,056	19,878	25·14
Kistna	34,222	24,013	70·17	41,526	19,110	46·02	36,601	18,194	49·71	33,712	16,547	49·08
Kurnool	16,975	6,170	36·35	17,679	9,030	51·08	23,730	12,372	52·14	21,211	7,811	36·83
Madras	99,535	61,996	62·29	1,25,299	61,595	49·16	6,41,115	58,646	9·15	7,13,924	1,08,615	15·21
Madura	56,256	37,731	67·07	1,05,365	67,997	64·44	1,51,635	71,304	47·02	1,32,358	53,413	43·55
Malabar	47,124	35,276	74·86	53,191	38,872	73·08	34,021	20,458	60·13	32,738	18,548	56·66
Nellore	36,502	22,382	61·32	47,176	20,926	44·36	36,173	20,165	55·75	35,194	20,008	56·85
Nilgiris, The	8,884	3,780	42·55	7,469	3,892	52·11	21,354	4,840	22·67	21,749	2,605	11·98
Ramnad	22,739	9,718	42·74	27,719	16,943	61·12	56,444	17,402	30·83	56,596	11,628	20·54
Salem	33,101	17,090	51·63	29,848	15,353	51·44	1,18,293	12,981	10·97	1,21,233	15,598	12·87
Tanjore	52,567	23,972	45·60	56,232	30,990	55·11	1,23,450	30,512	24·72	1,26,932	34,420	27·12
Tinnevelly	26,210	12,785	48·78	28,267	10,186	36·04	74,160	14,154	19·09	77,551	20,442	26·36
Trichinopoly	67,320	52,432	77·88	72,799	49,145	67·51	2,40,869	16,812	6·98	2,52,306	24,068	9·54
Vizagapatam	13,140	3,152	23·99	11,867	2,882	24·29	99,562	8,329	8·37	1,09,936	24,725	22·49
Total ...	10,07,119	6,04,322	60·01	11,75,258	6,71,078	57·10	24,78,981	5,62,411	22·69	25,17,990	6,10,461	24·25

(a) Includes Land Mortgage Banks.

Appendix No. 4—Section II—*Classification of Societies*, 1934-35.

District.	Thoroughly good societies. A	Societies with some defaulters and some mistakes in accounts. B	All other societies that do not come under class D. C	Bad societies which will be cancelled should they fail to come under class C within two years. D	Total.
Anantapur	6	12	98	35	151
Arcot, North	8	27	334	45	414
Do. South	1	12	398	9	420
Bellary	1	11	114	38	164
Chingleput	7	38	264	85	394
Chittoor	3	13	115	40	171
Coimbatore	15	62	181	19	277
Cuddapah	...	18	63	28	109
Ganjām	9	20	339	27	395
Gōdāvari, East	9	34	168	50	261
Do. West	10	41	112	24	187
Guntūr	5	32	174	30	241
Kanara, South	6	56	85	46	193
Kistna	11	103	152	45	311
Kurnool	1	9	161	39	210
Madras	30	27	14	1	72
Madura	8	24	179	15	226
Malabar	5	26	175	70	276
Nellore	7	36	155	31	229
Nilgiris, The	3	14	37	8	62
Ramnad	3	16	169	24	212
Salem	10	49	171	48	278
Tanjore	11	64	386	60	521
Tinnevelly	15	45	259	32	351
Trichinopoly	6	43	205	27	281
Vizagapatam	13	79	158	11	261
Total ...	203	911	4,666	887	6,667

IMPERIAL STATEMENTS.

Statement A.—*Operations of the Provincial and the Central Banks*, 1934-35.

Banks. (1)	Number of Banks. (2)	Number of members. Individuals. (3)	Number of members. Societies. (4)	Number of affiliated societies holding shares in Central Banks. Central Credit. (5)	Agricultural Credit. (6)	Non-Agricultural Credit. (7)	Others. (8)	Loans made during the year to Individuals. (9) L.T.	Individuals. (9) S.T.	Banks and Societies. (10) L.T.	Banks and Societies. (10) S.T.	Receipts from loans repaid during the year by Individuals. (11) L.T.	Individuals. (11) S.T.
Provincial Co-operative Bank.	1	184	58	31	6	11	10	1,135	17,32,425	16,56,400	48,000	...	15,51,789
Previous year	1	184	59	31	6	12	10	...	36,57,341	2,69,432	12,514	...	35,21,337
Total of District Co-operative Central Banks.	32	4,243	11,889	255	10,458	910	266	3,28,640	31,71,357	44,63,250	93,62,922	3,48,189	32,98,735
Total of previous year ...	32	4,106	11,978	279	10,521	909	269	4,30,883	28,65,496	34,03,409	86,56,061	5,46,631	28,19,527

Banks.	Receipts from loans repaid during the year by—*cont.* Banks and Societies. (12) L.T.	Banks and Societies. (12) S.T.	Loans due by Individuals. (13) L.T.	Individuals. (13) S.T.	Banks and Societies. (14) L.T.	Banks and Societies. (14) S.T.	Loans and Deposits received during the year from Provincial and Central Banks. (15) L.T.	Provincial and Central Banks. (15) S.T.	Primary Societies. (16) L.T.	Primary Societies. (16) S.T.	Individuals and other sources. (17) L.T.	Individuals and other sources. (17) S.T.
Provincial Co-operative Bank.	5,34,746	2,27,514	947	10,62,551	15,85,347	5,31,750	4,80,320	29,36,992			1,66,532	7,80,72,566
Previous year	4,87,202	1,64,392	...	4,97,707	11,39,492	55,014	2,44,185	52,63,029			...	1,93,803
Total of District Co-operative Central Banks.	55,32,249	90,90,870	2,34,573	6,66,546	2,42,40,900	93,18,164	75,000	1,21,00,160	11,32,668	1,49,62,224	49,01,915	6,17,75,156
Total of previous year ...	55,29,907	96,08,472	2,47,410	8,00,844	2,53,31,657	90,24,145	2,900	88,50,222	10,81,668	1,37,63,505	43,25,743	6,61,32,243

STATEMENT A.—*Operations of the Provincial and the Central Banks,* 1934–35—cont.

Banks.	Sale of goods to members. (18)	Purchase of members' products. (19)	Cost of management. (20)	Share capital paid up. (21)	Loans and deposits held at the end of the year from: Societies. (22) L.T.	Societies. (22) S.T.	Provincial or Central Banks. (23) L.T.	Provincial or Central Banks. (23) S.T.	Government. (24) L.T.	Government. (24) S.T.	Individuals and other sources. (25) L.T.	Individuals and other sources. (25) S.T.
Provincial Co-operative Bank.	...	...	71,272	6,58,750			33,94,072	36,31,903	...	...	10,21,797	80,17,624
Previous year ...	...	...	69,707	6,58,750			29,13,764	62,93,463	...	...	13,19,969	65,23,666
Total of District Co-operative Central Banks.	...	...	4,83,014	54,52,940	94,24,042	17,96,807	3,80,697	12,35,514	...	...	1,38,43,516	1,35,29,716
Total of previous year ...	...	...	4,91,430	55,05,029	95,59,545	20,72,612	4,71,565	2,21,186	...	...	1,73,01,637	1,54,73,344

Banks.	Funds. Reserve fund. (26)	Funds. Other funds. (26)	Working capital. (27)	Profit and loss for the year. Book profit. (28)	Divisible profit. (29)	Loss (including overdue interest.) (30)	Most usual rate of dividend paid on shares. (31)	Most usual rate of interest paid. On borrowings. (32)	On lendings. (32)	Uncalled and subscribed share capital. (33)
Provincial Co-operative Bank.	14,50,000	5,03,679	1,86,77,825	2,04,694	2,04,462	...	PER CENT. 9	PER CENT. 3	PER CENT. 4½	41,250
Previous year ...	18,06,307		1,95,15,919	2,31,059	2,30,516	...	9	3½	5	41,250
Total of District Co-operative Central Banks.	30,27,257	24,22,308	5,11,12,797	14,24,986	+4,21,415 −2,607	...	6	4½	6½	13,01,072
Total of previous year ...	48,80,884		5,54,90,802	13,75,602	4,43,448	...	...	...	...	12,97,705

STATEMENT B.—*Operations of Agricultural Societies,* 1934–35.

Societies. (1)	Number of Societies. (2)	Number of members. Societies. (3)	Number of members. Individuals. (3)	Loans made during the year to Individuals. (4) Short term. Rs.	Individuals. (4) Long term. Rs.	Banks and Societies. (5)	Receipts from loans and deposits repaid during the year by Individuals. (6) Short term. Rs.	Individuals. (6) Long term. Rs.	Banks and Societies. (7) Rs.	Loans due by Individuals. (8) Short term. Rs.	Individuals. (8) Long term. Rs.	Of which overdue. (9) Short term. Rs.	Of which overdue. (9) Long term. Rs.	Banks and Societies. (10) Rs.	Loans and deposits received during the year from Individuals. Members. (11) Rs.	Non-members. (12) Rs.
Agricultural Societies.																
Class I (a) Credit—Limited—Land Mortgage Banks.	72	...	16,086	...	20,56,969	...	...	4,09,721	...	...	58,55,214	...	1,57,859	...	...	13,150
Class I (a) Credit—Limited—Others.	17	...	1,121	49,712	18,920	...	45,050	10,000	...	44,412	39,519	8,185	12,970	...	22,784	31,813
Class I (b) Credit—Unlimited.	11,112	...	531,225	44,43,547	43,42,033	...	48,56,862	54,53,683	322	1,04,47,401	2,46,67,930	65,90,634	1,59,72,349	7,342	5,51,955	12,66,646
Class II (a) Purchase, Purchase and Sale—Limited.	76	1,163	11,850	8,33,368	13,724	...	8,01,894	8,935	...	5,11,664	8,041	54,582	2,409	...	2,57,045	95,513
Class II (b) Purchase, Purchase and Sale—Unlimited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class III (a) Production—Limited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class III (b) Production—Unlimited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class IV (a) Production, Production and Sale—Limited.	12	156	897	...	...	...	...	359	...	636	5,541	636	4,811	...	50	126
Class IV (b) Production, Production and Sale—Unlimited.	1	...	15	7,372	...	...	8,963	...	...	3,839	...	...	...	...	1,010	...
Class V (a) Insurance—Limited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class V (b) Insurance—Unlimited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class VI (a) Others—Limited	54	30	4,208	30,613	6,07,781	...	22,634	24,156	...	15,903	3,01,982	7,075	21,080	...	6,86,663	100
Class VI (b) Others—Unlimited.	281	...	17,450	8,388	859	...	10,958	2,564	...	55,124	19,261	48,512	17,444	...	753	94
Total ...	11,625	1,319	582,852	54,33,000	70,40,286	...	55,46,421	59,09,451	322	1,10,78,979	3,13,97,418	67,09,674	1,61,91,946	7,342	15,20,240	14,07,442
Total—Previous year ...	11,736	1,381	596,225	41,42,864	50,72,900	...	54,57,900	57,67,489	...	1,13,63,801	3,06,60,899	79,01,993	1,71,37,031	5,212	7,95,168	15,74,691

STATEMENT B.—*Operations of Agricultural Societies*, 1934-35—cont.

Societies.	Loans and deposits received during the year from—*cont.* Central Banks. (13) SHORT TERM. RS.	Central Banks. (13) LONG TERM. RS.	Primary societies. (14) RS.	Government. (15) SHORT TERM. RS.	Government. (15) LONG TERM. RS.	Loans and deposits paid off during the year to Individuals. Members. (16) RS.	Individuals. Non-members. (17) RS.	Central Banks. (18) SHORT TERM. RS.	Central Banks. (18) LONG TERM. RS.	Primary societies. (19) RS.	Government. (20) SHORT TERM. RS.	Government. (20) LONG TERM. RS.	Sale of goods to members. (21) RS.	Purchase of members products. (22) RS.	Cost of management. (23) RS.	Share capital, Received during the year. (24) RS.	Share capital, Paid off during the year. (25) RS.	Share capital, Outstanding at the end of the year. (26) RS.
Agricultural Societies—cont.																		
Class I (a) Credit—Limited—Land Mortgage Banks.	...	20,07,811	...	...	...	...	32,754	...	3,13,778	...	...	65,800	...	...	57,002	1,29,872	23,009	4,92,973
Class I (a) Credit—Limited—Others.	10,030	12,130	...	...	...	27,574	18,718	7,186	8,450	...	...	..	...	...	1,334	3,599	3,715	20,346
Class I (b) Credit—Unlimited.	34,27,043	35,11,632	3,433	825	39,128	6,04,961	12,23,596	35,53,889	45,66,223	4,893	11	93,989	1,909	...	1,53,173	3,56,054	7,72,331	58,12,647
Class II (a) Purchase, Purchase and Sale—Limited.	8,91,196	49,068	...	...	...	2,57,071	61,172	7,23,706	245	...	...	1,000	2,62,669	3,13,023	42,432	29,646	10,282	1,68,473
Class II (b) Purchase, Purchase and Sale—Unlimited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class III (a) Production—Limited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class III (b) Production—Unlimited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class IV (a) Production, Production and Sale—Limited.	...	2,514	...	...	...	410	700	...	2,677	...	...	1,273	14,791	14,781	5,182	1,040	9	64,861
Class IV (b) Production, Production and Sale—Unlimited.	28,000	...	...	...	...	5,010	...	2,000	...	...	...	...	13,076	...	762	...	...	5,270
Class V (a) Insurance—Limited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class V (b) Insurance—Unlimited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class VI (a) Others—Limited.	86,371	6,41,400	...	...	723	65,373	...	33,406	40,021	...	...	24,471	1,11,072	4,264	62,416	69,302	6,508	1,57,705
Class VI (b) Others—Unlimited.	2,218	...	...	...	...	356	695	4,663	1,523	...	...	...	...	...	676	785	3,077	62,810
Total ...	45,14,952	62,24,615	3,496	825	39,959	9,60,755	13,37,635	43,29,850	49,33,122	4,893	11	1,86,625	4,03,517	3,32,068	6,23,027	5,90,296	8,19,831	67,75,085
Total—Previous year ...	33,91,056	42,81,921	7,836	1,300	55,251	7,79,513	16,38,135	44,65,029	46,55,213	9,510	68	1,59,639	2,92,432	2,56,245	5,54,960	4,91,111	7,79,866	71,70,486

STATEMENT B.—*Operations of Agricultural Societies*, 1934-35—cont.

Societies.	Loans and deposits held at the end of the year from Members. (27) Rs.	Non-members. (28) Rs.	Societies. (29) Rs.	Provincial or Central Banks. (30) SHORT TERM. Rs.	Provincial or Central Banks. (30) LONG TERM. Rs.	Government. (31) Rs.	Reserve Fund. (32) Rs.	Other Funds. (33) Rs.	Working Capital. (34) Rs.	Interest collected. (35) Rs.	Profit and Loss for the year. Book profit. (36) Rs.	Divisible profit. (36) Rs.	Loss (excluding overdue interest from profits—Profit and Loss statement). (36) Rs.	Loss (including overdue interest in profits — Balance sheet). (36) Rs.	Usual rate of dividend paid on shares. (37) PER CENT.	Most usual rate of interest. On borrowings. (38) PER CENT.	On lendings. (39) PER CENT.
Agricultural Societies—cont.																	
Class I (a) Credit—Limited—Land Mortgage Banks.	...	6,05,000	...	...	51,04,225	74,800	34,935	10,539	63,28,472	3,61,018	68,650	32,942	17,069	13,024	5	5¼	6¾
Class I (a) Credit—Limited—Others.	18,154	31,092	...	3,429	9,913	...	24,299	4,433	1,11,666	8,412	10,779	4,530	352	229	} 6¼	6½	7½
Class I (b) Credit—Unlimited.	9,18,262	20,13,287	4,215	70,23,810	2,10,63,163	4,05,898	70,06,256	13,47,908	4,56,55,446	36,56,579	75,55,201	9,25,553	23,47,161	98,692			
Class II (a) Purchase, Purchase and Sale—Limited.	42,587	63,439	2,792	3,53,204	2,916	6,376	51,346	24,920	7,19,023	26,861	27,160	19,530	6,892	5,355	9	6¼	7¼
Class II (b) Purchase, Purchase and Sale—Unlimited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class III (a) Production—Limited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class III (b) Production—Unlimited.	...	...	...	...	...	...	...	..	...	...	...	...	...	...	...	...	...
Class IV (a) Production Production and Sale—Limited.	50	947	...	...	18,842	9,578	13,377	1,929	99,584	211	41	41	9,506	8,826	9	6½	7½
Class IV (b) Production, Production and Sale—Unlimited.	1,000	...	...	26,000	...	...	690	8	32,968	696	239	239	...	...	6¼	6½	9⅜
Class V (a) Insurance—Limited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class V (b) Insurance—Unlimited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class VI (a) Others—Limited.	6,27,946	461	...	58,265	6,01,529	1,67,895	12,731	16,905	6,43,439	13,251	18,351	5,030	85,595	76,350	9	} 6½	7½
Class VI (b) Others—Unlimited.	2,726	2,730	...	10,757	6,942	...	18,433	6,295	1,10,753	6,359	24,627	3,423	5,915	1,793	6¼		
Total ...	16,10,727	27,20,016	7,007	74,75,465	2,68,07,530	7,24,547	71,62,037	14,28,937	5,47,01,351	40,73,337	77,05,048	9,91,288	24,72,490	1,92,269	...	...	...
Total—Previous year ...	11,07,263	27,30,233	11,387	73,79,929	2,59,98,309	7,85,229	68,06,621	...	5,19,95,607	40,10,555	76,24,897	9,06,458	25,03,693	1,38,203	...	...	...

47

STATEMENT C.—*Operations of Non-Agricultural Societies, 1934–35.*

Societies. (1)	Number of Societies. (2)	Number of members. (3) Societies.	Number of members. (3) Individuals.	Loans made during the year to (4) Individuals. Short term. Rs.	Loans made during the year to (4) Individuals. Long term. Rs.	Loans made during the year to (5) Banks and Societies. Rs.	Receipts from loans and deposits repaid during the year by (6) Individuals. Short term. Rs.	Receipts from loans and deposits repaid during the year by (6) Individuals. Long term. Rs.	Receipts from loans and deposits repaid during the year by (7) Banks and Societies. Rs.	Loans due by (8) Individuals. Short term. Rs.	Loans due by (8) Individuals. Long term. Rs.	Loans due by (9) Of which overdue. Short term. Rs.	Loans due by (9) Of which overdue. Long term. Rs.	Loans due by (10) Banks and Societies. Rs.	Loans and deposits received during the year from Individuals. (11) Members. Rs.	Loans and deposits received during the year from Individuals. (12) Non-members. Rs.
Non-Agricultural Societies.																
Class I (a) Credit—Limited.	911	6	2,43,126	65,33,802	1,65,48,645	...	63,80,829	1,52,01,215	...	50,83,611	2,03,15,284	17,90,336	39,73,114	...	1,10,49,677	1,13,84,608
Class I (b) Credit—Unlimited.	152	...	14,302	87,402	3,61,738	...	85,794	3,19,581	...	1,14,959	6,72,449	66,852	2,34,247	...	93,852	1,52,416
Class II (a) Purchase, Purchase and Sale—Limited.	171	191	18,823	1,07,472	23,863	700	15,893	20,232	700	1,05,129	27,235	8,539	5,172	...	3,86,972	13,342
Class II (b) Purchase, Purchase and Sale—Unlimited.	12	...	552	5,608	500	...	5,441	4,041	...	14,579	6,594	9,509	4,367	...	...	...
Class III (a) Production—Limited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class III (b) Production—Unlimited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class IV (a) Production, Production and Sale—Limited.	9	...	357	150	2,336	...	75	871	...	191	35,483	116	550	...	...	415
Class IV (b) Production, Production and Sale—Unlimited.	2	...	136	...	...	...	...	...	...	2,447	...	2,447	...	...	...	...
Class V (a) Insurance—Limited.	2	36	5,290	...	...	...	...	...	...	...	...	...	...	...	...	...
Class V (b) Insurance—Unlimited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class VI (a) Others—Limited.	160	375	6,802	1,765	3,81,476	...	2,721	5,20,028	...	3,051	25,83,233	2,368	2,52,649	...	56,797	45,847
Class VI (b) Others—Unlimited.	16	...	1,014	1,114	20	...	1,057	55	...	1,754	1,071	657	749	...	...	...
Total ...	1,435	603	2,91,002	67,37,403	1,73,21,572	700	64,91,323	1,60,66,033	700	52,73,724	2,42,41,409	18,80,734	44,75,843	...	1,15,87,298	1,15,96,628
Total, previous year ...	1,433	520	2,80,932	65,80,757	1,57,04,355	2,800	65,51,592	1,45,87,503	2,250	51,78,268	2,28,16,984	18,49,621	43,41,199	2,000	1,13,29,585	1,15,64,153
Grand total ...	13,060*	1,957	8,73,944	1,21,70,403	2,43,61,858	700	1,20,38,244	2,19,75,484	1,022	1,63,57,703	5,56,33,327	85,90,408	2,08,67,794	7,342	1,31,07,535	1,30,04,070
Grand total, previous year ...	13,159	1,901	8,77,177	1,07,23,621	2,07,77,255	2,800	1,20,09,471	2,03,54,936	2,250	1,65,44,869	5,34,30,333	97,51,611	2,17,78,230	7,212	1,21,24,753	1,31,33,843

* Excludes societies not started on work on 30th June 1935.

43

STATEMENT C.—*Operations of Non-Agricultural Societies, 1934–35*—cont.

Societies.	Loans and deposits received during the year from—cont. (13) Central Banks. Short term. Rs.	(13) Central Banks. Long term. Rs.	(14) Primary Societies. Rs.	(15) Government. Short term. Rs.	(15) Government. Long term. Rs.	Loans and deposits paid off during the year to Individuals. (16) Members. Rs.	Individuals. (17) Non-members. Rs.	(18) Central Banks. Short term. Rs.	(18) Central Banks. Long term. Rs.	(19) Primary Societies. Rs.	(20) Government. Short term. Rs.	(20) Government. Long term. Rs.	(21) Sale of goods to members. Rs.	(22) Purchase of members' products. Rs.	(23) Cost of management. Rs.	Share capital. (24) Received during the year. Rs.	Share capital. (25) Paid off during the year. Rs.	Share capital. (26) Outstanding at the end of the year. Rs.
Non-Agricultural Societies—cont.																		
Class I (a) Credit—Limited ...	33,48,107	5,85,524	44,615	...	1,110	[illegible]	1,14,53,778	39,13,305	5,85,057	50,863	...	6,326	5,162	5,098	5,30,765	10,63,890	8,40,243	80,13,242
Class I (b) Credit—Unlimited.	93,382	38,002	...	...	...	[illegible]	1,56,419	80,497	95,732	...	...	63	3,684	...	16,033	39,234	16,034	2,50,085
Class II (a) Purchase, Purchase and Sale—Limited.	1,75,650	12,730	...	...	...	[illegible]	8,987	1,00,776	4,292	20	...	...	10,44,963	9,21,234	1,82,505	21,857	21,069	2,30,344
Class II (b) Purchase, Purchase and Sale—Unlimited.	3,030	...	...	...	...	...	800	2,700	2,658	...	...	...	...	...	501	317	525	5,595
Class III (a) Production—Limited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class III (b) Production—Unlimited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class IV (a) Production, Production and Sale—Limited.	1,12,968	31,725	...	...	...	...	815	72,076	308	...	...	...	51,324	69,458	12,815	1,406	649	60,318
Class IV (b) Production, Production and Sale—Unlimited.	8,773	...	...	...	...	...	...	9,933	...	...	...	...	14,395	11,506	696	...	...	764
Class V (a) Insurance—Limited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	4,062	2,779	83,819
Class V (b) Insurance—Unlimited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class VI (a) Others—Limited.	13,496	6,100	44,700	...	2,12,530	[illegible]	31,640	10,253	10,964	18,267	262	3,97,065	183	...	27,724	1,30,807	1,18,181	9,34,027
Class VI (b) Others—Unlimited.	800	...	...	...	...	...	...	891	10	...	...	34	...	...	186	8	83	6,149
Total ...	42,61,245	7,24,171	89,315	...	2,13,640	[illegible]	1,16,52,437	41,99,436	7,09,981	68,650	262	4,03,488	20,19,721	10,27,296	7,21,225	12,61,401	9,99,563	95,93,343
Total, previous year ...	23,90,218	7,35,175	5,036	...	1,47,365	[illegible]	1,08,30,683	23,20,624	5,70,702	4,801	...	5,24,558	19,06,287	10,26,876	7,23,442	12,72,866	9,45,671	89,48,021
Grand total ...	87,76,200	29,48,786	92,511	923	2,53,496	[illegible]	1,29,90,072	85,29,286	56,42,109	73,543	273	6,90,111	24,23,238	13,50,364	13,44,252	18,51,739	18,19,304	1,63,63,428
Grand total, previous year ...	57,51,274	50,26,099	12,872	1,300	2,02,616	[illegible]	1,24,68,998	67,85,658	52,34,915	14,311	68	4,84,197	22,00,719	12,83,121	12,83,402	17,63,977	17,25,537	1,61,18,507

STATEMENT C.—*Operations of Non-Agricultural Societies*, 1934-35—*cont.*

Societies.	Loans and deposits held at the end of the year from: Members. (27)	Non-members. (28)	Societies. (29)	Provincial or Central Banks. (30) Short term	Provincial or Central Banks. (30) Long term	Government. (31)	Reserve Fund. (32)	Other Funds. (33)	Working Capital. (34)	Interest collected. (35)	Profit and loss for the year (36): Book profit.	Divisible profit.	Loss (excluding overdue interest from profits—Profit and Loss statement).	Loss (including overdue interest in profits — Balance sheet).	Usual rate of dividend paid on shares. (37)	Most usual rate of interest: On borrowings. (38)	On lendings. (39)
Non-Agricultural Societies—*cont.*	RS.	RS.	RS.	RS	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	PER CENT	PER CENT	PER CENT
Class I (a) Credit—Limited ...	89,09,581	93,25,002	53,336	8,44,896	7,83,858	15,932	29,49,948	8,80,475	3,17,96,880	23,32,709	21,62,458	10,22,145	1,68,130	50,098	9	6¼	7½
Class I (b) Credit—Unlimited.	65,764	2,03,439	170	38,747	1,79,651	...	1,82,651	68,026	15,15,530	70,244	1,19,771	25,062	11,839	1,411	6¼		
Class II (a) Purchase, Purchase and Sale—Limited.	2,06,141	11,505	...	1,14,086	14,617	...	2,17,933	79,455	8,82,149	3,855	50,843	49,137	51,575	31,285	9		
Class II (b) Purchase, Purchase and Sale—Unlimited.	175	1,650	...	12,249	4,023	...	2,284	1,805	27,751	2,181	4,450	840	1,194	33	6¼	7½	9½
Class III (a) Production—Limited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class III (b) Production—Unlimited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class IV (a) Production, Production and Sale—Limited.	54	5,600	...	67,548	2,10,123	...	3,715	1,193	3,43,551	333	297	297	77,462	77,185	9	7½	9½
Class IV (b) Production, Production and Sale—Unlimited.	427	...	...	30,076	...	...	4,540	2,152	37,06[illegible]	55	1,116	64	18,922	18,796	6¼	5	7½
Class V (a) Insurance—Limited.	...	...	...	...	...	...	22,761	...	1,08,5[illegible]	...	...	...	...	...	...	...	...
Class V (b) Insurance—Unlimited.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Class VI (a) Others—Limited.	84,658	72,137	26,433	16,580	70,698	14,93,917	1,85,012	56,828	28,44,[illegible]	1,99,309	1,72,028	78,352	41,743	34,871		5	6¾
Class VI (b) Others—Unlimited.	...	...	121	800	451	343	5,353	114	13,[illegible]	281	426	109	6,535	6,405	6¼	7½	9½
Total ...	92,66,800	96,19,336	80,060	11,24,981	12,72,410	15,05,252	35,33,954	11,20,048	2,71,16,[illegible]	26,19,053	25,11,337	11,78,416	2,97,409	2,20,074	...	...	...
Total, previous year ...	87,72,805	97,29,094	72,185	11,35,181	11,86,213	17,67,252	32,66,287	...	3,45,70,[illegible]	25,29,612	24,06,277	11,58,720	2,50,989	1,67,048	...	...	...
Grand total ...	1,08,77,527	1,23,39,352	87,067	36,00,446	2,80,79,948	22,29,798	1,08,96,067	25,26,023	[illegible]	66,02,440	1,02,10,435	21,67,794	27,60,899	4,12,342	...	...	...
Grand total, previous year ...	95,80,166	1,24,65,377	85,572	85,15,110	2,71,35,525	25,52,482	1,05,[illegible]	...	[illegible]	65,40,167	1,00,82,114	20,59,954	27,63,587	3,45,352	...	...	...

STATEMENT D—*Operations of Unions, District Federations, etc.*, 1934-35.

1. Number of unions 326
2. Number of societies affiliated to unions ... 9,248
3. Total number of individual members in societies affiliated to unions 540,469
4. Total working capital of affiliated societies. Rs. 5,50,48,098
5. Expenditure in the year ... ... ,, 4,80,136
6. Percentage of expenditure to working capital ... 0·87
7. Number of supervising staff maintained by unions 593

STATEMENT E.—*Operations of Insurance Societies, 1934–35.*

District.	Name of the society.	Number of members.	Amount of risk insured.	Premia collected.	Supplementary contributions collected.	Number of lives. Insured.	Number of lives. Lost.	Claims paid.	Cost of management.	Funds in hand at the end of the year.	Amount of risk re-insured.	Amount of premia paid for re-insurance.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
			RS.	RS.	RS.			RS.	RS.	RS.	RS.	RS.
Madras	1. The Postal and R.M.S. Co-operative Benefit Fund.	3,100	39,05,100 covering 2,135 policies.	1,58,961	881	516	40	1,39,550	13,390	72,990	...	...
Do. ...	The South India Co-operative Insurance Society, Madras.	2,226	21,62,700 covering 3,520 policies.	83,947	451	1,067	7	4,000	48,497	22,831	4,500	204
	Total ...	5,326	60,67,800 covering 5,655 policies.	2,42,908	1,332	1,583	47	1,43,550	61,887	95,821	4,500	204
	Total, previous year.	4,0[illegible]	48,96,095 covering [illegible] policies.	1,94,851	4,836	1,315	38	80,400	42,204	50,813	...	...

STATEMENT F.—*Operations of Re-insurance Societies, 1934–35*—Nil.