Report on the working of the co-operative societies in Madras 1950

R.C. No. 69179/50–Q.

36

OFFICE OF THE
REGISTRAR OF CO-OPERATIVE SOCIETIES.
MADRAS,
Dated 14th December 1950.

FROM

SRI K. SUBRAHMANYAM NAYUDU, M.A.,
Registrar of Co-operative Societies,
Madras.

To

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

SIR,

I have the honour to submit my report on the working of co-operative societies in the Madras State for the co-operative year ended the 30th June 1950.

Yours faithfully,
K. SUBRAHMANYAM,
Registrar of Co-operative Societies.

TABLE OF CONTENTS.

PART A.

CHAPTER I.

General Progress of the Co-operative Movement.

CHAPTER II.

Supervision, Education and Training

CHAPTER III.

Administration.

PART B.

CHAPTER I.

Co-operative Credit—Agricultural and Non-Agricultural.

CHAPTER II.

Co-operative Farming.

CHAPTER III.

Co-operative Marketing.

CHAPTER IV.

Co-operative Dairying, Animal Husbandry and Egg Production.

CHAPTER V.

Co-operative Societies for Harijans and Backward Communities and Miscellaneous Types of Agricultural Societies.

CHAPTER VI.

Consumers' Co-operative Societies.

CHAPTER VII.

Weavers' Co-operative Societies.

CHAPTER VIII.

Cottage Industrial Co-operative Societies (other than Handloom Weavers' Co-operative Societies).

GENERAL STATEMENTS.

APPENDICES.

REPORT ON THE WORKING OF CO-OPERATIVE SOCIETIES IN THE STATE OF MADRAS FOR THE CO-OPERATIVE YEAR ENDED 30TH JUNE 1950.

PART A.

CHAPTER I.

General Progress of the Co-operative Movement.

1. *Review of Progress.*—The Technical Meeting on Co-operation held at Lucknow in November 1949 observed as follows :—

"The Co-operative Movement all the world over is one of the most effective instruments for the improvement of social and economic condition of the people. Most Governments are, therefore, interested in fostering its development. This attitude requires to be reinforced and given effect to in Government policies and programmes for social and economic betterment."

It also recommended that the role of Government in relation to co-operative societies should be one of active helpfulness intended to stimulate co-operative enterprise and to guide it and keep it on sound lines without either attempting to compel or replace local initiative or self-help. It added further that Government should in addition, promote conditions under which co-operatives can thrive and develop. The policy of the Madras Government is in keeping with these recommendations. While reviewing the progress of co-operative societies last year, Mr. Ryan outlined the several directions in which Government had given their support to the co-operative movement and utilized its services to ensure the equitable distribution of controlled commodities. Government maintained their support to co-operative societies during the year under report. In addition, they entrusted the Grow More Food Campaign to co-operative institutions in seven districts. This was a tacit recognition of the fact that as long as the campaign was in the hands of a department of Government, it would be confined to official effort with little or no popular enthusiasm. The Co-operative movement composed of non-officials was considered to be the best agency to enlist and utilize the aid of those directly connected with food production. Each of the seven districts selected for the purpose was divided into two Deputy Registrars' circles and the multi-purpose rural credit societies in these districts were entrusted with the task of promoting intensive cultivation in lands already under cultivation and extending cultivation to lands that had not yet been brought under the plough or had gone out of cultivation, Further, Government transferred the work of distributing chemical manures and iron and steel from the Agriculture Department to co-operative societies throughout the State. The effect of these measures is reflected in the working of co-operative societies in the State.

On 30th June 1950, there were 22,784 co-operatives in the State with 31·22 lakhs of members. Their paid-up share capital amounted to Rs. 9·49 crores. Their reserves reached Rs. 9·44 crores. The total loans issued by them during the year were Rs. 71·28 crores. Their working capital stood at Rs. 71·11 crores. As usual, rural credit societies constitute the bulk of the societies in the State. There is, however, one difference and that is, that co-operatives have now been taken out of their single furrow of credit. Many of them have now taken up extra activities such as the distribution of manure, agricultural implements, foodstuffs, clothing and other essential requirements. Some of them also provide social and recreational activities. Most of them are endeavouring to become real *multi-purpose* societies.

2. *Co-operative Credit*—(a) *Central Financing Institutions*.—The central banks are financially sound. They retained the confidence of the depositing public and were able to secure the funds required for their normal business. Extraneous help was sought only for such additional business as the procurement and distribution of foodgrains, cloth, manures, iron and steel. Government extended this year their guarantee for the loans obtained by the Provincial Co-operative Bank, from the Imperial Bank of India to the extent of Rs. 300 lakhs for financing procurement operations. The Provincial Bank disbursed Rs. 835 lakhs as loans and cash credits to central banks during the year as against Rs. 784 lakhs in the previous year. The central banks issued loans to their affiliated societies to the extent of Rs. 4,340·38 lakhs. The loans made to agricultural credit societies and marketing societies amounted to Rs. 1,279·56 lakhs during the year as against Rs. 956·95 lakhs in the previous year. There was a reduction in the percentage of overdues in central banks from 5·27 per cent to 5 per cent under principal—the lowest on record in the history of these banks. The central banks at Coimbatore, Madurai, Salem, Tirunelveli and Tiruchirappalli maintained their past good record and recovered their entire dues.

(b) *Primary credit organizations*—(i) *Agricultural Credit Societies*.—The two-year scheme of reorganization and development gave the rural credit societies fresh vigour and vitality. Their number rose from 13,740 at the beginning of the year to 15,348 at the end. Their membership (11·91 lakhs) increased by 1·43 lakhs, their paid-up share capital (Rs. 140·45 lakhs) by Rs. 12·40 lakhs and their borrowings from financing banks (Rs. 648·85 lakhs) by Rs. 114 lakhs. They issued loans to their members during the year to an extent of Rs. 644 lakhs, as against Rs. 496 lakhs in the previous year. Their owned capital and deposits from members represented nearly 40 per cent of the loans outstanding to them. More than 95 per cent of the loans were given for productive purposes such as cultivation expenses, purchase of cattle, improvement to lands, etc. The collection of principal and interest dues showed a further improvement. The net profits earned (Rs. 14·33 lakhs) rose by Rs. 2·49 lakhs for the year.

(ii) *Non-agricultural Credit Societies*.—There was a slight increase in the number of non-agricultural credit societies, their membership (4·83 lakhs) and paid-up share capital (Rs. 184·22 lakhs) increased by 41,000 and Rs. 20 lakhs respectively during the year. The loans issued by them amounted to Rs. 866·75 lakhs as against Rs. 776·42 lakhs in the previous year. Their total profits were Rs. 15·02 lakhs as against Rs. 12·87 lakhs in the previous year. One noteworthy feature is that they were able to secure the bulk of the funds they needed for advancing loans to their members from their own share capital and members' deposits, the percentage being 63 per cent of the loans outstanding.

(c) *Land Mortgage Banks*.—Loans issued by the Central Land Mortgage Bank during the year amounted to Rs. 72·24 lakhs which is less than last year by about Rs. 5·50 lakhs. The bank floated debentures to the value of Rs. 27 lakhs at 3 per cent interest, the issue price being Rs. 99–8–0 per cent. Government guarantee for these debentures stood at Rs. 550 lakhs. The value of debentures in circulation was Rs. 439·32 lakhs. The total amount of loans outstanding at the end of the year was Rs. 388·32 lakhs as against Rs. 338·32 lakhs at the end of the previous year.

3. *Co-operative Production*—(a) (i) *Production of foodstuffs*.—Co-operatives have made noteworthy contribution to food production. Forty-one land colonization societies reclaimed 15,503 acres of land given to them and brought under cultivation 14,382 acres. Thirty-four land reclamation societies in the Cauvery-Mettur Project area of the Pattukkottai taluk in Tanjore district took up 6,388 acres for reclamation, and reclaimed 3,541 acres during the year for production of food crops. Two thousand and eight hundred and forty-one acres were actually under cultivation. Four hundred and forty-eight tenants' and field labourers' co-operative societies obtained lease of about 35,600 acres of padugai, lanka, and other Government lands and sub-leased them to their members for cultivation. Twenty irrigation societies provided additional irrigation facilities. A few societies in the Tirunelveli district completed irrigation works to the extent of Rs. 30,941 and provided 1,165 members with facilities for irrigating 3,095 acres of land. The Guntupalli Irrigation Society set up pumping installations and supplied water from the Krishna river for irrigating about 5,000 acres of its members' lands. Co-operative societies in the Tirunelveli district subscribed Rs. 5·89 lakhs to the loan floated by the Madras State for executing the Manimuttar Irrigation Project. The producers'-*cum*-consumers' co-operative societies in the Malabar district purchased tractors for Rs. 60,000 and pump sets for Rs. 95,726 for the use of their members. The tractors ploughed

308 acres of land and the pump sets were used to irrigate 1,305 acres. Agricultural credit societies issued loans to the extent of nearly Rs. 6 crores for cultivation expenses, purchase of cattle, country carts, and for effecting improvements to lands; marketing societies distributed compost and other manures worth Rs. 10·54 lakhs and supplied improved seeds to the value of Rs. 0·79 lakhs and agricultural implements for Rs. 87·65 lakhs. Co-operative societies procured and sold 7,094 tons of groundnut cakes valued at Rs. 10 lakhs. They took over from the Agriculture Department and clearing agents 24,680 tons of fertilizers costing Rs. 88·21 lakhs and 397 societies sold chemical manures worth Rs. 11·50 lakhs during the year through 545 retail depots. Rural credit societies in the seven districts selected for the Grow More Food Campaign dug manure pits for the manufacture of compost.

(ii) *Milk*.—Thirty-six co-operative milk supply unions and 535 milk supply societies supplied milk and milk products to the value of Rs. 108·49 lakhs.

(iii) *Eggs*.—Forty-four egg marketing societies supplied 3·69 lakhs of eggs costing Rs. 41,069. The scheme for the collection of eggs from villages through the feeder societies of the Madras Milk Supply Union for distribution in the City has been given a start.

(iv) *Fish*.—Two hundred and six fishermen societies disbursed Rs. 4·68 lakhs as loans to their members. Some of them obtained lease of inland fisheries for the total annual rental of Rs. 80,526. Some others distributed yarn for fishing tackle worth Rs. 28,716.

(v) *Potatoes, fruits and vegetables*.—Sixteen fruits-growers' societies sold fruits to the value of Rs. 6·14 lakhs during the year. The Nilgiris Marketing Society sold potatoes to the value of Rs. 7·01 lakhs.

(vi) *Sugar and sugarcane*.—Members of thirteen sugarcane growers' societies raised 5,550 tons of sugarcane to the value of Rs. 4·56 lakhs and supplied to the factories, 1,700 tons of sugarcane to the value of Rs. 1·28 lakhs. The Etikoppaka Sugar Factory attached to the Etikoppaka Co-operative Agricultural and Industrial Society crushed 6,196 tons of sugarcane and produced 543 tons of sugar during the year. All the jaggery manufacturing societies produced jaggery worth Rs. 123 lakhs during the year.

(b) *Production of textiles*.—Weavers' co-operatives had in their fold 1·35 lakhs of looms and produced handloom cloth worth Rs. 400 lakhs. The Provincial Handloom Weavers' Society purchased yarn worth Rs. 200 lakhs for distribution to the members of weavers' societies.

(c) *Production of cottage industrial goods*.—Two hundred and sixty-six cottage industrial societies were engaged in the manufacture of metalware, leather goods, pottery, mats, etc., and produced goods worth Rs. 31·09 lakhs.

4. *Co-operative marketing of agricultural produce*.—There was a slight improvement in the working of the marketing societies during the year mostly on account of the reorganization of some of the producers'-cum-consumers' co-operative societies into marketing societies. Two hundred and seventy-nine marketing societies marketed goods to the value of Rs. 158·20 lakhs on agency basis, and bought goods outright and sold them for Rs. 195 lakhs.

5. *Distribution*—(a) *General*.—The co-operative distribution societies played an increasingly useful role in the distribution of essential commodities. Twenty-four central co-operative stores bought goods valued at Rs. 1,842 lakhs and sold goods worth Rs. 2,333 lakhs. The value of purchases made by retail co-operative stores was Rs. 2,360 lakhs and the sales effected by them amounted to Rs. 2,559 lakhs. More than 60 per cent of the sales related to foodstuffs. The rural and semi-urban stores sold goods worth Rs. 1,437 lakhs.

(b) *Distribution of mill cloth*.—Co-operatives sold during the year 15,140 bales of mill cloth valued at Rs. 202 lakhs. Retail distribution was attended to by 2,882 retail co-operative depots.

(c) *Distribution of groundnut cakes*.—The scheme of distribution of groundnut cake through co-operatives on a subsidized basis remained in force till the end of December 1949. Twenty-two wholesale stores and two marketing federations continued to procure the balance of the controlled portion of groundnut cakes due by the millers and distributed them to the ryots at controlled prices. The price and production of groundnut cake was decontrolled in January 1949. During the year, co-operatives procured 5,497 tons of groundnut cake from the millers and sold 7,094 tons to agriculturists for over Rs. 10 lakhs. The retail distribution was in the hands of 366 societies such as stores, sale societies, agricultural improvement societies and village credit societies including retail depots of wholesale stores. For the period ended 31st December 1948, a subsidy of Rs. 40,296 was given to ten co-operative wholesale stores to meet the cost of establishment and overhead charges incurred by them in undertaking the distribution. The subsidy works out to 9 per cent as against the ceiling margin of 15 per cent. This testified to the economy in the distribution of manures through co-operatives.

(d) *Distribution of chemical manures*.—At the instance of Government, twenty co-operative societies in ten districts were first selected for the distribution of fertilizers transferred from the Agriculture department, as an experimental measure. Later, Government ordered the transfer of the work to the co-operatives on a state-wide basis. Fifty per cent of ammonium sulphate allotted to this State was to be distributed by the co-operatives and a margin of Rs. 15 per ton was allowed to them. Co-operatives cleared 10,000 tons of the quota of ammonium sulphate by the end of October 1950 Three hundred and ninety-seven select primary societies opened 545 retail depots for distribution by the end of June 1950. Their number now exceeds 1,600. By the end of June 1950, co-operatives took over 24,680 tons of chemical manures valued at Rs. 88·21 lakhs and their sales amounted to Rs. 11·50 lakhs during the period of two or three months, viz., from April to June 1950.

(e) *Distribution of agricultural implements.*—Two hundred and two co-operative societies were selected for the distribution of agricultural implements. The value of implements purchased from fabricators and the Agriculture department was Rs. 2.05 lakhs. The total sales made by them during the year amounted to rupees 1·50 lakhs. In July 1950, Government ordered the transfer of the work of distributing the agricultural quota of iron and steel as well from the Agriculture department to the co-operatives and the scheme came into effect in August 1950.

6. *Multi-purpose activities of co-operatives.*—The scheme for the expansion of rural credit societies so as to cover at least 50 per cent of the villages and 30 per cent of the population and their reorganization into multi-purpose societies made marked progress. Twelve thousand five hundred and thirty-four agricultural credit societies coming under the scheme cover 61·28 per cent of the villages and serve 16·10 per cent of the rural population. Six thousand four hundred and forty-four credit societies have undertaken one or another of multi-purpose activities. Two thousand thirty-nine societies distributed controlled commodities to an extent of Rs. 200·69 lakhs. They also supplied seed, manure and agricultural implements to the value of Rs. 10·06 lakhs and issued loans amounting to Rs. 36·08 lakhs on the pledge of produce and collected as agents for marketing Rs. 3·98 lakhs worth of produce raised by members. Some of the societies collected and sold milk to the value of Rs. 1·04 lakhs. Thrift collections amounted to Rs. 14·42 lakhs. Some societies undertook construction of godowns for storing the produce of members. Three thousand five hundred and sixty-three societies undertook social and recreational activities. The State Co-operative Advisory Council reviewed the progress of the scheme and recommended to Government its extension for three more years.

7. *Producers'-cum-consumers' co-operative societies.*—The intensive procurement work undertaken by the 22 producers'-cum-consumers' co-operative societies in the Ramachandrapuram and Kakinada taluks (East Godavari district) was continued till 31st March 1950. The question of their reorganization was taken up during the year. Including these 22 societies, there were 168 producers'-cum-consumers' co-operative societies in the Circars. One hundred and twenty of these were reorganized into normal types of societies. Attempts were also made to reorganize the producers'-cum-consumers' co-operative societies in Malabar. Out of 107 of them, 98 have adopted *en bloc* amendments to their by-laws changing them into normal types of societies.

8. *Co-operative housing.*—Co-operative housing recorded another year of progress and played an increasingly useful role in the relief of housing shortage in municipal towns and major panchayat areas. Two hundred and eighty housing societies obtained Government loans amounting to Rs. 63·67 lakhs during the last financial year ending 31st March 1950 and 751 houses were completed during the co-operative year as against 330 houses in the previous year; 1,233 houses were under construction as on 30th June 1950.

In the budget for the financial year 1950–51 a crore of rupees has been provided for giving loans to co-operative housing societies. I have applied for another crore of rupees for the next financial year.

The rural housing scheme for starting housing societies in villages was sanctioned by Government, as an experimental measure, and a sum of Rs. 20 lakhs was provided in the budget for 1950–51 for the grant of loans to the societies. The proposal is to organize about 25 housing societies in villages where there is real dearth of housing accommodation at the rate of one society for each revenue district. Twenty-year loans will be advanced to solvent villagers for the construction of houses on sites owned by them in the village or on sites to be acquired as village extensions. The houses should have a minimum floor space of about 340 square feet and should be built with pucca materials so as to last for at least 25 years. Each applicant should deposit in cash share capital equal to one-fourth of the loan applied for and is eligible for a Government loan not exceeding Rs. 5,000. Loans will be disbursed in instalments as the work progresses and the members should themselves arrange for construction under the supervision of technically qualified supervisors. Building materials such as iron and steel, cement, timber, etc., will be supplied to the members on the indent system. Type designs of model houses prepared by the Consulting Architect to Government have been supplied to societies for adoption with modifications to suit local requirements. So far 18 rural housing societies have been permitted to be registered.

Housing schemes for weavers have made satisfactory progress. The Yemmiganur Weavers' Co-operative Society (Bellary district) completed the first batch of 60 houses costing about Rs. 2·59 lakhs and the colony was inaugurated by His Excellency the Governor of Madras on 25th July 1950. The Ondipudur Weavers' Co-operative Society (Coimbatore district) likewise completed the first batch of 31 houses at a cost of Rs. 1·05 lakhs and the colony was opened by the Hon'ble the Chief Minister on 27th August 1949. The Pedakandla Weavers' Co-operative Society is another institution which has achieved some measure of progress. It has built 16 out of the twenty houses programmed. The remaining housing schemes undertaken by weavers' co-operative societies are in various stages.

The special arrangements made for the procurement and supply of essential building materials continued to be in force this year also. For the year 1949–50 a total quantity of 3,480 tons of steel were released to co-operative housing societies. The question of supplying cement to co-operative housing societies at I.S.D. rates contract is under the consideration of Government. For the financial year 1949–50, nine hundred and seventy-five tons of logs from the Government Forest Timber Depots were supplied to housing societies at concessional rates.

The special land acquisition staff appointed to hasten the acquisition of lands for housing societies continued to work under my control. During the year, 30 societies applied for the acquisition of 572·96 acres of land; and 30 awards covering 436·11 acres were pronounced. Excluding applications withdrawn, applications for 68 societies in respect of 1,343·55 acres were pending with the Special Land Acquisition Officer on 30th June 1950. During the year, Government were pleased to charge, as a measure of concession, 85 per cent of the average cost of the special land acquisition staff. This has to some extent given relief to the societies.

The services of the Special Deputy Registrar of Co-operative Housing Schemes are mainly utilized to ensure that Government loans given to housing societies are properly spent and secured. In deserving cases Government have sanctioned the services of departmental officers at half cost to work as the secretaries of housing societies. At the end of June, 3 Deputy Registrars, 5 Co-operative Sub-Registrars and 27 Senior Inspectors were working in co-operative housing societies as their paid secretaries; one Executive Engineer, 3 Assistant Engineers and 3 Supervisors from the Public Works Department were also employed by housing societies on foreign service terms.

9. *Prohibition (Amelioration)*.—During the year under report, there was an all-round progress in the ameliorative work connected with prohibition. Substantial progress was achieved particularly in the organization and development of palm jaggery co-operatives, the reorganization of rural credit societies into multi-purpose societies and in the intensive development of co-operatives in the select firkas. At the end of the year, there were 1,811 palm jaggery co-operative societies with 1·49 lakhs members as against 1,488 at the beginning with 99,514 members. They produced 27 lakhs maunds of jaggery worth Rs. 122·80 lakhs. Two hundred and thirteen milk supply societies and 11 milk supply unions were working at the end of the year. They supplied 49·12 lakhs pounds of milk worth Rs. 10·26 lakhs during the year.

The number of grama sanghams increased from 12,649 at the beginning of the year to 14,359 at the end. Of the 34 firkas and centres selected for intensive rural reconstruction work, the villages in 22 firkas were covered by co-operative societies. In the remaining firkas, 326 out of 438 villages were covered by co-operatives. In April 1950, Government selected 50 additional firkas for intensive development. There was satisfactory progress in the organization of multi-purpose societies of the full-fledged type in

two out of the three firkas selected by Government viz., Tirumangalam in the Madurai district and Dendalur in the West Godavari district.

During the year, the ameliorative staff were entrusted with additional schemes such as rural housing, intensive food production through village co-operatives, land colonization for civilians, etc. In my last report, I referred to the need for dividing each district into two Deputy Registrar's circles and entrusting each to a Deputy Registrar, with both co-operative and ameliorative work. Nine districts have so far been bifurcated. I have submitted proposals for the bifurcation of seven more districts and until all the districts are bifurcated, it is necessary that the existing arrangement should continue for the promotion of general economic progress through an increasing use of co-operatives.

10. *Resettlement of ex-servicemen*.—The ex-servicemen societies continued to provide employment to demobilized personnel. The co-operative workshops had 1,210 members on their rolls and their production during the year amounted to Rs. 5·71 lakhs as against Rs. 4·44 lakhs in the previous year and the salaries and wages paid to their members amounted to Rs. 1·50 lakhs. Their finished goods, which are principally utility goods, are becoming popular and command an easy market.

Proposal for the reorganization of the Strathie Co-operative Engineering Workshop are under the consideration of Government. The reorganization of seven of the workshops is proceeding. Satisfactory progress has been achieved in re-modelling workshop buildings. As regards installation of machinery, metal working machinery was manufactured by the Strathie Co-operative Engineering Workshop and supplied to the respective workshops. Major tools and equipment have also been supplied to them. There are still certain items of machinery which could not be purchased owing to their non-availability. Plans and estimates for the installation of machinery in the premises of the workshops were drawn up and got approved by the Chief Inspector of Factories in the case of all the workshops except the Tirunelveli Timber Works. Provision of electrical energy presented a major difficulty and every endeavour is being made to secure power and to start machine production.

The ten land colonization societies brought under cultivation 5,300 acres and raised mostly food-crops. They have still to reclaim 4,435 acres. The execution of capital works, such as construction of huts, reclamation of lands, sinking of drinking water wells, excavation of irrigation channels, is being vigorously speeded up in ex-servicemen land colonies and new settlers are being enrolled. A Community Hall constructed in the Meyyur Gudupakkam Colony was opened by the Honourable T. S. S. Rajan, Minister for Public Health. Cyclone in the Circars and the failure of monsoon in the southern districts made the position of most colonists hard. Every possible help was rendered to them to relieve the distress.

Thirteen motor transport societies for ex-servicemen employed 715 ex-servicemen and paid Rs. 5·88 lakhs towards their salaries and wages. While petrol rationing restricted their business, derationing of petrol brought them into keen competition with private operators. Government have permitted them to undertake passenger transport and ply two buses each. The societies at Cuddalore and Visakhapatnam have already put their buses on the road, and the others are hoping to enter this field soon.

The production of a film on ex-servicemen co-operatives is nearing completion.

11. *Committees and Conferences*—(i) *The Madras Provincial Co-operative Advisory Council.*—During the year, the President of the Central Land Mortgage Bank was appointed as an additional ex-officio member of the Council. So far, the Council has held seven meetings and offered its opinion on important matters on which it was consulted by Government or by me, such as the service conditions of non-official employees in co-operative societies, exemption to co-operatives from the provisions and the scope of the Madras Shops and Establishments Act, by-laws of multi-purpose societies, the question of introducing limited liability in rural credit societies, the provision of funds for co-operative propaganda and education, etc. It also considered the draft consolidated Bill to amend the Madras Co-operative Societies Act and offered its views thereon. The term of the non-official members of the Committee expired on the 13th August 1950 and it has been extended for two more years by Government.

(ii) *The Rural Banking Enquiry Committee.*—During the year the Rural Banking Enquiry Committee appointed by the Government of India completed its work. Its recommendations closely follow the lines on which co-operative societies have developed in this State. The Committee considered that for the promotion of thrift among the rural population, rural co-operative credit societies and urban co-operative banks in major panchayats and municipalities were the best agency and recommended certain concessions to be shown them to enable them to discharge their functions efficiently. The State Government has concurred with this view. The Committee has recommended the establishment of a Warehousing Development Board with funds contributed by the Central Government, the Reserve Bank and the Provincial and State Governments. It has suggested that the Board may receive, scrutinize and approve applications from commercial banks and co-operative institutions for financial assistance for the construction of warehouses. The financial assistance will take the form of a subsidy of 25 per cent of the cost and a long-term loan at a low rate of interest up to 25 per cent of the cost. The remaining 50 per cent of the cost should be met by the co-operative organization

concerned. I suggested to Government that the financial help now extended to co-operative societies for the construction of godowns in G.O. Ms. No. 1807, Development, dated 2nd April 1949, might continue. The lack of, or deficiency in, proper storage facilities in the rural or semi-rural areas has been adversely affecting the agricultural classes and the provision of up-to-date damp-proof and rat-proof godowns through co-operative societies alongside of the extension of co-operative credit in the country side will be of considerable help to them. Government have accepted my suggestion.

12. *Revision of Statistical Statements and Co-operative Manual.*—The Sub-Committee appointed by the Government of India on the recommendation of the Fifteenth Registrars' Conference for revising statistical statements relating to the co-operative movement in India, prescribed a new set of comprehensive forms. The Government of India approved the forms and instructed the Reserve Bank to bring out the statistical statements in the revised form from 1949–50. The statistical tables appended to this report are in the revised forms.

The Madras Co-operative Manual was revised during the year and it is under print.

13. *Administration.*—Sri J. C. Ryan held charge of the post of Registrar till 26th June 1950, when he proceeded to the Far East as Consultant on Co-operation on a two months' assignment with the Rural Welfare Division of the Food and Agricultural Organization of the United Nations. I acted as Registrar during his absence. Messrs. A. Palaniappa Mudaliyar, G. Viswanatham Chetty and K. Muthukrishna Nayudu continued to act as Joint Registrar (Prohibition), Joint Registrar and Additional Joint Registrar respectively. Sri A. D. Balasundara Mudaliyar continued as Joint Registrar (Weavers) till the end of February 1950, when he was taken by the Government of India as Director (Distribution) and Special Officer for the development of the handloom industry. The post of the Joint Registrar held by him was abolished thereafter. Sri K. Sarvothama Rao continues as Chief Officer of the Agricultural Credit Department in the Reserve Bank of India. My thanks are due to the Joint Registrars for their valuable assistance. The district officers and the subordinate staff have as usual worked hard and discharged their duties loyally. I regret to record the untimely and sudden demises of Messrs. Anavarthanayagam Pillai, K. R. Krishnaswami Ayyar and C. M. Bhimaraya Mudaliyar, Deputy Registrars.

I wish to express my thanks to the co-operators all over the State for the courtesy shown to me and the officers of the department and for their great interest in the progress of the movement. With the change in the political set-up of the country the co-operative movement has received a new orientation and momentum as well as active support and help. It owes a good deal to non-official co-operators and their efforts and the hope is fully justified that they will, in keeping with the people's aspirations and urge for a more satisfying life, throw themselves into the movement heart and soul and serve it with greater zeal and determination than ever before. There is need not only for quantity, but for quality, for high standards of business efficiency and integrity. The members should take active interest in the working of their societies and exercise constant vigilance over the management. I am confident that with the liberal State help and sound non-official leadership, the movement's progress is assured.

14. I wish to thank the leading journals and newspapers for their helpful criticism of the movement and the Department of Information for the publicity given to the co-operative news and events. The relations with the other departments continued to be cordial.

CHAPTER II.

Supervision, Education and Training.

1. *Supervision.*—The supervision of rural credit societies continued to be done by the central banks through local co-operative supervising unions. On 30th June 1950, there were 259 supervising unions with 798 supervisors attending to the supervision of rural credit societies and 10,861 societies were affiliated to them for supervision. In 97 unions, societies cleared their entire overdues to the central banks. Societies in 138 unions had principal overdues alone and societies in 8 unions had interest overdues. As usual the cost of the staff was met from the supervision fund collected from societies at the rates prescribed and the deficit was met by the central banks from their funds. The amount contributed by the central banks from their general funds was Rs. 4·89 lakhs.

With the increase in the number of rural credit societies and the extension of their activities as a result of the two-year scheme of reorganization and expansion, the question of effective supervision of co-operatives has become important. It is no longer possible for the local co-operative unions to supervise effectively all the societies in the taluk or in their jurisdiction. The need for starting more unions is being felt. Central banks have been requested to examine the question of strengthening the existing supervising unions and starting new unions where necessary to ensure effective supervision, keeping in view the principle that there should be at least one supervisor for every 20 societies.

Supervision of certain types of societies such as Harijan societies, jaggery societies, stores societies, weavers' societies, sale societies and other non-credit societies is done by the departmental staff. In some districts the financing banks also maintain a separate staff of supervisors for the periodical inspection of non-credit

societies indebted to them. During the year there were 26 co-operative Sub-Registrars and 55 Senior Inspectors for supervision of co-operative stores and 24 Co-operative Sub-Registrars and 99 Senior Inspectors for supervision of weavers' societies. To meet the cost of the staff, supervision fund is levied from these societies at the rates prescribed by Government. At the end of the year, there were 45 Senior Inspectors for the supervision of non-credit societies other than weavers and jaggery societies. For the supervision of jaggery societies, Government have sanctioned a special staff of 79 Senior Inspectors with a peon for each.

2. *Recruitment to the Department.*—During the year, the Madras Public Service Commission recruited one Deputy Registrar, 6 Co-operative Sub-Registrars, 76 Senior Inspectors and 133 Junior Inspectors for appointment in the Department. On account of the increasing demand for staff, Government accepted my proposal to make a second direct recruitment of 100 Senior Inspectors as a temporary measure. The Madras Public Service Commission selected 100 candidates of whom 14 were already working as Junior Inspectors.

The Madras Public Service Commission has not been able to recruit the required number of candidates for work in the department. Against 177 Junior Inspectors required for 1949, the Commission was able to allot only 29 candidates. A special selection of 148 Junior Inspectors, from among the candidates interviewed for appointment as Senior Inspectors in 1948–49 was ordered by Government and the Commission allotted 131 candidates. Of these, 62 candidates are now in service. In the recruitment for 1950, against 190 candidates required, the Commision could allot only 80 candidates of whom only 59 are now in service. As the recruitment has not been up to the requirement, over 400 posts of Junior Inspectors are now held by unqualified candidates appointed under emergency provisions. The district officers experience considerable difficulty in carrying on statutory functions like audit, liquidation, execution, etc., with these unqualified men. The Madras Public Service Commission has stated more than once that many of the candidates have not expressed preference for appointment as Junior Inspectors presumably because of the arduous nature of the duties involved compared to the duties in other departments of Government and the rather low scales of pay and poor prospects in respect of confirmation and pension in the Department. The movement has of late been called upon to undertake additional work and responsibilities, and with the introduction of various forms of non-credit activity, the duties of the staff in the Department have become more and more complicated and technical. An efficient and contended departmental staff is essential to ensure the sound development of the movement. If the department is to retain its efficiency unimpaired and attract suitable men, for its requirements it will be necessary to raise the scales of pay at least for Junior Inspectors and Senior Inspectors. I have submitted necessary proposals in this regard.

3. *Co-operative Training Institutes.*—There are five training institutes to impart training to candidates recruited to the Department and to candidates seeking employment in co-operative institutions. The Central Co-operative Institute, Madras, trains candidates recruited for employment in the Department. During the year it conducted two sessions, each of four-months' duration, for training Junior Inspectors. It trained 87 candidates. The normal period of training prescribed for Junior Inspectors is one year, but the period was curtailed to 6 months—4 months theoretical and 2 months practical—on account of shortage of Junior Inspectors for departmental work. As all the candidates selected by Madras Public Service Commission could not be given training in the Central Co-operative Institute, 66 Junior Inspectors were given training in the Training Institutes at Tanjore, Rajahmundry and Anantapur. These institutes were provided with extra staff and additional subsidy for running special training classes for Junior Inspectors in addition to the usual grants for training non-official candidates. Sixty-three candidates selected by the Madras Public Service Commission for appointment as Senior Inspectors were given training in the Central Co-operative Institute for a period of six months from 1st November 1949 to 30th April 1950. For conducting training classes for Senior Inspectors Government sanctioned one Deputy Registrar, to work as the Principal of the Institute and four Co-operative Sub-Registrars to work as lecturers.

Training to non-official employees.—For candidates seeking employment in co-operative institutions, a class for nine months is being conducted by the Training Institutes at Tanjore, Coimbatore, Anantapur and Rajahmundry, at the end of which an examination is conducted by the Madras Provincial Co-operative Union. The period of training has recently been extended to 11 months—9 months theoretical and 2 months practical. The institutes obtain funds from tuition fees and grants by central banks, and the Provincial Co-operative Union. Government have also provided them with the services of Co-operative Sub-Registrars and Senior Inspectors free of cost to work as Superintendents and lecturers. Where the institutes employ non-official lecturers, their pay and allowances are met by Government. The total grant paid by the Government during the year 1949–50 was Rs. 6,700. The four training institutes trained 364 candidates of whom 260 came out successful in the final examination. The number of candidates who underwent training was large in the Tanjore and Rajahmundry institutes which trained 142 and 116 candidates, respectively. In addition to the nine months' course the institutes also conducted a short course for a period of one and a half months for employees of co-operative societies like milk supply societies, weavers' societies and other non-credit societies. One hundred and thirty-one candidates deputed by co-operative institutions underwent the short course. In the year 1949, the Malabar District Co-operative Central Bank conducted a training course for candidates seeking employment in co-operative societies in Malabar. The cost of running this class

was met from the fees collected from the candidates and from contributions by the Central Bank. With the expansion of the co-operative movement and the enforcement of certain minimum qualifications for employment in co-operative societies, there has been a great demand for more trained candidates. The need is most keenly felt in Malabar and South Kanara districts where the Producers'-*cum*-Consumers' Co-operative Societies and the Central Co-operative Stores have undertaken procurement business on a large scale. To meet this need, the Malabar District Co-operative Central Bank put up a proposal for the formation of a separate training institute at Kozhikode. The State Co-operative Advisory Council has recommended the starting of two more institutes with the aid of Government subsidy. I have supported the proposal for the starting of a Co-operative Institute in Malabar on the lines recommended by the State Co-operative Advisory Council.

Education and Propaganda—(*a*) *General.*—Government have discontinued the scheme of conducting the annual panchayatdars' training classes. They have, however, permitted the utilization of a subsidy of Rs. 15,800 for production of films on milk supply and cottage industries. These films will be circulated to central banks for propaganda purposes. Central banks have placed orders with the Radio Engineer for supply of projectors. To strengthen the finances of the Provincial Co-operative Union, amendments to section 36 of the Madras Co-operative Societies Act and rule XII-A of the Rules framed thereunder, have been proposed and are under the consideration of Government.

(*b*) *Co-operative Education.*—Government have sanctioned two permanent posts of Deputy Registrars for giving lectures on co-operative law and principles and to impart practical training to the students, who have taken Co-operation as one of the subjects for B. Com. (Hons.) course conducted by the Madras University. The Deputy Registrars are attached to the University. Proposals to amend the service rules governing the direct recruitment of Deputy Registrars and Co-operative Sub-Registrars giving preference to the candidates holding a degree in B. Com. (Hons.) course with co-operation as one of the subjects, are under the consideration of Government.

(*c*) *Propaganda.*—" The Madras Journal of Co-operation " published by the Madras Provincial Union and the monthly co-operative journals published in the regional languages by the Tamilnad Co-operative Federation, the Andhradesa Co-operative Union and the Malabar and South Kanara Co-operative Central Banks provide the public with useful literature on co-operation. The " Madras Information " publishes articles on co-operative subjects in English and in the regional languages. Talks on co-operation and allied subjects are broadcast by departmental officers through the All-India Radio stations at Madras and Tiruchirappalli in Telugu and Tamil languages, respectively.

4. *Conferences.*—The Twenty-seventh Madras Provincial Conference was held in December 1949 under the presidency of Sri R. G. Saraiya, Chairman of the Bombay Provincial Co-operative Bank. The co-operative flag was hoisted by the Hon'ble Minister for Food. The Conference was opened by the Hon'ble Chief Minister and the valedictory address was delivered by the Hon'ble Dr. Rajendra Prasad, President of the Indian Republic. A number of regional conferences were held during the year. Important among them were the Tenth Malabar District Co-operative Conference held at Kozhikode, the Seventh Tamilnad Co-operative Conference held at Rameswaram, the Sixteenth Andhra Provincial Co-operative Conference held at Anantapur, and the Twentieth Conference of primary land mortgage banks held at Madras. In addition, District Co-operative Central Banks and District Co-operative Central Stores convened periodical conferences of affiliated societies or their employees to discuss current problem and draw up plans for development. In all 155 such conferences were held.

CHAPTER III.

Administration.

1. *Organization of the Department—Staff for general administration.*—The strength of the Co-operative Department, excluding the staff for Prohibition (Amelioration), was as follows :—

Registrar	1
Joint Registrars	3
Deputy Registrars	28
Deputy Registrars for Land Mortgage Banks	3
Deputy Registrars on Special Duty	10
Personal Assistant to Registrar	1
Special Deputy Collector for Land Acquisition	1
Dairy Development Officer (vacant)	1
District Veterinary Officer, Milk Supply Union	1
Technical Experts for Ex-servicemen Societies	2
Deputy Tahsildars for Land Acquisition	3
Dairy Surveyors	2
Dairy Assistants	16
Veterinary Assistant Surgeons	3
Co-operative Sub-Registrars	226
Woman Special Officer	1
Senior Inspectors	1,040
Junior Inspectors	1,003
Revenue Inspectors	17
Agricultural Maistries	10
Stockmen Compounders	5
Upper Division Clerks	4
Lower Division Clerks, Typists and Steno-typists	281
Fieldmen	2

Staff for amelioration work connected with prohibition.—The strength of the staff for the ameliorative branch of prohibition was as follows :—

Deputy Commissioner of Prohibition (Amelioration) and Joint Registrar of Co-operative Societies	1
Special Development Officers (Deputy Registrars)	21
State Palm Gur Organizer	1
Deputy Palm Gur Organizer	1
Assistant Development Officers (Co-operative Sub-Registrars	43
Co-operative Sub-Registrar (Manager)	1
Senior Inspectors	96
Junior Inspectors	15
Rural Welfare Officers	222
Stenographers	22
Lower Division Clerks and Typists	7
Photographer	1
Reserve Operator	1
Drivers and Cleaners (for Jeeps and Vans)	55
Van Operators	16
Palm Gur Instructors	25

In the last year's report it was stated that the absorption of the ameliorative staff with the regular staff by bifurcating the districts into two co-operative circles and appointing the Special Development Officers as Deputy Registrars would render the ameliorative work more effective. In order that the Deputy Registrars may be able to devote better attention to the development of co-operative societies in the districts selected for distribution of manures, iron and steel under the intensive food production scheme, each of the districts of East Godavari, Guntur, Nellore, South Kanara, Madurai and Tirunelveli was bifurcated into two circles. The Special Development Officers were appointed Deputy Registrars of the new circles and the Assistant Development Officers absorbed in the regular line. The other ameliorative staff like Rural Welfare Officers, Palm Gur Instructors, etc., were distributed among the bifurcated circles. The posts of the Special Development Officers in Visakhapatnam, Tanjore and Coimbatore districts were abolished and the Special Development Officers concerned were appointed as Deputy Registrars of the new circles. The Assistant Development Officers were also absorbed in the regular line. The other ameliorative staff was distributed among the bifurcated circles. In all the bifurcated districts, the ameliorative work will constitute an integral part of normal co-operative work and will be carried on by the regular departmental staff. The question of bifurcation of Tiruchirappalli district is now pending consideration of Government. Proposals have been submitted for the bifurcation of Chingleput, South Arcot, North Arcot, Salem, Malabar and Krishna as part of the schemes for 1951-52 as co-operative work in these districts has become very heavy.

2. *Audit*—(*a*) *Progress*.—The audit of accounts of 20,597 co-operative societies including the societies in the merged States of Pudukkottah, Banganapalli and Sandur had to be done for the year 1948–49 and that of 284 societies for periods other than the co-operative year. Of the 20,597 societies, the accounts of 20,580 were audited up to the end of the co-operative year, leaving a balance of 17 societies. The audit of eight societies could not be completed as the books were either seized by the police authorities in connexion with complaints made to them, or filed in courts. In three societies, the books were lost. In four societies, the transactions were voluminous and the accounts were not maintained properly. The audit of the Provincial Co-operative Marketing Society entrusted to private auditors was incomplete by the end of the year. The final audit of the Madras Handloom Weavers Provincial Co-operative Society has since been completed by the departmental staff. Of the 284 co-operative societies which have adopted periods other than the co-operative year for audit, the audit of 227 societies was completed by 30th June 1950.

In my report for 1948–49, the need for the revision of the standard scale of societies allotted for each auditor was explained. The proposals made in that connexion are under the consideration of Government. Apart from the increase in the volume of transactions of societies, their number also has considerably increased and additional audit staff is required even on the existing basis. I have approached Government for the sanction of additional staff. It is difficult to maintain efficiency or ensure promptness in audit unless, the staff is sanctioned.

To ensure the speedy completion of audit, many big co-operative societies and societies which could afford to meet the cost, employed Government audit staff under Fundamental Rule 127. More than 700 societies took 19 Co-operative Sub-Registrars, 312 Senior Inspectors and 25 Junior Inspectors as auditors under this arrangement. I also authorized retired officers of the department to audit co-operative societies under section 37 of the Madras Co-operative Societies Act. By the end of the year, 4 Co-operative Sub-Registrars, 6 Senior Inspectors and 7 Junior Inspectors were so authorized. The societies employ them on a remuneration mutually agreed upon by them. Besides 9 societies in the city and 29 societies affiliated to the Madura-Ramnad Audit Union and a few other societies in the mufassal have appointed private auditors out of a panel approved by me.

My audit staff audited, as usual the accounts of 93 Trade Unions during the year under Regulation 19 (*a*) of the Madras Trade Union Regulations, 1927, at the request of the Commissioner of Labour. As I found it extremely difficult, to arrange for the audit of the accounts of these organizations with the existing staff without detriment to their regular duties in this department, I requested Government to entrust their audit to other agencies. But in G.O. Ms. No. 1582, Development, dated 19th April 1950, Government ordered that the existing system should continue. I am examining a proposal to recover the cost of the staff employed on the audit of trade unions.

As in the previous year, many central institutions such as Central Co-operative Stores, the Central Land Mortgage Bank and the Madras Handloom Weavers' Provincial Co-operative Society continued to take the services of Co-operative Sub-Registrars under Fundamental Rule 127 to audit their accounts. On 30th June 1950, there were 19 Co-operative Sub-Registrar auditors employed on the audit of various central institutions and other big trading co-operative societies in the State.

The audit of producers'-*cum*-consumers' co-operative societies in Malabar was continued to be done by a special staff. In the Circars districts also, the audit of producers'-*cum*-consumers' co-operative societies and reorganized producers'-*cum*-consumers' co-operative societies was done by a separate audit staff. The audit of all these societies for the year 1948–49 was completed before the close of the year 1949–50.

Government have since approved my proposals for the free audit of accounts of all the registered gramasanghams which are registered under Societies Registration Act XXI of 1860 by the audit staff of the department and to fix the calendar year as the audit year in their case. I accordingly made arrangements for the audit of all registered gramasanghams up to 31st December 1949.

A sum of Rs. 1,81,382 was levied during the year 1949–50 as audit fees for the audit of the accounts of co-operative societies liable to pay audit fees for the year 1948–49. Remission of audit fees to the extent of Rs. 1,240 was granted for 1947–48 to some of the societies which worked at a loss or whose financial position was not sound. As the cost of the audit staff could not be fully met out of the audit fees, I recommended to Government the increase of the existing rates of Rs. 5–8–0 and Rs. 3–12–0 per diem to Rs. 7 and Rs. 5–4–0 per diem respectively so as to cover the actual cost including all allowances. Government have since accepted my proposals. The revised rates will come into effect from the co-operative year 1949–50.

(*b*) *Withdrawal of free audit*.—In G.O. No. 162, Development, dated 11th January 1950, Government confirmed the draft amendment to rule XII of the rules framed under the Madras Co-operative Societies Act. According to this amendment, every registered society which does not pay for its audit to Government according to the scale of fees prescribed for the purpose or which does not have its accounts audited at its own expense shall next set apart 10 per cent of its net profits to an Audit Fund. This amount or the audit fees according to the scale prescribed, whichever is less, shall be paid into the nearest Government treasury within three months from the date on which the audit certificate for the year is issued by the Registrar under rule VII. Government have granted exemption from contribution to this fund for a period of one year to all registered co-operative societies of which all the members or a majority of the members are Harijans. Government have also prescribed a scale according to which all agricultural societies with unlimited liability shall have to pay at the rate of Rs. 3–12–0 per diem while all other types of societies whose transaction exceed one lakh have to pay at Rs. 5–8–0 and those with transactions less than rupees one lakh at Rs. 3–12–0 per diem. According to the orders of Government, the societies have to contribute to the audit fund from their profits for 1949–50 or calendar year 1949 or financial year 1949–50, as the case may be. In view of the revised scale of fees of Rs. 7 and Rs. 5–4–0 per diem recently approved by Government in respect of societies liable to pay audit fees under rule XI, the scale of audit fees prescribed under rule XII needs revision. I am examining the matter.

The question of separation of audit from administration is still pending consideration of Government.

3. *Arbitration.*—Thirty-two thousand and eighty-five arbitration references were entertained and 29,137 references were disposed of during the year, 13,261 references were disposed of by the Honorary Arbitrators. A sum of Rs. 13·84 lakhs was collected in the course of arbitration. On 30th June 1950, 11,106 references were pending disposal. Of these, 840 references were pending for over one year; 8,901 references were pending for periods of less than six months. I have asked the Deputy Registrars to make full use of the services of Honorary Arbitrators in the disposal of arbitration references. Of late, there has been an increase in the number of references under section 51 (1) (*c*) of the Madras Co-operative Societies Act. During the year, 795 cases were entertained under this section. I hope that with the strict enforcement of rule XXVII-B and the obtaining of adequate securities from the employees, the paid staff of the societies will realise their responsibilities and occasions to file references against them may become fewer. Government sanctioned the employment of a Co-operative Sub-Registrar for disposing of arbitration references connected with misappropriation in certain societies in Ramanathapuram district. The Co-operative Sub-Registrar attended to this work for one year from 19th May 1949. Twenty-four revision petitions filed under sections 51 (5) and 57 of the Act were pending at the beginning of the year, 50 were received during the year; 48 revision petitions were disposed of so far, leaving a balance of 26.

4. *Execution.*—The following statement shows the disposal of execution petitions under section 57-A of the Madras Co-operative Societies Act :—

	Number of petitions.	Amount involved. RS. (IN LAKHS).
Execution petitions pending disposal at the beginning of the year	10,620	45·09
Petitions received during the year	12,390	40·58
Total ..	23,010	85·67
Petitions finally disposed of during the year ..	6,777	11·91
Petitions withdrawn during the year	4,334	16·38
Total ..	11,111	28·29
Petitions pending at the end of the year ..	11,899	57·38

Of the sum of Rs. 11·91 lakhs involved in the petitions disposed of during the year, Rs. 10·16 were realised in cash without sale of properties attached, Rs. 1·41 lakhs by sale of properties to persons other than the decree-holders and the balance of Rs. 0·31 lakh by set-off to the decree-holders.

5. *Supersession.*—In cases where the committees of societies mismanaged their affairs, they were as hitherto superseded under section 43 of the Madras Co-operative Societies Act and departmental officers were appointed to manage their affairs. The powers vested in me under this section were resorted to sparingly after exhausting all other less drastic methods.

During the year the committees of 26 societies were superseded and there were in all 65 societies whose committees were under supersession. Normal management was restored in 14 societies and the registration of 5 societies was cancelled during the year. At the end of the year, the committees of 46 societies were under supersession. Of these, 20 were weavers' societies, 9 stores societies, 5 marketing societies, 1 fisherman society, 2 land mortgage banks, 1 milk supply union, 1 producers'-*cum*-consumers' co-operative society and 7 credit societies. I may state that supersession has helped to improve the working and pull up the affairs of the societies and at the end of the year there were 867 societies under liquidation. normal constitution.

6. *Liquidation.*—During the year, the registration of 307 societies was cancelled and there were in all 1,163 societies under liquidation. Of these, the affairs of 296 societies were finally closed and at the end of the year there were 867 societies under liquidation. The total assets pending realisation in all the 1,163 societies amounted to Rs. 63·35 lakhs. A sum of Rs. 13·37 lakhs was collected in cash while a sum of Rs. 8·91 lakhs had to be written off. The percentage of cash collections to demand works out to 21 as against 15·3 during the previous year.

At the beginning of the year, Special Co-operative Sub-Registrars for liquidation and execution work were working in the districts of Malabar, Chingleput, North Arcot and Ramanathapuram. During the year, the post in Malabar district was retrenched and two additional posts were sanctioned, one for the Tadepalligudem (Old) Land Mortgage Bank, Limited, in West Godavari district and the other for Kumbakonam Circle. The Special Co-operative Sub-Registrars concentrated attention on the recovery of assets in societies that had been in liquidation for over ten years.

7. *Criminal prosecution.*—Criminal prosecutions were launched during the year in 74 cases including 15 complaints filed by the societies themselves. Sixty-one delinquents were office-bearers and 60 were paid-employees. Forty-five cases were disposed of and at the end of the year there were 101 cases pending disposal with the police and in the courts. The amount involved in the cases was Rs. 3·02 lakhs. The number of cases of misappropriation brought to light has been steadily on the increase. They were particularly so in Ramanathapuram district. For investigating and for helping the police in the conduct of the cases in Ramanathapuram district, a Special Co-operative Sub-Registrar has been employed. Office-bearers who are responsible for misappropriation are as a rule got expelled from membership. It is indeed a matter for regret that in many cases, societies have ceased to function on account of misappropriations committed by one or two office-bearers and the people are denied the benefits of societies on this account. The remedy is to educate the members in the principles of co-operation and in their duties and responsibilities so that they may elect proper men as directors to manage the affairs and exercise constant vigilance over them. A great responsibility rests on supervising unions and central banks in this regard, and I appeal to them to address themselves to this task in all earnestness. The success of democratic organizations which the co-operative societies really are, depends essentially upon honest leadership and instructed membership and no effort should be spared to build them up.

8. *Acts and rules.*—The State Co-operative Advisory Council considered the draft amendments to the Madras Co-operative Societies Act VI of 1932 and has made its recommendations. The draft consolidated amendments to the Act are now under the examination of Government. During the year Government published certain amendments to the Land Mortgage Bank Act X of 1934. One of them is to vest in the Central Land Mortgage Bank, mortgages executed by borrowers from land mortgage banks on their execution, in favour of primary land mortgage banks. The second amendment is to provide for the issue of copies of documents kept by the mortgage banks in the course of business and of entries in such documents and to make them admissible in evidence to the same extent as the original documents or the entries therein. These have since become law. With the coming into force of the Constitution of India Act of 1949, the President of the Indian Republic

issued an order making certain adaptations and modifications to the Madras Co-operative Societies Act VI of 1932, the Land Mortgage Banks Act X of 1934 and the Madras Co-operative Societies Amendment Act XVI of 1949, in order to bring them in conformity with the Constitution. Government have also amended rules No. XII (e), XVIII-A and XXVII-A.

One amendment to rule XXVII-A provides that the disqualification of officers of co-operative societies and persons seeking offices in them on account of their conviction for offences involving moral delinquency, shall not apply where more than five years have elapsed. The other amendment introduces a new sub-rule according to which a member, who is expelled from a society under its by-laws shall not be eligible for appointment or for continuance as a member of its Committee of any other society. The amendment to rule XVIII is consequential to these amendments. One amendment to rule XII provides for payment of bonus from profits of societies other than credit societies, to their members, on the basis of business done with them, subject to a maximum of 25 per cent of the net profits. It restricts the payment of bonus to the employees of Motor Transport Societies for Ex-Servicemen to the limit of three months wages or salary. The other amendment to this rule is to constitute an audit fund from the profits of societies, to cover the cost of the staff employed for the audit of registered societies, which are not liable to pay audit fees under the existing orders.

9. *Deputation of officers to co-operative institutions.*—Three hundred and twenty-seven Departmental Officers have been deputed to work in co-operative societies. The services of 207 of these officers were lent on foreign service terms. The Officers deputed belong to the following categories :—

Deputy Registrars	12
Co-operative Sub-Registrars	103
Senior Inspectors	200
Junior Inspectors	12
Total ..	327

Twenty Officers are in central banks, 100 in consumers' co-operative societies, 51 in weavers' societies, 18 in sale societies, 35 in housing societies, 17 in credit societies and 86 in other types of societies. Departmental Officers are deputed only where it is absolutely necessary. I have been advising the co-operators that they should get their own men trained and put them in charge of the societies and that it is not a sound policy to go on asking for the loan of services of departmental men. I am hoping that they will act up to my advice.

10. *Grants-in-aid.*—The scope of withdrawal of non-statutory concessions granted to co-operative societies was examined by me and reported to Government. They pased orders on most of the

proposals agreeing with me. A statement of grants-in-aid sanctioned and disbursed to co-operative societies during the co-operative year is given below :—

Type of societies.	Purpose.	Amount sanctioned during the year.	Amount drawn during the year.
	Grant-in-aid.	RS.	RS.
I. (*a*) Co-operative Central Banks in the Province.	Maintenance of additional staff of supervisors appointed under the reorganization scheme of rural credit societies, sanctioned in Government Order.	2,54,040	1,14,139
(*b*) Central Banks in the Rayalaseema districts.	Subsidy to write-off bad and doubtful debts to Central Banks in Rayalaseema districts.	1,61,743	1,57,053
(*c*) Central Land Mortgage Banks.	Subsidy to issue long-term loans to Agriculturists in the Rayalaseema districts at 4 per cent per annum for five years.	6,75,000	..
II. Co-operative Stores Societies.	Distribution of Chemical fertilisers, manures and groundnut cakes.	40,296	40,296
III. (*a*) Marketing Societies ..	Establishment charges construction of godowns and contingent charges.	73,625	6,000
(*b*) Co-operative Credit Societies.	Construction of godown and reading rooms.	3,32,345	78,950
IV. (*a*) Milk Supply Societies and Unions.	Milk recording scheme—Purchase of bulls, working expenses and equipment and establishment and contingent charges.	36,459	33,717
(*b*) Egg Marketing Societies.	Working expenses and equipment and appliances, etc.	2,440	2,440
(*c*) Cattle-breeding and Sheep Breeding Societies.	Purchase of equipment, bulls and contingent charges.	17,174	14,274
	For maintenance of Bikanir rams.	540	540
V. Land Colonization Societies.	(i) Purchase of bulls, agricultural implements, reclamation of lands, construction of houses, subsidy for irrigation purposes, etc.	95,397	1,12,519
	(ii) Purchase of equipments in Nelvoy Agricultural Farming Society.	8,699	8,699
VI. (*a*) Cottage Industries Societies.	Maintenance of industries, meeting of establishment and contingent charges and to purchase of equipment',—Coir-workers' wood-workers societies.	37,537	26,815
(*b* Leather Workers' Societies.	Purchase of sewing machines ..	400	400
(*c*) Malabar Metal Workers' Co-operative Societies for Ex-Servicemen.	Subsidy for implementation of the reorganization of the metal workshop.	56,000	30,716
(*d*) Malabar Timber Workers' Co-operative society for Ex-Servicemen.	Subsidy for implementation of the reorganization of the timber workshop.	38,200	24,984
Cumbly Weavers' Co-operative Society.	Maintenance of sheep; shearing of wool.	400	..
f) Bee-keeping and Honey Production Co-operative Society.	Half grant for purchase of equipment for the South Kanara Bee-keeping Society.	800	..
VII. Annamalai Government Cinchona Plantation Co-operative Thrift Bank.	To meet the establishment and contingent charges.	3,000	2,750

Type of societies.	Purpose.	Amount sanctioned during the year.	Amount drawn during the year.
—		RS.	RS.
VIII. Ameliorative Scheme ..	(*a*) Construction of community centres by Gramasanghams.	13,500	6,000
	(*b*) Dramatic troupe	12,000	10,750
	(*c*) Library grants	15,560	12,600
	(*d*) Milk supply unions cost of utensils and working expenses.	19,220	..
	(*e*) Cottage Industries Societies working expenses.	12,417	..
	(*f*) Cattle Breeding Societies—		
	Recurring	21,900	..
	Non-recurring	16,900 *	Per anum for a period of three years.
	(*g*) Palmyra Jaggery Societies—		
	Recurring	84,000	49,486
	Non-recurring	1,625	874
IX. (*a*) Societies for Harijans and Backward Community.	Scriptory grant	35,000	28,513
(*d*) Development of Agency Tracts.	For purchase of lorry in connexion with the Kolli Hills Scheme and Development of Stores Societies Agency Tracts.	21,640	17,184
(*c*) Fishermen Co-operative Societies.	To encourage marketing of fish by the Ajanur Fishermen Co-operative Society.	360	180
X. Co-operative Institutes.	Library grant, imparting of Co-operative education and training grant for training classes of Junior Inspectors.	1,965	1,963

11. *Cost of working the department.*—The details of expenditure incurred on the department during the financial year 1949–50 are given below : The statement includes the cost of staff employed for Resettlement Schemes and for the amelioration branch of Prohibition.

	RS. (IN LAKHS).
Pay of the Registrar	0·19
Pay of officers	3·24
Pay of establishment	30·25
Allowances and contingencies	29·28
Dairy Development Scheme	0·68
Grants-in-aid	10·85
Total ..	74·39
Deduct amount recoverable from the fund for Village Reconstruction and Harijan Uplift.	2·10
Net cost ..	72·29

The revenues of the department were Rs. 18·83 lakhs as against Rs. 12·28 lakhs in the previous year. The percentage of the net departmental cost to the working capital of the movement for the year was 0·75 lakhs. There was a slight increase in cost. The increase in expenditure is, however, amply repaid by a rapid extension of the services rendered to the people by the movement which is taking upon itself additional tasks and responsibilities.

PART B.

CHAPTER I.

Co-operative Credit (Agricultural and Non-Agricultural).

1. *The Madras Provincial Co-operative Bank.*—The transactions of the Madras Provincial Co-operative Bank, Ltd., during the year 1949–50 as compared with those for the year 1948–49 are shown below :—

	30th June 1950. RS. (IN LAKHS.)	30th June 1949. RS. (IN LAKHS.)
Paid-up share capital	15·00	14·64
Total deposits held	420·37	546·32
Government loans	..	190·00
Advances from Reserve Bank of India.	78·00	51·01
Loans from Commercial Banks ..	110·32	..
Reserve fund	42·75	41·50
Other funds	10·93	12 07
Working capital	677·37	855·54
Loans issued to central banks during the year	834·72	784·34
Net profit for the year	2·89	3·61

As the Provincial Bank required large funds to finance, through the co-operative central banks, the societies which undertook procurement of foodgrains, textiles, yarn and mill cloth, Government permitted it to borrow from the Imperial Bank of India on their guarantee a sum of Rs. 3 crores by way of loan and cash credit. The loan of Rs. 190 lakhs obtained from Government and outstanding at the beginning of the year was repaid during the year. The transfer of the distribution of chemical manures and iron and steel from the Agriculture Department to the co-operatives increased the needs of the Provincial Bank for funds. The Reserve Bank of India continued to provide funds to select central banks through the Madras Provincial Co-operative Bank at a concessional rate of interest, namely, 1½ per cent per annum. The total loans so provided amounted to Rs. 1·56 crores. On 30th June 1950, a sum of Rs. 78 lakhs was outstanding under this head. At my instance, the Reserve Bank agreed to provide funds at 1½ per cent for procurement of foodgrains also if the procurement is undertaken by marketing societies and the benefit of the reduced rate is transmitted as bonus to the members from whom the foodgrains have been procured. The Provincial Bank has been permitted to borrow up to 20 times its paid-up share capital and reserve fund in order to enable it to provide funds to Central Banks for financing the extra-ordinary activities of co-operative societies such as the procurement and distribution of foodgrains, textiles, yarn, chemical fertilizers and iron and steel. The total borrowings of the bank at the end of the year were Rs. 608·69 lakhs. This amounted to about 11 times its paid-up share capital and reserve fund. The total loans and advances given by the Provincial Bank to central banks amounted

to Rs. 834·72 lakhs as against Rs. 784·34 lakhs during the last year as shown below :—

	1949–50. RS. (IN LAKHS.)	1948–49. RS. (IN LAKHS.)
(i) For financing primary credit societies.	276·23	144·57
(ii) For financing sale societies ..	118·70	124·77
(iii) (*a*) For financing stores for normal business	30·00	262·77
(*b*) For financing procurement work.	375·91	252·23
(iv) For financing distribution of chemical manures	28·00	..
(v) For financing weavers societies ..	5·88	..
Total ..	834·72	784·34

The bulk of the advances was made to consumers' societies. The amount of loans given for financing primary credit societies was nearly twice the sum advanced last year. Against the sum of Rs. 252·23 lakhs disbursed to central banks for financing procurement operations during the previous year, the amount disbursed in the year 1949–50 was Rs. 375·91 lakhs. For the distribution of chemical manures and iron and steel a sum of Rs. 28 lakhs was given to central banks. Unlike in the previous year, all the central banks paid their dues to the provincial bank regularly. The bank raised its borrowing rate on deposits consistently with the changed money market conditions. Increased working expenses including allowances to the staff also contributed to the fall in the net profits.

The provincial bank continued to grant subsidies and subventions to central banks for rectification and rehabilitation work and to meet expenditure on the supervision of non-credit societies. A sum of Rs. 24,000 was disbursed for rectification work and Rs. 19,000 for the supervision of non-credit societies. The bank also gave subsidies amounting to Rs. 8,500 for the development of cottage industries.

It opened a branch at Gandhinagar (Adyar) in order to provide banking facilities to the residents of the new colony.

2. *Central co-operative banks*—(i) *Progress.*—The number of central co-operative banks in the State was 31 as in the previous year. They had 4,088 individual share-holders and 17,951 societies on their rolls. Over 1,600 societies were affiliated to the central banks during the year. The owned capital, the borrowed capital and the working capital of central banks, at the end of the last two years, were as below :—

	On 30th June 1950. RS. (IN LAKHS.)	On 30th June 1949. RS. (IN LAKHS.)
1 Owned capital	214·50	190·08
2 Borrowed capital	1,523·16	1,554·48
3 Working capital	1,737·66	1,744·56

There was a slight fall in the borrowed and working capital. The owned capital, however, increased by about 12·8 per cent.

The following statement shows the borrowings outstanding at the end of the year within the movement and outside it :—

	On 30th June 1950. RS. (IN LAKHS.)	On 30th June 1949. RS. (IN LAKHS.)
Within the movement—		
Provincial and central banks ..	412·58	585·84
Other societies	540·83	432·07
Total ..	953·41	1,017·91
Outside the movement—		
Government	..	10·50
Individuals and other institutions	569·75	526·57

There has been an increase of deposits made by the individuals and institutions in the central banks. This is a measure of the increasing confidence reposed in the central banks by the depositing public. The central banks continued to finance special schemes like procurement and distribution of foodgrains, textiles and yarn. During the year, Government entrusted the co-operatives with the distribution of chemical manures and iron and steel. Central banks, were, therefore called upon to provide more funds to co-operatives. The concession to borrow up to 20 times their paid-up share capital and reserve fund was continued. Eighteen central banks availed themselves of the concession.

Three central banks did not maintain fluid resources on some days in the first half of the year. This was a temporary phase and was due to the fact that funds had to be provided by them for financing procurement and distribution of foodgrains, textiles, etc., undertaken by their affiliated societies. No central bank, however, failed to keep up its obligations to the creditors.

During the year, central banks issued Rs. 43·40 crores as loans to the societies as against Rs. 47·44 crores in the previous year. The statement below shows the amount of short-term, medium-term and long-term loans issued in the last two years :—

	1949–50. RS. (IN LAKHS.)	1948–49. RS. (IN LAKHS.)
Short-term loans	4,197·71	4,616·41
Medium and long-term loans	142·67	127·21
Total ..	4,340·38	4,743·62

The proportion of short-term to medium-term and long-term loans was 29 : 31, the corresponding ratio for the previous year was 35 : 1.

The following table shows the extent of loans and cash credits given to different types of societies by the central banks :—

—	1949–50. Loans. RS. (IN LAKHS.)	1949–50. Cash credits. RS. (IN LAKHS)	1949–50. Total. RS. (IN LAKHS.)
(1)	(2)	(3)	(4)
Rural credit societies	706·89	94·11	801·00
Marketing societies	119·75	358·81	478·56
Co-operative wholesale stores	224·97	1,510·38	1,735·35
Primary stores	20·40	428·90	449·30
Weavers' societies	2·33	92·72	95·05
Other types of societies	209·74	571·38	781·12
Total ..	1,284·08	3,056·30	4,340·38

—	1948–49. Loans. RS. (IN LAKHS.)	1948–49. Cash credits. RS. (IN LAKHS.)	1948–49. Total. RS. (IN LAKHS.)
	(5)	(6)	(7)
Rural credit societies	465·13	99·80	564·93
Marketing societies	89·41	292·61	382·02
Co-operative wholesale stores	320·45	1,516·82	1,837·27
Primary stores	15·70	676·34	692·04
Weavers' societies	16·44	376·09	392·53
Other types of societies	174·93	699·90	874·83
Total ..	1,082·06	3,661·56	4,743·62

There has been a steep fall in the amount of loans and cash credit granted to weavers' societies. The advances made to consumer societies also show some fall. The loans issued to rural credit societies and marketing societies, however recorded an increase with the assistance provided by Government by way of loans and grants to marketing societies and rural credit societies to enable them to construct godowns for storage of produce and the provision of Government subsidy to central banks to reorganize rural credit societies into multi-purpose societies, many societies have improved their transaction and obtained more loans from central banks.

The proportion of cash resources, investments in Government and trustee securities and advances to societies to the total borrowings as on 30th June 1950 was as below :—

	Amount. RS. (IN LAKHS).	Percentage to total borrowings.	Reserve Bank of India's standard.
Cash on hand and with banks..	225·74	14·7	10
Investment in Government and trustee securities	206·88	13·5	30 to 40
Loans and advances (excluding overdraft)	963·11	63·24	50 to 55

The percentage of overdues to demand in central banks was 5 as against 5·27 in the previous year. Five central banks, namely, those at Coimbatore, Madurai, Salem, Tirunelveli and Tiruchirapalli kept up their previous record and recovered the entire principal and interest due from the societies. Twenty-two central banks had no overdues under interest. The percentage of overdues under principal was heavy in the Pudukkottai, Kurnool, Ramanathapuram and Chicacole central banks. The State average of the percentages of balance to demand under principal and interest, arrear and current, were as follows in the past five years :—

	Percentage of balance to demand.		
	Principal.	Interest.	
		Arrear.	Current.
1949–50	5·00	53·42	0·21
1948–49	5·27	71·64	0·26
1947–48	5·05	73·66	0·52
1946–47	5·20	77·57	0·82
1945–46	6·22	51·69	0·48

There has on the whole been an improvement in recoveries.

(ii) *Bad and doubtful debts.*—The bad and doubtful debts of the central banks in respect of loans due from the living and liquidated societies were estimated at Rs. 15·54 lakhs. They were more than covered by bad debt reserves which were Rs. 15·65 lakhs on 30th June 1950. The central banks had, in addition, general reserves amounting to Rs. 57·37 lakhs. The reserves for bad and doubtful debts exceeded the bad and doubtful debts in the case of all banks except the South Arcot, Kancheepuram, Kurnool, Tanjore, Ramanathapuram, Chicacole and Malabar central banks. The total of the bad and doubtful reserve and the reserve fund was, however, greater than such debts in the case of all banks except the Ramanathapuram and the Chicacole central banks.

The net profits of the banks rose from Rs. 16·68 lakhs in 1948–49 to Rs. 18·49 lakhs in 1949–50. The cost of management was Rs. 24·31 lakhs. The percentage of the cost of management to working capital was 1·4.

The foregoing analysis of the resources of the central banks shows that their financial condition is sound.

(iii) *State assistance to central banks in Rayalaseema.*—(a) *Subsidy to wipe off bad debts.*—Out of the subsidy of Rs. 1·62 lakhs sanctioned by Government to the central banks in Rayalaseema to enable them to wipe out their bad and doubtful debts, a sum of Rs. 4,690 was intended for the Anantapur Central Bank. As this bank had subsequently accumulated bad and doubtful reserves to cover its bad debts, no subsidy was paid to it.

Subsidy was paid during the year to three central banks as shown below :—

	RS.
Chittoor District Co-operative Central Bank ..	50,608
Cuddapah District Co-operative Central Bank.	1,06,356
Kurnool District Co-operative Central Bank ..	89
Total ..	1,57,053

(b) *Subsidy to provide loans at low rates of interest.*—The scheme to provide loans at reduced rate of interest, namely, 5 per cent to the ryots in Rayalaseema was introduced in the Chittoor and Cuddapah Central Banks with effect from 1st February 1950. The remaining three central banks gave effect to the scheme after the close of the year. The loans issued by the Chittoor and the Cuddapah Central Banks at the reduced rate in the period from 1st February to 30th June 1950 are given below :—

Name of the Central Bank.	To rural credit societies.	To marketing societies.	Total.
	RS. (IN LAKHS.)	RS. (IN LAKHS.)	RS. (IN LAKHS.)
1 Chittoor	1·12	0·26	1·38
2 Cuddapah	4·23	0·51	4·74
Total ..	5·35	0·77	6·12

(c) *Subsidy for the intensive supervision of rural credit societies.*—Government have provided a subsidy of Rs. 21,900 to the central banks in Rayalaseema to enable them to employ additional supervisors at the rate of one supervisor for every 15 societies. The scheme was given effect to from 1st February 1950 in the two central banks after the close of the year in the remaining three banks. The subsidy will be paid in the current year.

During the year, the Committee of the Guntur District Co-operative Central Bank, Tenali, which was under supersession was reconstituted.

The proposal for the formation of a separate central bank for the Nilgiris district was dropped.

3. *Agricultural Credit Societies* (*excluding land mortgage banks*) —(i) *General progress.*—The transactions of agricultural credit societies other than land mortgage banks during the last two years are indicated below :—

	On 30th June 1950.	On 30th June 1949.
Number of societies	15,348	13,740
Number of members	1,191,047	1,047,876
	RS. (IN LAKHS).	RS. (IN LAKHS).
Paid-up share capital	140·45	128·05
Deposits from members	25·04	22·81
Deposits from non-members	32·01	29·97
Loans due to financing banks and other societies	648·85	534·69
Loans due to Government	3·51	2·66
Reserve fund	114·62	100·66
Other Funds	35·24	38·21
Total working capital	999·73	857·05
Number of societies that worked at a profit	8,671	7,082
Net profits for the year	14·33	11·34

	On 30th June 1950.	On 30th June 1949.
	RS. (IN LAKHS.)	RS. (IN LAKHS.)
Number of societies that worked at a loss	5,918	5,538
Loss sustained in the year	10·91	11·44
Total amount of loans issued during the year	644·00	496·10
Loans outstanding against members during the year	831·62	659·12

These figures show an all-round development in the working of agricultural credit societies. It is clear too that the societies are providing seasonal credit to their members on an increasing scale.

(ii) *Purpose of loans.*—The following statement shows the amount of loans disbursed by the societies for productive purposes, for discharge of prior debts, and for other unproductive purposes :—

	1949–50.		1948–49.	
	Amount.	Percentage to total loans issued.	Amount.	Percentage to total loans issued.
	RS. (IN LAKHS.)		RS. (IN LAKHS.)	
Loans issued for productive puposes	613·57	95·27	469·88	94·76
For discharge of prior debts..	26·65	4·15	23·59	4·75
For non-productive purposes.	3·78	0·58	2·63	0·49
Total ..	644·00	100·00	496·10	100·00
Loans outstanding at the end of the year	831·62	..	659·12	..

It may be noticed that there was an increased demand for loans for productive purposes. This is a good sign.

(iii) *Security for loans.*—The following table shows the percentage of loans outstanding against the members of agricultural credit societies on the mortgage of immovable properties and on personal sureties :—

	Percentage on loans outstanding classified according to security to the total loans outstanding.	
	On 30th June 1950.	On 30th June 1949.
(i) Loans on the security of deposits ..	0·24	0·35
(ii) Loans on the pledge of (*a*) Jewels	0·61	0·75
(*b*) Standing crops	0·24	0.33
(*c*) Produce and finished goods ..	2·53	3·90
(iii) Loans on mortgage of immovable properties	29·54	30·02
(iv) Loans on the joint security of one or more members	66·12	64·12
(v) Loans on the simple bond of the borrowers	0·72	0·53

There has been an increase in the percentage of loans issued on personal security.

(iv) *Recovery of overdues.*—The percentage of overdues in respect of loans from members to societies was as follows :—

	On 30th June 1950.	On 30th June 1949.
Principal	24·72	26·11
Arrear interest	61·74	67·88
Current interest	22·22	22·87

There was an all-round improvement in the collection of overdues.

(v) *Relaxation of individual credit limit.*—Having regard to the need for co-operative societies to take an active part in the Grow More Food Campaign, I have instructed the Deputy Registrars to relax the credit limit of the members of rural credit societies and permit the societies to lend to those intending to put up oil-engines and pumping sets for irrigation purposes subject to the following conditions :—

(1) the loans should be repaid in five years;

(2) unencumbered immovable property wholly belonging to the borrower and pumping installations purchased from the loans should be pledged to the societies as security for the loans;

(3) the loans should not exceed 50 per cent of the value of the mortgaged property; and

(4) previous permission of the central bank and the Deputy Registrar should be obtained.

Under this arrangement it will be possible for a member to get loans from a rural credit society up to Rs. 3,500 for the installation of pumping sets and oil-engines for irrigating his lands.

(vi) *Post sanction of loans.*—The scheme of post sanction of loans was continued. During the year 682 credit societies obtained cash credits from central banks to the extent of 16·64 lakhs for this purpose. The amount actually withdrawn from the cash credit for granting of loans without prior approval by the central banks, was Rs. 21·96 lakhs. It is a familiar saying that credit delayed is credit denied. I believe that delay in the disbursement of loans by rural credit societies will be minimized if this scheme is worked earnestly by the central banks and the societies.

(vii) *Reorganization of rural credit societies.*—The two years' scheme of expansion and reorganization of rural credit societies so as to enable them to undertake multi-purpose activities was in operation throughout the year. An account of the working of the scheme and the results achieved is given in Chapter XII.

(viii) *Rural credit societies and food production.*—In G.O. Ms. No. 803, Food and Agriculture, dated 28th April 1950, Government sanctioned a scheme for utilizing the services of rural credit societies in several select districts, viz., Coimbatore, Tirunelveli, Mathurai, South Kanara, East Godavari, Guntur and Nellore for intensifying food production in the districts. Under the scheme, the societies are to list out available fallow lands Government and private and arrange for their cultivation by taking them on lease and sub-leasing to the members. They will distribute chemical manures, and agricultural implements, etc., necessary for cultivation. They will promote the manufacture and use of rural compost. They will also generally assist the Grow More Food Campaign arouse popular enthusiasm for food production and make it a people's effort instead of a mere official endeavour. To ensure the efficient prosecution of the scheme, Government ordered the bifurcation of each of the seven districts into two Deputy Registrars' circles. The scheme was given effect to in the Coimbatore district during the co-operative year 1949–50, as it had already been bifurcated. It was introduced in the remaining districts after the close of the year. The results of the working of the scheme so far are briefly indicated here :—

One hundred and seven societies have applied to the Revenue Department for leasing out 7,927·90 acres of Government waste lands to be sub-leased to members for cultivation. In the Coimbatore Circle 26·17 acres of private lands have been brought under cultivation. One society in Nellore district has brought under cultivation 50 acres of wet land belonging to Government. Another society has brought under cultivation 43 acres of dry land with the temporary permission accorded by the Estate Tahsildar, Nayudupet. Four hundred and fifty-four societies distributed 9,363 tons of chemical manure. Eighty-four societies distributed about 260 tons of agricultural implements. Three thousand two hundred and twelve manure pits were dug by members of 246 societies and 1,842 tons of compost were prepared.

4. *Non-agricultural credit societies*—(i) *General progress.*—The following table shows the progress made by the non-agricultural credit societies during the last two years :—

	On 30th June 1950.	On 30th June 1949.
Number of societies	1,191	1,161
Number of members	483,218	441,859
	RS. (IN LAKHS).	RS. (IN LAKHS).
Paid-up share capital	184·22	163·99
Deposits of members	295·36	231·15
Deposits of non-members	333·13	325·72
Loans from central banks and other societies	105·42	107·29
Reserve Fund	69·02	58·37
Other funds	24·81	22·63
Total working capital	1,011·96	909·15
Net profits	15·02	12·87
Total loss	1·41	1·05

The percentage of overdues was as follows :—

	On 30th June 1950.	On 30th June 1949.
Short-term loans	7·65	8.10
Long-term loans	15·18	15·22
Arrear interest	43·14	39·24
Current interest	11·48	11·77

(ii) *Urban banks.*—Of the 1,191 societies, 219 were urban banks required to maintain fluid resources, 633 were employees' societies and 339 societies were other limited and unlimited urban credit institutions. Urban credit movement has become well established in the State. Urban banks issue loans on personal security, on the mortgage of immovable property, on the security of non-agricultural and industrial produce, jewels and agricultural produce in places where there are no marketing societies and on insurance policies other than those coming under the Pension-cum-Provident Fund Scheme of Government. Members of rural credit societies have been permitted to join them as ' B ' class members in order to borrow on the pledge of jewels. Urban banks have also been advised to issue loans up to Rs. 3,500 per member, to their agricultural members for purchase of pump sets and installation of oil engines for improving food production, irrespective of their normal credit limit. Urban banks having a working capital exceeding Rs. 1 lakh, and having fully qualified paid secretaries, have been permitted to undertake the business of discounting cheques and collection of bills of their members after adopting the necessary safeguards. Many urban banks have availed themselves of this facility. Most of the urban banks are working on deposits. Their owned capital and the deposits held by their members in them amounted to Rs. 573·41 lakhs. This represents 75 per cent of the loans outstanding against their members.

(iii) *Employees' societies.*—There were 633 employees' societies with 190,607 members. They had a paid-up share capital of Rs. 73·74 lakhs and their reserve fund amounted to Rs. 28·37 lakhs. A sum of Rs. 58·63 lakhs was outstanding under compulsory thrift deposits collected from members. These deposits are deducted from the pay-bills of the employees and held in the societies to their credit till they sever their connexion with the society. Their owned capital and members' deposits amounted to Rs. 271·72 lakhs while the loans outstanding against their members at the end of the year were Rs. 291·14 lakhs. The owned capital of the societies and members' deposits constitute 91 per cent of the loans outstanding against the members. This is indeed very satisfactory position. Employees' societies issued during the year Rs. 349·94 lakhs as loans to their members and their overdues amounted to Rs. 20·50 lakhs. Ordinarily there should be no overdues in these societies as the State Government have permitted the recovery of the dues of the members of employees of co-operative societies by deduction from their pay-bills. They have included in the draft bill to amend the Madras Co-operative Societies Act a provision for statutory recognition of the recovery. Employees' societies have done good work in the joint-purchase of their members requirements. The value of business done in this regard was Rs. 16·21 lakhs. Like urban banks, employees' societies have been permitted to issue loans to public servants on the pledge of insurance policies other than those covered by Government Pension-cum-Provident Fund scheme.

(iv) *Urban banks and rural savings.*—The Rural Banking Enquiry Committee considered that urban banks situated in the municipalities and major panchayat areas would be the most suitable agency for tapping savings in the urban and semi-urban areas. They have indicated certain subsidies and assistance to be provided to these banks in this behalf. I suggested to Government that financial assistance might be given to these banks at least for a period of five years towards the cost of establishment subject to a maximum of Rs. 300 per mensem per bank to enable them to appoint qualified paid secretaries on a salary of Rs. 200 per mensem and accountants on Rs. 100. I also suggested that each urban bank should invariably have a building with strong rooms for keeping jewels and other valuables received on pledge and that Government might, for that purpose, give them subsidy and loan on 50 : 50 basis. As the purpose of the subsidy is to enable urban banks to tap rural and semi-urban savings which is a matter of national importance, I suggested to Government that the cost of the proposal might be met by the State Government and the Central Government on a 50 : 50 basis.

5. *Co-operative Land Mortgage Banks—(a) Madras Co-operative Central Land Mortgage Bank—*(i) *General progress.*—The following statement shows the general financial position of the bank at the end of the last two co-operative years :—

	On 30th June 1950.	On 30th June 1949.
Number of primary land mortgage banks affiliated	124	119
	RS. (IN LAKHS).	RS. (IN LAKHS).
Paid-up share capital	14·32	12·38
Borrowings in the form of debentures ..	439·32	421·0
Other borrowings	31·98	13·61
Reserve Fund	19·49	18·41
Other Funds	6·0	5·54
Working capital	511·11	470·94
Net profits	3·50	2·26

During the year the bank disbursed loans amounting to Rs. 72·24 lakhs as against Rs. 77·73 lakhs in the previous year. The loans outstanding against primary land mortgage banks at the end of the year were Rs. 388·32 lakhs. There was a slight fall in the amount of loans disbursed during the year.

The net profits of the bank for the year amounted to Rs. 3·50 lakhs as against Rs. 2·26 lakhs in the previous year.

During the year the bank floated 3 per cent debentures for Rs. 27 lakhs, the issue price being Rs. 99–8–0 per cent. This was fully subscribed. Since the close of the year, it has notified the issue of another series of debentures for Rs. 40 lakhs at 3 per cent interest the issue price being Rs. 99–8–0. The Reserve Bank of India has been good enough to subscribe to the extent of 20 per cent of the issue against the usual limit of 10 per cent. The co-operative institutions in the State subscribed to the issue to the extent of Rs. 25·87 lakhs the balance was contributed by individuals and other institutions. Government's guarantee to the debentures remained at Rs. 5·50 crores. The total value of debentures in circulation on 30th June 1950 was Rs. 4,39,31,700.

(ii) *Loans at concessional rates to Rayalaseema.*—The scheme referred to in my last Administration Report for providing long-term loans to ryots in Rayalaseema through the Central Land Mortgage Bank at concessional rate of interest with the subsidy provided by Government was worked in the year. This being the first year, the amount of loans disbursed was only Rs. 4·65 lakhs against the target of Rs. 8·06 lakhs. With the propaganda carried on and the publicity given to the scheme, it is expected that more ryots will come forward and avail themselves of the benefit of scheme. I trust that better results will be achieved in the current year.

(iii) *Delays in sanctioning loans.*—One of the usual complaints against land mortgage banks is that there are delays in the disposal of loan applications. One of the steps taken to avoid the delays in the past was that certain select Co-operative Sub-Registrars were permitted to recommend loan applications for Rs. 500 and less direct to the Central Land Mortgage Bank. A review made of this arrangement in 1941 did not disclose any considerable saving of time and this procedure was therefore discontinued. A revival of this arrangement has again been suggested and I am examining the suggestion in consultation with the Central Land Mortgage Bank.

Government amended the Co-operative Land Mortgage Banks Act X of 1934, dispensing with the requirement to assign the mortgages obtained by primary land mortgage banks in favour of the Central Land Mortgage Bank and making the mortgages executed by applicants vest in the Central Land Mortgage Bank on their registration by the members. This arrangement is expected to reduce delays and expenditure on registration and incidental charges.

The applicant to the loan is no less responsible for the 'delays.' He does not know how the loans should be got from the land mortgage bank, what information he should furnish to prove the existence of the debts which he intends to discharge out of the loans obtained from it, etc. Delays in this respect can in some degree be eliminated if the applicant is properly educated. For this purpose it has been suggested that a folder of instructions may be prepared and made available to each applicant for loan so that he may get ready such information and documents as may be necessary to ensure quick scrutiny of loan applications. A folder has been prepared and sent to the Central Land Mortgage Bank for being printed in the regional languages and for distribution to the applicants for loans through the primary land mortgage banks. I hope that with the adoption of these measures delays in the issue of loans will be greatly minimized.

(iv) ***Establishment of a Research section in Central Land Mortgage Bank.***—The Central Land Mortgage Bank has been making considerable progress in the loan business from year to year. It has been working for twenty years. It was suggested that as in other countries the Central Land Mortgage Bank which is the apex bank for long-term mortgage credit should take a comprehensive view of its functions and live interest in the problems affecting agricultural economy in the State. It has been suggested to the Central Land Mortgage Bank that it might itself institute enquiries, studies and investigate into several aspects of agricultural economy in relation to land mortgage banking and that for this purpose it might appoint an economist with a skeleton staff to assist him to undertake studies from time to time. Such studies and investigations will, I believe, be greatly helpful to the sound working and progressive development of land mortgage banks in the State. The Executive Committee of the Central Land Mortgage Bank has recommended the proposal to its Board of Directors. I am hoping that the Board will see its way to give effect to the proposal.

(b) *Primary land mortgage banks*—(i) *General progress.*—There were 126 land mortgage banks at the end of the year. The following table shows their progress and working :—

	On 30th June 1950.	On 30th June 1949.
Number of banks	126	119
Number of members	122,874	112,998
	RS. (IN LAKHS).	RS. (IN LAKHS).
Paid-up share capital	30·78	27·31
Loans due to Central Land Mortgage Bank	388·32	333·32
Reserve Fund	7·34	6·86
Other funds	2·18	1·24
Working capital	428·62	374·23
Net profit	1·33	1·14
Net loss	0·26	0·27

During the year the primary banks disbursed loans to the extent of Rs. 73.82 lakhs. There was a slight fall in the issue of loans. The table below indicates the comparative position of loans disbursed for different purposes in the last two years :—

Purpose.	1949–50.	1948–49.
	RS. (IN LAKHS).	RS. (IN LAKHS).
For land improvement	3·90	5·36
For purchase of lands to round off holdings.	1·60	3·36
For discharge of prior debts	67·15	65·82
For other purposes	1·17	1·33
Total ..	73·82	75·87

There has been a fall in the amount of loans issued for land improvement. Government have under consideration an amendment to the Land Mortgage Banks Act with a view to help large scale efforts at land improvement such as erection of engines and pump sets and clearance and levelling of extensive contiguous areas for which Rs. 10,000 or even Rs. 15,000 (which is now the individual maximum credit limit for land mortgage banks) may not be adequate. This may also step up food production. The draft bill

provides for several persons joining together and taking a joint loan on the mortgage of the properties owned by them. When this proposal materialises, more loans may be expected to be issued for land improvement.

The number and the amount of loans classified according to their volume are shown in the statement below :—

	1949–50.		1948–49.	
	Number.	Amount. RS. (IN LAKHS).	Number.	Amount. RS. (IN LAKHS)
Amounts less than Rs. 1,000	1,214	8·93	1,282	8·52
Amounts more than Rs. 1,000 and less than Rs. 5,000	1,906	44·17	1,932	47·49
Amounts more than Rs. 5,000 and less than Rs. 10,000	204	15·93	239	15·14
Amounts more than Rs. 10,000, not exceeding Rs. 15,000	39	4·79	32	4·45
Total ..	3,363	73·82	3,485	75·87

The percentage of members' overdues under principal and arrear interest and current interest was as follows :—

	1949–50.	1948–49.
Principal	4·47	4·67
Arrear interest	11·75	3·94
Current interest	1·94	1·15

While the profits earned by some of the banks increased the losses sustained by the others remained almost stationary. The net loss sustained by land mortgage banks was Rs. 26,380. It was heavy in the case of the banks in Krishna and Malabar districts. The loss was mostly due to heavy overdues under interest in the case of banks in Krishna district but in Malabar district the net loss was largely business loss. The banks in West Coast have not yet developed adequately. This is attributed to the peculiar land tenures and personal loss obtaining in the West Coast. It was, however, considered that concentrated and sustained efforts might bring about substantial results and for this purpose, Government sanctioned the post of an Additional Co-operative Sub-Registrar for this area. Government also relaxed to some extent the conditions governing the grant of loans to ryots in this area. As a result there was some improvement in the loans issued. The Central Land Mortgage Bank, however, considered that even as a result of the arrangements sufficient loan applications would not be received. The post of Co-operative Sub-Registrar for Malabar district was, therefore, retrenched from 27th June 1950.

(ii) *Revision in the basis and methods of the valuation of hypotheca.*—I have been receiving representations from the primary land mortgage banks that the present basis and methods of valuation require revision in view of the steep increase in the prices of agricultural land and commodities. The primary land mortgage banks conference held on 12th February 1950 also considered the matter. It is under consideration.

(iii) *Departmental staff for supervision of land mortgage banks.*—During the year Government sanctioned three posts of Co-operative Sub-Registrars for work connected with the starting of new banks on the usual conditions, viz., that half of the cost should be met by the Central Land Mortgage Bank.

CHAPTER II.

Co-operative Farming.

1. *General.*—In recent years, *co-operative farming* has assumed importance especially in relation to the 'Grow More Food' campaign. The Central and State Governments, Committees and Conferences have recommended a planned implementation of co-operative farming schemes for increasing food production in the country. The term 'Co-operative Farming' is understood differently by different people. It is, therefore, worthwhile here to clarify the position briefly. The All-India Planning Committee on Co-operation has classified *co-operative farming societies* into four types :—

(i) Co-operative better farming society,
(ii) co-operative joint farming society,
(iii) co-operative collective farming society, and
(iv) co-operative tenant farming society.

The objects, constitution and working of these types of farming societies as outlined by them are briefly indicated below.

In the better farming and joint farming societies, ownership of the land vests in the members. A better farming society is designed to introduce improved methods of farming. The members agree to follow a plan of cultivation laid down by it. In furtherance of its object, it may undertake joint purchase of seeds, or manure or pooling, cleaning, grading and selling the produce or joint ploughing or joint harvesting or joint use of machinery. Each member is, however, independent except for the specific purposes for which he joins the society. He pays for the services which he receives and at the end of the year, he may receive a patronage dividend.

The idea of joint farming society suggests the pooling of land on the part of small owners, whose separate holdings are not large enough to permit of economic farming. Members work on the pooled land, in accordance with the directions of an elected committee; they work jointly and each member receives wages for his daily labour. The ownership of each member in his holding continues and is recognized by the payment of dividend in proportion to the value of his land. The produce which is raised jointly is disposed of collectively and the proceeds, after meeting all expenses of cultivation including payment for the use of land, wages and cost of management and providing for a reserve fund,

are shared by the members in proportion to the wages earned by each. The ordinary functions of the farming society are the planning of a crop programme, joint purchase of farming requirements and joint sale of farm produce, raising of funds on the security of land, crops and other movable and immovable assets of the society for land improvement, purchase of machinery and payment of operational expenses, and all other activities calculated to promote the development of agriculture. A subsidiary agreement is obtained from each member to the effect that if any improvement is made on his plot of land, he will repay the cost when he ceases to belong to the society.

While in the co-operative better farming and joint farming societies, ownership of land vests in the members, in co-operative tenant farming and collective farming societies, the lands are held by the societies either on free-hold or lease-hold terms. In the case of tenant farming societies, the holding is divided into smaller holdings each of which is leased to an individual tenant-cultivator, who is a member of the society. The whole area is cultivated in accordance with the plan laid down by the society. But the manner in which the plan is executed is left to the discretion of each individual tenant. The societies supply credit, seed, manure and agricultural implements and arranges for the marketing of the tenant-members' produce. It is, however, open to each tenant-member to avail himself of these facilities or not. Each tenant pays a fixed rent for his holding but the produce of the holding is his own and is entirely at his disposal. The profits, after meeting all expenses and providing for reserve fund, are distributed among the tenant-members in proportion to the rent paid by each.

The collective farming society undertakes joint cultivation for which all its members pool their labour resources, and each receives in return prescribed wages. The society's most important gain is large-scale cultivation which facilitates mechanization of agricultural production. The profits are worked out at the end of the year after deducting wages, cost of management and allotment to reserves and divided in proportion to the wages earned by each member.

In the Madras State, co-operative farming societies of the tenant farming type, popularly known as Agricultural Land Colonization Co-operative Societies, have been in existence for a decade now. Better farming societies as such have not been started so far; but some agricultural improvement societies and agricultural demonstration societies have been formed to help the agriculturists to adopt better and improved methods of farming to supply good seed, manure, implements, etc. The possibilities of conducting experiments in co-operative collective and joint farming societies in the State were examined on several occasions and were dropped on account of several practical difficulties involved in working them under present conditions. In fact, collective farming was tried in two land colonization co-operative societies and the results not being encouraging, they had to be given up. Collective or joint farming calls for good many qualities, high degree of honesty, industry, sense of responsibility and singleness of purpose on the part of the members apart from common bonds and idealism that inspire and bring them together. If they lack these qualities, it is not possible to work the scheme. The desire of the Madras ryot to call the small bit of land as his *own* is such that he does not relish or favour the idea of pooling his land with that of others for joint cultivation. This universal craving of the ryot and the prevailing agricultural and economic conditions in the country-side are not conductive to any voluntary effort at joint or collective farming; furthermore, there is a genuine apprehension that such experiments may possibly lead to diminished agricultural returns. Co-operative tenant farming societies, on the other hand, have been working fairly satisfactorily. It would seem, therefore, that if satisfactory results by way of increased food production are to be aimed at, it is for the time being better to proceed with a form of organization which has proved popular and acceptable to the people. As co-operative tenant farming societies offer better scope for increased food production, they are generally started in places where there are extensive and compact blocks of Government or private lands available for assignment or for long lease.

2. *District Advisory Committees for land colonization.*—In pursuance of the resolution of the Co-operative Departmental Conference held in March 1949, Government ordered the constitution of a District Advisory Committee for land colonization consisting of the District Collector, the Special Development Officer, the District Agricultural Officer, the District Health Officer and three other leading non-officials of the district. The Collector is the ex-officio Chairman of the Committee and the Special Development Officer (or the Deputy Registrar), the ex-officio Secretary. In the case of districts which have been bifurcated for co-operative departmental administration both the Deputy Registrars are members of the Committee and the Deputy Registrar at the headquarters of the district is the ex-officio Secretary. The District Committees have addressed themselves to the task of exploring the possibilities of forming land colonization co-operative societies, examine the investigation reports of the co-operative officers, offer their opinion and recommend them to Government. The Committees are supplied with necessary information regarding the availability of lands for reclamation and cultivation by the Collector and the District Forest Officer. The members of the Committee or a Sub-Committee appointed for the purpose inspects the land, if necessary, before formulating schemes.

District Advisory Committees have since been formed in all districts except in Malabar where the Special Committee constituted for the Wynad Colonization Scheme functions also as the District Committee. The presence of all the district officers concerned and leading non-officials intimately connected with the

agricultural industry in the district is expected to facilitate formulation and expeditious implementation of co-operative colonization schemes.

3. *Detailed working of Agricultural Land Colonization Co-operative Societies (for Civilians)*—(a) *Functions.*—Agricultural land colonization co-operative societies which are, as has already been stated, co-operative farming societies of the tenant farming type, have been in existence in this State for a decade. There are two classes of land colonization societies, one composed of civilians, generally drawn from the landless poor and the Harijans, and the other formed exclusively for ex-servicemen for resettling the demobilised personnel. These societies are designed not only to improve the economic condition of the agricultural labourers and the Harijans but also to increase food production in the State by reclaiming waste lands and bringing them under the plough. The general principles governing these societies which have been given Government waste lands may briefly be indicated here.

Government waste lands are assigned to the societies in compact blocks of 50 acres or more of valuable lands or 100 acres or more of ordinary land. The societies hold the land on ryotwari tenure and are responsible for paying the land revenue and water-cess due to Government as well as all other general and local taxes payable under the law or custom. Government have the right to resume the land without compensation and re-enter it or any portion thereof in case of breach of any of the conditions of assignment or if the scheme is a failure, but will in that event, repay to the financing bank, the sum due to it from the society subject to the limit of the sale value of the land.

As regards the tenure of members, each member is bound by the conditions laid down in the by-laws of the society and has an occupancy right in his holding so long as he cultivates it, pays his dues and carries out the instructions of the society in the cultivation of his holding. If he fails to abide by these conditions, he is liable to be expelled from the society. If a member is expelled or relinquishes his holding, the land in his enjoyment may be transferred to a new member. A member has no right to sublet or mortgage or otherwise encumber his holding. The holding allotted to each member is impartible and will, on the member's death, pass on undivided along with the member's interest in the society to his nominee or failing a nominee, to his senior male heir and failing such heir, it will revert to the society. Thus under the existing arrangement, ownership of the land vests permanently with the society while the members hold the land as tenants. Subdivision and fragmentation are prohibited. Recently, however, Government on the recommendation of the Harijan Welfare Committee, have permitted the societies to assign permanently to all landless poor members (both Harijans and non-Harijans) the lands on their acquisition subject to the condition that in the case of Harijans the land should not be alienated to any non-Harijans.

Experiments are being made in respect of private lands, too. In the case of societies formed in private lands, which may more appropriately be termed *land-lease societies*, both the land-owners and tenants are members. Compact blocks of land are taken on lease for a minimum period of twenty years. The lands are sub-leased to the tenant-members and the owners are also permitted to cultivate a small extent more for purposes of demonstrating better and improved methods of cultivation. The society fixes the lease amount payable to land-owners with reference to local conditions, determines the sub-lease amounts, water-charges and other charges for services rendered by it, collects them from members, levies a commission for the collection of lease amounts and pays the balance to the owners. Provision has been made in the by-laws for the waiver of sub-lease amount in years of crop failure or agricultural distress. The capital required for the reclamation of land, provision of irrigation facilities and for other capital improvements to the land is obtained by the society from Government or others on the mortgage of the lands taken on lease. The annual instalments towards the repayment of loans will be recovered from the lease amount payable to the owners. The management of the society vests in a Board consisting of both land-owners and tenant members. In the initial stages the members of the Board are nominated by the Registrar.

(*b*) *Financial assistance by Government.*—As the members of land colonization co-operative societies are drawn from landless poor Harijans and other backward eligible communities, they do not have the necessary financial resources to meet the cost of reclamation and agricultural operations. Financial assistance is, therefore, provided to them by Government in the initial stages. Free grants and interest-free advances are given to each colonist on the following scale :—

Purpose.	Free grants.	Maximum limit interest-free loans.
	RS.	RS.
For payment on initial share capital ..	10 per colonist ..	..
For purchase of a pair of bulls	125 " ..	125
For purchase of manures for the first season.	5 to 10 per acre ..	..
For purchase of seed for the first season ..	2 to 5 " ..	..
For puchase of implements	..	75
For reclamation	..	25 per acre.

Land revenue assessment, water-rates and cesses are waived usually for a period of three years. The services of co-operative and agricultural staff for supervision and technical assistance are also provided free of cost in the initial years. Free grants are also given in deserving cases to societies for the promotion of cottage industries and subsidiary occupations. Some of the colonists have also obtained subsidies under the " New Wells Subsidy Scheme " for sinking wells in their holdings. In the case of societies formed in private lands, Government have also sanctioned long-term interest-bearing loans for capital improvements on the mortgage of lands. I have been receiving representations that the present scale of financial help to the societies and colonists is inadequate in view of the high level of prices and increased costs of cultivation. I have since submitted proposals for a revision of the existing scale of help.

(*c*) *Progress of land colonization co-operative societies (formed in Government lands).*—At the beginning of the year, there were 26 land colonization co-operative societies for civilians. During the year one more society was started in the Moranum village in North Arcot and on 30th June 1950, there were 27 societies formed in Government lands. Since the close of the year another society in Guntur district was started. Proposals for starting sixteen more societies in Government lands have been made to Government for approval. An intensive drive has been launched to start colonization societies wherever large blocks of Government lands are available. Investigations are being made by the co-operative officers in consultation with the officers of the Revenue, the Forest, the Agriculture and the Public Works Departments and the District Advisory Committees for land colonization and a number of proposals are expected to be finalized and submitted to Government in the course of the current year.

In all the 27 civilian land colonization societies, there were on 30th June 1950, 3,188 members of whom 2,828 were active colonists. The total paid-up share capital of the members on the date amounted to Rs. 95,950 of which Rs. 29,010 were given to them by Government as free grants and the balance of Rs. 66,540 was contributed by them. During the financial year 1949–50, Government assistance was provided to the societies as indicated below :—

	RS.
Free grants—	
For payment of share capital	690
For purchase of manure	338
For purchase of seeds	337
For purchase of bulls	21,963
Total ..	23,328
Interest-free loans—	
For reclamation expenses	2,925
For purchase of bulls	15,780
For purchase of implements	450
Total ..	19,155

On 30th June 1950, all the societies were indebted to Government to a little over Rs. 1·40 lakhs. Some of the societies borrowed short-term and medium-term funds from local central banks to finance their members for agricultural operations. During the year they borrowed from the central banks to the extent of Rs. 71,120 and a sum of Rs. 74,569 was due by them to the banks at the end of the year. Loans outstanding against the members at the end of the year amounted to Rs. 2·26 lakhs of which Rs. 1·48 lakhs were in respect of loans obtained from Government.

Three colonization societies in Coimbatore district were given a free grant of Rs. 5,250 during the year for promoting cottage industries and subsidiary occupations among their members such as sheep-rearing, mat-weaving, tape-weaving and bee-keeping. Of the six select societies which were given a free grant not exceeding Rs. 1,000 each for stationing a stud bull in the colony, five societies purchased the bulls during the year. The remaining society also bought the bull since. Since the close of the year, two societies in Chingleput district were given free grants of Rs. 1,000 each for cottage industries and purchase of country carts and the Ahobilam colony in Kurnool district was given Rs. 900 for putting up three huts for the special agricultural staff attached to it.

The twenty-seven societies were assigned an extent of 11,096 acres of Government lands. By the end of June 1950, 9,082 acres were reclaimed and made fit for cultivation. Almost the entire extent was reclaimed by the colonists themselves by manual labour with the help of Government loans given to them for this purpose. As these societies are of the tenant farming type, it has not been possible to assess correctly the total yield of produce raised by the members. It was roughly estimated that the total yield was about 4,320 tons, of which more than 4,100 tons were foodgrains. Except the societies situated in the deltaic districts, the others do not have adequate irrigation facilities. The land in some of the colonies are entirely rainfed while in some others, they are irrigated by wells sunk by the colonists with their own resources and with the subsidies obtained by them under the "New Wells Subsidy Scheme". There are about 390 irrigation wells in some of the colonies and some of the members have applied for subsidies under the "New Wells Subsidy Scheme". The failure of monsoons in the past few years has hit hard some of the colonies. Wherever necessary, the Public Works Department authorities have been requested to provide irrigation facilities to the colony lands.

(d) *Colonization or land-lease societies in private lands.*—During the year three societies, one at Marudur in the Tiruchirappalli district, another at Nelvoy in the Chingleput district and one at Thattabanda in the Visakhapatnam district were registered for the purpose of taking private lands on long lease for reclamation, improvement and cultivation. Of these, the one at Thattabanda has not yet commenced work.

(i) *The Marudur Land Colonization Society.*—The first society of its type to be started, could not go ahead with the scheme on account of the difficulties involved in executing the capital works and in settling tenant-members. Since the close of the year, however, substantial progress has been made. Out of the Government loan of Rs. 80,000 sanctioned for capital works such as provision of irrigation facilities, construction of huts, etc., a sum of Rs. 30,350 was disbursed to the society by the end of the year. The capital works are rapidly progressing and the entire extent of 381 acres will soon be brought under cultivation. The society is now having the services of a Co-operative Sub-Registrar and an agricultural fieldman. One-half of their costs is met by the society and the other half by Government. The colonists were given a free grant of Rs. 2,500 and an interest-free loan of Rs. 2,500 for purchase of bulls besides a free grant of Rs. 200 for payment of share capital. The lands have been sub-leased to tenant-members and the sub-lease amounts have also been fixed for varying periods.

(ii) *The Nelvoy Co-operative Farming Society* took on lease an extent of 386 acres of land from 10 pattadars. About 180 acres are fit for immediate cultivation under tank irrigation. The remaining 206 acres can also be provided with irrigation facilities by installation of pumping sets for baling out water from the Palar river and a 'madugu' nearby. The cost of installing six pump sets with an extra reserve set is estimated at Rs. 50,000 and the question of providing this amount is under the consideration of Government. The entire extent has been surveyed, suitably sub-divided and allotted to the tenants for cultivation. Pending the provision of irrigation facilities, the lands which are not now irrigated, are being cultivated with dry crops. During the year the society was given free grants of Rs. 8,699 and interest-free loans of Rs. 11,535 for purchase of bulls, reclamation of lands, purchase of implements, seeds, manure, etc. Pending the sanction of financial assistance for installation of pump sets, the society is considering the question of obtaining on hire a few oil engine pump sets from the Agricultural Department. When the scheme of installing the six pump sets is implemented the entire extent of 386 acres will be under intensive cultivation.

The results of these two schemes can be assessed only in the next year.

4. *Land Colonization Co-operative Societies for ex-servicemen.*—There are ten land colonization societies composed exclusively of ex-servicemen. I have dealt with the details of their working and progress during the year in Chapter XI.

5. *Special Colonization Schemes*—(i) *Araku Valley.*—The proposal to form a land colonization co-operative society in an extent of about 8,755 acres spread over 20 villages in the Araku Valley of Visakhapatnam district the details of which were indicated in my last report, was dropped. Steps have, however, been taken to expand the activities of the co-operative stores functioning in the valley and convert it into a multi-purpose co-operative society to enable it to provide credit facilities to the hillmen, arrange for the marketing of their produce, etc. The bylaws of the society are under examination.

(ii) *Wynad colonization.*—The land colonization scheme for the Wynad area in Malabar district, has been finally approved by Government. I have given further details of the scheme and the present stage of progress in Chapter XI (societies for ex-service-men).

6. *Co-operative joint farming societies.*—I have already indicated the difficulties involved in working joint farming societies. During the year, however, a scheme for starting a co-operative joint farming society in Nuzvid in the Krishna district was approved. The initiative to pool the lands and resources for joint cultivation through a co-operative organization came from the owners themselves. An extent of about 198 acres belonging to ten pattadars of one community has been pooled for joint cultivation. Their object is to carry on joint cultivation through a corporate body, to secure necessary financial and other facilities from Government and others and to demonstrate the results (and it may be added, the utility) of joint endeavour in farming. Government have, on the mortgage of lands, sanctioned an interest-bearing loan of Rs. 25,000 for capital works such as the installation of pumping sets, purchase of tractor, ploughs, implements, digging of wells, etc. The total cost of capital works is estimated at Rs. 50,000. This will be met out of the Government loan of Rs. 25,000 and the members' share capital contribution. This is in the nature of an experiment, and the results can be assessed only when it works for sometime.

7. *Tenants and field labourers' co-operative societies.*—Co-operative land lease societies composed of the Harijans and agricultural labourers and other backward communities have been formed in certain districts for the purpose of taking on lease *lanka*, *padugai* and other Government waste lands for short periods. The lands are generally cultivable lands and no major reclamation is necessary. The lands taken on lease are parcelled and allotted to the members for cultivation. In most cases the lands are sub-leased by the societies without any margin, but in some cases a small margin is provided to meet incidental expenses.

On 30th June 1950, there were 667 societies of this type. Four hundred and forty-eight of them with a membership of 33,368 Harijans and other backward community members and 2,691 caste ryot labourers, obtained on lease padugai, lanka and other Government waste lands of about 35,590 acres for a total annual rental of Rs. 6·47 lakhs. Of these, 35,145 acres were taken on lease for periods up to five years while the rest were for periods exceeding five years. Twenty-seven thousand and four hundred and nine members were allotted lands on sub-lease for a total annual rental of Rs. 6·58 lakhs. Food crops were raised in about 27,668 acres and the remaining extent was under commercial crops. The societies obtained loans to the extent of Rs. 27,831 from the Central banks during the year for cultivation and other expenses. The amount due by the societies to the banks at the end of the year was Rs. 74,064.

My suggestion to give these types of societies the lease of all Government lands for sufficiently long periods without public auction on the basis of average rentals of the past five years was not approved by Government. The societies are, therefore, taking the lands on lease only in public auctions made by the Revenue authorities.

8. *Agricultural improvement societies.*—These societies are intended for the propagation and supply of improved varieties of seed, manures, implements and in some cases, for finding a sale for the produce of their members as their agents. They are expected to supplement the work of the Agricultural Department. They may be classed as better farming societies. But these societies have not been able to do much in these directions. There were in all 55 societies at the end of the year with a membership of 6,201 and a total paid-up share capital of Rs. 90,436. A few societies in Krishna, Mathurai and Malabar districts issued loans to the extent of Rs. 68,590 for cultivation expenses. A few in Ramanathapuram district marketed Rs. 15,181 worth of members' produce. The distribution of improved seeds, manures, fertilisers and agricultural implements among the ryots was the main work of these societies. During the year the societies distributed manure worth Rs. 57,849, agricultural implements for Rs. 2,649, seeds for Rs. 2,567 and cattle-feed worth Rs. 1,978. Some of the societies have been selected for the distribution of fertilizers and agricultural implements at controlled prices.

9. *Agricultural demonstration societies.*—The main object of an agricultural demonstration society is to disseminate among the members a knowledge of the latest improvements in agriculture by actual demonstration carried out according to the advice of the Agriculture Department. For this purpose the society may acquire, purchase or obtain on lease plots of land from Government or from others.

Of the seven societies of this type the Lalgudi Sivagnanam Agricultural Demonstration Society in the Tiruchirappalli district alone is doing good work. It is the oldest society of this type. It owns 22 acres of wet and garden lands which are used as demonstration plots for cultivation of improved varieties of paddy, plantains, sugarcane, etc. It has been given by Government an extent of 250 acres of dry lands for conducting experiments on dry and garden cultivation. The question of granting financial assistance to the society to enable it to reclaim these lands and bring them under cultivation by sinking wells, etc., is under consideration. The society has also undertaken the distribution of manures, improved seeds, implements, etc., to the ryots. During the year, it sold Rs. 3·01 lakhs worth of manures, Rs. 4,647 worth of seeds and Rs. 4,028 worth of agricultural implements. It has also been entrusted with the distribution of fertilizers. It owns a godown-cum-office hall and a farm shed at Lalgudi and constructed a separate godown for its branch in Bikshandarkoil village.

10. *Irrigation societies.*—Some of these societies, generally known as Kudimaramath societies, were formed with the main object of keeping the supply and feeder channels in proper repair, undertaking the regulation and supervision of the supply of water to the lands belonging to members and taking steps to prevent cattle from straying into members' lands and damaging crops. The amount required for carrying out repairs and for keeping the irrigation sources and courses in a state of good repair is expected to be collected from members and also from non-members according to the provision of *Madras Compulsory Labour Act.* The societies also undertake on contract repairs to irrigation works. There were twenty societies of this type at the end of the year and only a few of them were doing some work. The others were dormant and were unable to realize the heavy amounts due from the members and non-members. A few societies in Krishna and Tirunelveli districts executed irrigation works to the extent of Rs. 30,941 during the year and helped, 1,165 members with additional irrigation facilities for about 3,035 acres of land. Government have ordered that the irrigation works ordinarily entrusted to private professional contractors, may be entrusted to such co-operative societies as are being run on efficient lines provided that this entrustment does not involve any additional expenditure to Government.

In Krishna district, a lift irrigation society was started during the year in Guntupalli village. Its main object is to arrange water-supply from the Krishna river to the ayacutdars of Guntupalli and seven other villages. For this purpose it purchased the pumping installations from a private registered company which was already working them by taking a five-year loan from the Vijayavada Co-operative Central Bank. The society owns 8·45 acres of land besides other capital assets valued at Rs. 1·05 lakhs. On 30th June 1950, there were 500 members on its rolls with a paid-up share capital of Rs. 49,189. Out of 5,000 acres to be supplied with irrigation facilities under the scheme, 3,000 acres have been brought under wet cultivation. Steps have been taken to bring in more land under the scheme so that the full capacity of the pumping sets may be utilized. This society has also been entrusted with the distribution of chemical manures, steel and iron.

With a view to help the Grow More Food schemes in the State, the possibilities of starting more lift irrigation societies, wherever there are water facilities, are being investigated.

11. *Co-operative societies for consolidation of holdings* were started with the object of consolidating small bits of agricultural holdings by mutual consent among the ryots. But their progress has not been satisfactory on account of the unwillingness of the ryots to part with their holdings, however, small they may be. Many of them are, therefore, not functioning.

At the end of June 1950, there were twenty societies of this type with 1,092 members on their rolls. During the year some

societies in West Godavari, Guntur and Tanjore districts consolidated an extent of 108 acres. Before consolidation there were 2,986 holdings which were reduced to 2,244 holdings after consolidation. A special staff has been sanctioned by Government for work connected with the re-survey of lands under the scheme of consolidation by the Melkalathur Consolidation of Holding Society in North Arcot district.

12. *Land reclamation societies.*—The special scheme of reclamation of patta lands in Pattukkottai taluk of the Tanjore district with a view to bring them under the Cauvery-Mettur Project has continued to be in force. The scheme is now worked in thirty-six Government villages. It was originally sanctioned for twenty villages and extended subsequently to sixteen more villages. At the end of the year there were 34 societies of this type which were financing the members with Government loans for reclamation, and short-term loans for cultivation. There were 7,060 members on their rolls with a paid-up share capital of Rs. 70,824. Till the end of June 1950, Government long-term loans to the extent of Rupees 1,19,980 were issued for reclamation work and at the end of the year 99,014 were due to Government. Out of 6,388 acres of land to be reclaimed in the select villages, 3,541 acres were reclaimed by 30th June 1950 and 3,898 acres by the end of September. The lands are made fit for wet cultivation and by the end of June 1950, 2,841 acres were actually under cultivation. The societies borrow funds from the Central Bank to provide finance to their members for cultivation expenses, purchase of cattle, etc. During the year the societies borrowed Rs. 2·67 lakhs from the Central Bank and a sum of Rs. 2·98 lakhs was outstanding at the end of the year. Government loans amounting to Rs. 19,995 for reclamation and short-term loans to the extent of Rs. 2·67 lakhs for cultivation and other expenses were issued to the members. Loans outstanding against the members at the end of the year were Rs. 4·51 lakhs.

During the year, Government assigned an extent of about 470 acres which were lying waste, to the Nambivayal land reclamation co-operative society. This land is to be distributed among the existing occupants and other landless poor. The land value is fixed at Rs. 100 per acre and has to be repaid in a period of twenty years. Government have also agreed to provide long-term loans at Rs. 100 per acre for reclamation and loans for the purchase of bulls at Rs. 150 per member. The lands will be reclaimed by each member with the Government loan provided specially for the purpose and brought under the Cauvery-Mettur Irrigation Project. Since the close of the year, the society has taken up the lands and allotted 383·17 acres to 150 persons. The remaining extent will also be allotted soon. Steps have been taken to provide the necessary financial assistance to the allottees for reclamation. When the scheme is finally completed, an extent of 470 acres now lying waste will be under paddy cultivation.

The special scheme of land reclamation in this area has worked successfully and more ryots are joining the societies to reclaim their dry and high level lands with Government loans and bring them under channel irrigation.

CHAPTER III.

Co-operative Marketing.

1. *Sale societies*—(*a*) *General progress.*—At the end of the year there were 279 sale or marketing societies as against 238 at the beginning of the year. The following table shows the progress made by them during the last two years :—

	1949-50.	1948-49.
Number of sale societies	279	238
Number of members	186,691	158,772
	RS. (IN LAKHS).	RS. (IN LAKHS).
Paid-up share capital at the end of the year	61·41	50·39
Loans and advances issued during the year	150·50	144·11
Value of produce sold as agent ..	158·20	132·87
Value of produce sold as owner ..	236·38	127·38
Value of seeds, manure and agricultural implements sold	98·98	13·27

The increase in the number of societies and their members is largely due to the conversion of Producers-cum-Consumers Co-operative Societies in Krishna district into marketing societies. Owing to the continuance of price and movement controls and state-wide procurement of foodgrains, the ryots do not feel the need to hold over their produce and market it through co-operative marketing societies. The services of marketing societies have been utilized for distribution of manure and agricultural implements in connection with the scheme of intensive food production. Government have permitted me to relax the credit limits of these societies to enable them to undertake procurement of foodgrains, distribution of manure, agricultural implements, iron and steel, etc. The marketing societies in Salem, Nilgiris, South Kanara and Coimbatore did good business in the marketing of members' produce on agency basis.

(*b*) *Storage facilities.*—The scheme sanctioned by Government for the grant of subsidies to the extent of 50 per cent of the cost of construction of godowns put up by co-operative sale societies and rural credit societies was in operation during the year. During the financial year 1949–50, three marketing societies were sanctioned free grants amounting to Rs. 18,500 and loans amounting to Rupees 21,300. Twenty-six rural credit societies were given free grants amounting to Rs. 81,324 and loans amounting to Rs. 59,310. Up to 30th June 1950, seven marketing societies and fifty rural credit societies have been sanctioned free grants amounting to Rs. 67,125 and Rs. 2,83,245, respectively. The loans given to them amounted to Rs. 29,850 and Rs. 57,200, respectively. Of these, fourteen rural credit societies and two marketing societies completed construction. The rural credit societies and marketing societies to which loans were given in the year, have started construction and the buildings are likely to be completed soon. The need for godowns is keenly felt by the marketing societies. For want of their own godowns, 81 marketing societies hired 216 godowns on rent and are paying a monthly rent of Rs. 18,340. The liberalization of the terms of sanction of free grants for construction of godowns has attracted a large number of applications for loans from marketing societies and rural credit societies.

This liberal measure of State help has won the appreciation and gratitude of the Co-operators in the State, and I believe that in due course, many societies will take full advantage of it and make some contribution to the problem of storage and preservation of foodgrains and other agricultural produce and marketing.

Groundnut godowns.—Out of ten godowns constructed by the Agricultural Department from the Groundnut Development Fund, nine godowns continued to be in charge of the nine sale societies at Amudalavalasa, Jaggayyapeta, Tiruppattur, Vayalpad, Guntur, Ariyalur, Vizianagaram, Arni and Tadpatri. The godown which had been in charge of the Bellary Co-operative Marketing Society was handed over to the Public Works Department as the society could not pay the heavy municipal tax for the godown. During the year, 347 ryots stored 24,885 bags of groundnut in the godowns. In addition, other commodities like tobacco, gingelly, rice, millets, cashewnut, wheat, milo, etc., were stored in the godowns without detriment to the interests of groundnut growers.

(*c*) *Procurement work.*—During the year 21 sale societies undertook the work of procurement of foodgrains to a limited extent. In all, they procured 13,769 tons of paddy and rice valued at Rupees 32.66 lakhs and 1,421 tons of millets valued at Rs. 3·14 lakhs. The Reserve Bank of India has agreed to give loans at a concessional rate of 1½ per cent interest for financing procurement operations by marketing societies provided the benefit of the reduced rate was transmitted, in the shape of bonus, to the members who supply the produce. I hope that with this inducement, more societies will undertake procurement work.

(*d*) *Processing activities.*—Eight sale societies in Anantapur, Guntur, Malabar, Ramanathapuram, Tirunelveli and Tiruchirappalli undertook processing activities and the total value of produce processed during the year amounted to Rs. 10·25 lakhs as against Rs. 8.30 lakhs in the previous year. The produce handled was arecanut, paddy, cotton and gingelly. Two societies in Tirunelveli district undertook ginning of cotton valued at Rs. 7·85 lakhs.

(*e*) *Outright purchase.*—In pursuance of the recommendation of the All-India Co-operative Planning Committee, some of the progressive sale societies were permitted to make outright purchases of members' produce for sale in the local markets or for export to other countries. During the year, the total value of outright purchases of members' produce made by the societies amounted to Rs. 195·14 lakhs as against Rs. 125·18 lakhs in the previous year. The value of produce sold during the year under this head was Rs. 236·38 lakhs. This is a recent venture which is becoming popular and is being watched.

The services of sale societies have been utilized in the distribution of manures, and to enable them to do this business efficiently they have been permitted to amend their by-laws providing for making outright purchase of manure up to five times their paid-up share capital.

(*f*) *Export trade.*—The Dindigul Co-operative Marketing Society exported 300 tons of onions to Ceylon. This was the quota allotted by the Export Trade Controller. Other societies could not export onions and chillies as they did not get orders from the Wholesale Establishment of Ceylon. During the year the Nilgiris Marketing Society exported to Ceylon 6,300 lb. of fresh English vegetables valued at Rs. 12,172.

(*g*) *Distribution of manures, seeds and agricultural implements.*—The subsidised scheme for the purchase and distribution of compost manure, manufactured by municipalities and panchayat boards was continued till 31st March 1950. The sale societies sold compost manure for Rs. 1·40 lakhs. The value of manures (other than compost) sold by them was Rs. 9·14 lakhs as against Rs. 8·29 lakhs in the previous year. Some of the societies continued to purchase and distribute improved varieties of seeds and agricultural implements required by the members. The total value of seeds sold by them duing the year was Rs. 0·79 lakh while the value of agricultural implements distributed by them was Rs. 87·65 lakhs. The value of agricultural implements distributed by the societies in Salem district alone amounted to Rs. 85·18 lakhs.

(*h*) *Controlled Credit Scheme.*—The scheme was in operation in 19 districts during the year as against 14 in the previous year. Fifty-eight societies worked it through 469 rural credit societies and the progress made in the last two years is indicated below :—

Name of the produce.	1949–50. Amount of loans issued.	1949–50. Extent of land covered.	1949–50. Value of produce brought to sale societies.	1948–49. Amount of loans issued.	1948–49. Extent of land covered.	1948–49. Value of produce brought to sale societies.
	RS.	ACS.	RS.	RS.	ACS.	RS.
Paddy	1,45,911	4,940	3,450	1,34,549	6,565	2,60[illegible]
Ragi and cholam	5,650	265	200	7,114	469	1,52[illegible]
Groundnut	5,20,748	14,733	9,71,063	4,55,491	18,514	9,29,75[illegible]
Cotton	76,095	3,464	2,31,936	60,805	3,452	69,49[illegible]
Sugarcane	..	..	..	1,75,988	878	2,72,07[illegible]
Other crops	8,51,863	5,095	3,450	1,67,330	5,813	1,09,414
Total ..	16,00,267	28,497	12,10,099	10,01,277	35,691	13,84,87[illegible]

Six sale societies in Salem district continued to do excellent work. They worked the scheme through 148 rural credit societies disbursed Rs. 1·88 lakhs for cultivation of groundnut and Rs. 45,850

for other crops. The value of groundnuts received for marketing under the scheme was Rs. 5·50 lakhs as against Rs. 4·59 lakhs in the previous year. In the districts of Bellary, Tanjore and Anantapur also the scheme worked well.

The system of appointing marketing panchayatdars to arrange for the collection of produce from members of rural credit societies and for delivery at the sale societies was continued. Good work was done in Salem and Anantapur. During the year 739 societies appointed 839 marketing panchayatdars but only 111 societies brought produce to sale societies to the extent of Rs. 7·43 lakhs and earned a commission of Rs. 17,797.

(*i*) *Special Controlled Credit Scheme in Rayalaseema.*—The special staff of eight Senior Inspectors for the development of sale societies and for working the controlled credit scheme in the Ceded districts was continued during the year. The additional staff of three Senior Inspectors sanctioned to work the scheme in three sale societies in the Chittoor district were also continued. The scheme was worked by eight sale societies through 159 rural credit societies and loans were issued to the extent of Rs. 1·72 lakhs for growing paddy, groundnut, cotton and sugarcane. Two thousand and ninety-two acres were brought under the scheme. The special staff of five Senior Inspectors at the rate of one for each district in the Rayalaseema area sanctioned for the intensive supervision of sale societies in these districts was continued for a further period of one year.

2. *Working of some important marketing societies.*—(*a*) ***The Madras Provincial Co-operative Marketing Society*** had on its rolls 427 members of which 303 are registered societies and 124 individuals. It continued to help the producers' societies and other institutions in getting raw materials and agricultural implements and during the year, purchased goods to the value of Rs. 2·71 lakhs on their behalf. The society is the selling agent for the agricultural implements of the Tata Iron and Steel Company, Limited. It handled controlled articles such as sugar, bengalgram, etc., to the value of Rs. 8·75 lakhs. The society sold Rs. 12·15 lakhs worth of foodgrains on outright basis. The society sends every fortnight a market bulletin to all marketing societies and consumers stores and keeps them in touch with the current market prices of various commodities. The societies' losses were completely wiped out in the year.

(*b*) *The Nilgiris Co-operative Marketing Society* is one of the biggest sale societies in the State with 123 co-operative societies and 2,857 individuals as its members and a paid-up share capital of Rs. 98,980. It arranges to market to the best advantage the potatoes and English vegetables grown by its members, in internal and external markets. During the year, the society marketed 54,690 bags of potatoes valued at Rs. 7·01 lakhs. It exported 6,300 lb. of fresh English vegetables valued at Rs. 12,172 to Ceylon and potatoes and English vegetables to many sister co-operative institutions in the State. It supplied to its members 4,307 bags of manure mixtures valued at Rs. 1·62 lakhs. It acts as the wholesale distributor of agricultural implements in the district.

(c) *The South Kanara Agricultural Co-operative Marketing Society* has 28 branches with its head office at Mangalore. It has 4,672 members with a paid-up share capital of Rs. 59,350. The society deals in arecanut and pepper, which are principal commercial crops of the district. It pools the members' produce such as arecanut, pepper, cashewnuts, cardamoms, coconuts, etc., in villages and sells them at Mangalore either in public auction or through private negotiation for commission. The value of members' produce marketed during the year was Rs. 40·48 lakhs as against Rs. 24·76 lakhs in the previous year. The commission earned by it was Rs. 1·12 lakhs. During the year it issued loans to the members on the pledge of produce to the extent of Rs. 12·81 lakhs. The society supplied domestic requirements and agricultural implements to its members on the joint-purchase system. The value of articles so supplied was Rs. 2·36 lakhs as against Rs. 1·30 lakhs in the previous year. It owns two lorries for the transport of their members' produce. Owing to the steady increase in its business the society was able to wipe out the heavy losses of previous years and to earn a net profit of Rs. 27,560.

3. *Marketing federations.*—Of the five marketing federations, the one at Nellore was liquidated and the Mathurai Marketing Federation did not do any work. The four marketing federations had at the end of the year 1,437 members with a paid-up share capital of Rs. 1·82 lakhs.

(a) *The Tanjore District Co-operative Marketing Federation (Tiruvarur)* had 424 members with a paid-up share capital of Rupees 85,370. During the year it procured foodgrains to the value of Rs. 10·60 lakhs. It has been selected as one of the societies for distribution of chemical manures. It distributed chemical manure and groundnut cake to the value of Rs. 6·14 lakhs. The federation worked at a net loss of Rs. 85,318. It has not yet been able to recoup the losses sustained by it in previous years.

(b) *The West Godavari Marketing Federation* had 110 societies and 184 individuals as its members with a paid-up share capital of Rs. 61,075. It procured 15,120 maunds of paddy and milled it in the mills taken on lease. The federation exported to deficit districts 4·68 lakhs of maunds of rice. It has undertaken wholesale distribution of chemical manures. As a central stores for the district was started only on the 30th June 1950, the services of the federation were used for the distribution of mill cloth also. The federation earned a net profit of Rs. 45,951 for the year.

(c) *Guntur Marketing Federation* had 394 members with a paid-up share capital of Rs. 30,350. During the year it sold goods to the value of Rs. 82,908.

4. *Growers' Co-operative Societies for fruits, vegetables, etc.*—There were sixteen societies of these types in twelve districts at

the end of the year. They had 3,536 members and a paid-up share capital of Rs. 91,964. Loans to the extent of Rs. 1·24 lakhs were issued to members by some of the societies in Cuddapah, East Godavari, West Godavari, Nellore and Visakhapatnam districts. The total value of fruits, betel leaves, etc., marketed by them during the year was Rs. 5·14 lakhs and the commission earned by them was Rs. 27,648. The societies in Cuddapah and East Godavari districts supplied manure, seed and agricultural implements to their members for about Rs. 9,000. The business done by some of these societies is indicated below :—

(a) *Kodur Fruit Growers' Co-operative Society* deals largely in Sathukudi oranges and mangoes grown by its members on a commission basis. It has set up branches at Madras, Bangalore and Hyderabad. During the year, the society marketed fruits to the value of Rs. 3·40 lakhs and earned a commission of Rs. 17,496. It issued loans to its members to the extent of Rs. 1·06 lakhs for improving their gardens. The loans due from members at the end of the year were Rs. 1·10 lakhs. It owns two lorries for the transport of oranges from the growing centre to the grading stations.

(b) *The Palacole Fruit Growers' Co-operative Society* handles lime fruits. The bulk of its produce is sent to Calcutta. During the year it sold Rs. 34,261 worth of limes and earned a commission of Rs. 5,870. The decline in the turnover was due to the cyclone in the Circars. The society constructed a building at a cost of Rs. 37,938 with a loan and subsidy from Government.

(c) *The Guntur District Fruit Growers' Co-operative Society* has 103 members and a paid-up share capital of Rs. 1,170. The value of limes marketed by it was Rs. 57,844. The society earned a commission of Rs. 2,055 for the agency business done.

(d) *Chennur Betel Leaf Growers' Co-operative Society.*—The subsidy of Rs. 7,000 made by Government gave it a fillip and made it work with renewed enthusiasm. It has 52 members with a paid-up share capital of Rs. 6,215. It purchased a pumping set and hired it out to its members. It also purchased a lorry for the transport of betel leaves grown by its members. It marketed betel leaves worth Rs. 42,319 and earned a commission of Rs. 215.

5. *Special scheme for marketing the hill produce in the Kolli hills in Salem district.*—The scheme for the amelioration of the hill tribes in the Kolli hills referred to in my last Administration Report is being worked through the Salem Co-operative Wholesale Stores. The stores maintains five depots and one branch to purchase the hill produce such as fruits, beans, wheat, jack seeds, coffee seeds, etc. Goods worth of Rs. 22,850 were distributed to the hillmen. There is a proposal to collect the coffee seeds grown in that area by the wholesale stores. The matter is under correspondence with the Coffee Marketing Board. Large-scale farming on an extent of 4,479 acres in Attur taluk is also under consideration. Government have sanctioned two Senior Inspectors free of cost to the society and recurring grant of Rs. 1,200 in connexion with the

scheme. The Senior Inspectors carried on propaganda among the hill tribes and advised them to take advantage of the scheme. Government have also constituted an Advisory Committee to guide the Senior Inspectors in the discharge of their work and make the scheme a success.

CHAPTER IV.

Co-operative Dairying—Animal Husbandry and Egg Production.

1. *Milk Supply Unions and Societies*—(a) *General progress.*—A three-year plan for increasing the supply of milk to urban and semi-urban areas in the State introduced in October 1948 in eight districts was extended to eight more districts from October 1949. On 30th June 1950 there were 36 milk supply unions and 535 milk supply societies. The 36 unions had 3,529 members, of whom 403 were feeder societies. The unions had a paid-up share capital of Rs. 2·77 lakhs. The 535 milk supply societies had a membership of 49,952 and a paid-up share capital of Rs. 7·27 lakhs. The total value of milk handled by the unions and the societies during 1948–49 and 1949–50 is shown below :—

	Value of milk and milk products sold.	
	Milk supply societies.	Milk supply unions.
	RS. (IN LAKHS).	RS. (IN LAKHS).
1949–50	83·68	66·19
1948–49	69·70	57·16

Out of Rs. 83·68 lakhs worth of milk sold by the societies, Rs. 41·38 lakhs represent the value of milk supplied to unions. The total value of milk and milk products supplied by the unions and the societies to the consumers during the year increased to Rupees 108·49 lakhs from Rs. 91·86 lakhs during the previous year. Each of the unions at Madras, Coimbatore and Mathurai sold milk exceeding Rs. 5 lakhs in the year. The value of milk sold by the Madras Milk Supply Union exceeded Rs. 25 lakhs. Government exempted for a period of one year all the milk supply co-operative societies from the provisions of section 7 (1) of the Madras Shops and Establishments Act, 1947, which restricts the hours of business of the institutions.

(b) *Supplies to State hospitals, jails, etc.*—The following statement shows the value of milk supplied by co-operative milk supply organizations to State hospitals, jails, etc., during the last two years :—

	Value of milk supplied.	
	1949–50. RS. (IN LAKHS).	1948–49. RS. (IN LAKHS).
Hospitals	12·91	11·37
Jails	2·60	1·90
Municipalities	0·61	0·27
Other institutions	17·34	4·36

(c) *Interest-free Government loans for the purchase of milch cattle.*—Government continued to provide the members of milk-supply societies and unions with interest-free loans for the purchase of milch animals. During the financial year 1949–50, loans to an extent of Rs. 9·99 lakhs were given as against Rs. 9·26 lakhs in the previous financial year. Government wrote off Rs. 1,079–8–0 out of these loans as the animals died of contagious diseases. The loans are popular among the milkmen members. The annual allotment of Rs. 10 lakhs on this account was found inadequate and Government have since raised the allotment to Rs. 12·50 lakhs a year.

(d) *Interest-bearing Government loans for purchase of equipment.*—During the financial year 1949–50 loans to the extent of Rs. 50,000 were given to the milk supply unions at Madras, Mathurai, Cuddalore and Vijayavada and to the Ooty Co-operative Milk Supply Society for the purchase of lorries and motor vans to facilitate transport of milk from feeder societies.

2. *Some important milk supply unions and societies*—(a) *The Madras Milk Supply Union* recorded an all round increase during the year. One hundred and seventeen feeder societies were affiliated to the union at the end of the year as against 104 at the beginning. The union purchased 83·93 lakhs pounds of milk for Rs. 21·56 lakhs during the year as against 75 lakhs pounds in the previous year. It sold 78·27 lakhs pounds of milk for Rs. 25·76 lakhs during the year as against 74·11 lakhs of pounds in the previous year. The union opened booths in the Congress Exhibition and Military Tattoo where surplus milk was disposed of as milk-shake, ice-cream, khova, etc. The union was the sole supplier of milk to all the State hospitals in the Madras City and the Sanatorium at Tambaram. The value of milk supplied to them during the year was Rs. 6·13 lakhs. The average daily supply to the hospitals was 1,680 lb. The union continued to run the dairy farm at Guindy for supply of milk and milk products to His Excellency the Governor of Madras and his staff. Consumers in the City purchase their requirements from the depots set up by the union in different centres in the City or from cycle vendors who go round making door-to-door supply to coupon-holders. The average daily sales to the consumers direct were 16,568 lb. The union has a proposal under consideration to increase the daily production of milk by 5,000 lb. with assistance from the Corporation and Government. The Government have under consideration a proposal to transfer their milk factory to the union.

The union supplied cattle feed to its affiliated societies to the value of Rs. 50,305. The three veterinary first-aid posts and the mobile veterinary unit did useful service in giving medical aid to the animals belonging to the members of the affiliated societies.

(b) *The Coimbatore Co-operative Milk Supply Union* had 52 members with a paid-up share capital of Rs. 18,410 on 30th June 1950. It purchased 25·48 lakhs pounds of milk worth

Rs. 6·45 lakhs and sold 23·54 lakhs of pounds of milk for Rs. 6·83 lakhs. It continued to supply milk to the Government hospital, the Central Jail, Hostels, Maternity homes and other public institutions at Coimbatore.

(c) *The Kozhikode Co-operative Milk Supply Union* had 965 members. During the year it purchased milk and milk products worth Rs. 3·35 lakhs and sold them for Rs. 3·85 lakhs. The union supplied milk to the local Headquarters Hospital, Government Women and Children Hospital, Mental Hospital and the sub-jail. Cattle feed worth Rs. 14,540 was sold to the producer-members. The union issued loans amounting to Rs. 1·47 lakhs to its members out of its own funds to help them to buy new animals when the old ones became dry. It owns three stud-bulls and one buffalo bull. It constructed a pucca cattle-shed for running a salvage farm. An out-house for the care-taker of the farm was also constructed. The union proposes to instal a pump-set for irrigation purposes and for raising green fodder.

(d) *The Tiruchirappalli-Srirangam Co-operative Milk Supply Union* had a membership of 487 with a paid-up share capital of Rs. 9,117. It purchased milk and milk products to the value of Rs. 3·15 lakhs and sold them for Rs. 3·90 lakhs. It supplies milk to the Rajaji T.B. Sanatorium, Municipal Child-Welfare Centres and College hostels.

(e) *The Ootacamund Co-operative Milk Supply Society* had 728 members with a paid-up share capital of Rs. 19,500. It purchased 24·25 lakhs pounds of milk during the year for Rs. 5·84 lakhs and sold 21·35 lakhs pounds of milk for Rs. 6·67 lakhs. The Dairy Development Adviser to the Government of India visited the society and suggested the marketing of surplus milk at Kozhikode. A scheme drawn up in this regard is under consideration.

3. *Dairy Development Schemes*—(a) *Three-year plan*.—The three-year plan for the increase of urban milk supply introduced in October 1948 in eight districts, was extended in October 1949 to another eight districts, viz., Visakhapatnam, East Godavari, Chittoor, Tiruchirappalli, Tirunelveli, Mathurai, Nellore and Ramanathapuram and the remaining districts were covered from October 1950. The Dairy Development Officer, Madras, is in charge of the scheme. Dairy Assistants at the rate of one for each of these districts except Visakhapatnam were appointed to give technical assistance to the milk supply organizations. To attend to the organization and to look after administrative matters Government have also sanctioned one Senior Inspector and one Junior Inspector for each district. The post of Dairy Assistant in Visakhapatnam district and the posts of Veterinary Assistant Surgeons sanctioned under the scheme could not be filled for want of qualified hands. When the three-year plan was drawn up there were 20 milk supply unions and 47 milk supply societies producing 65,000 lb. of milk per day. The number has now increased to

36 milk supply unions and 535 milk supply societies producing 101,562 lb. of milk per day. The scheme aims at increasing the daily average production to 144,600 lb. by the end of the third year, by October 1951 and with the present progress the target of production may be reached soon. The number of towns served by milk supply societies increased from 142 on 30th June 1949 to 175 as on 30th June 1950.

(b) *Milk Recording Scheme*.—The scheme was continued in one society in each of the districts of North Arcot, Chittoor, East Godavari, Guntur, Tanjore and Tirunelveli and in two societies in Coimbatore district. Government continued to give a subsidy of Rs. 350 to each society towards the pay of milk recorder and the value of prizes to be awarded to the owners of milch cows whose milk yield was high. During the year the milk recording scheme was taken up by the Srivilliputhur Milk Supply Society in Ramanathapuram district. At the end of the year there were 355 animals under the scheme. The maximum and minimum yield per animal under the scheme for the period of lactation were 2,072 lb. and 793 lb. respectively. The maximum and the minimum number of days for which each animal was in lactation were 289 and 134 respectively. A sum of Rs. 2,025 was drawn out of Government subsidy towards the pay of milk recorders and Rs. 300 for award of prizes.

(c) *Stud bulls*.—Of the 20 stud bulls towards the cost of which Government sanctioned a subsidy of Rs. 10,000 in 1948–49, 19 studs have so far been purchased by the milk supply societies and unions.

(d) *Cattle-sheds*.—An interest-free loan of Rs. 5,000 was sanctioned to the Tirunelveli Co-operative Milk Supply Society for the construction of a cattle-shed. No municipality in the State has so far come forward to undertake the construction of cattle-sheds to be rented to milk supply societies.

(e) *Madras City Milk Supply Scheme*.—A special staff of one Co-operative Sub-Registrar, five Senior Inspectors and six Junior Inspectors at Government cost continued to assist the Madras Milk Supply Union to augment the supply of milk to the city. The District Veterinary Officer attached to this Union was also continued during the year. He still holds additional charge of the post of Dairy Development Officer, Madras.

4. *Co-operative Creameries and Butter and Ghee Production Societies*.—The scheme for the establishment of co-operative creameries had to be dropped on account of the difficulties involved in the disposal of cream and skimmed milk. The question of organizing butter and ghee production societies has been taken up and the Dairy Assistants are making preliminary surveys. The only creamery society at Karunguzhi in Chingleput district purchased during the year 85,000 lb. milk for Rs. 13,824 out of which it sold 19,362 lb. as liquid milk and converted the balance into butter and cream and curd. The total sale-proceeds of milk products were Rs. 11,572. The services of a Junior Inspector were

continued free of cost during the year. Of the eleven butter and ghee production societies, those at Avanashi in Coimbatore district and T. Kallupatti in Mathurai district did some business. The Avanashi society sold Rs. 14,916 worth of cream, Rs. 12,941 worth of butter and Rs. 4,288 worth of ghee. The T. Kallupatti society sold ghee to the value of Rs. 17,661.

5. *Salvage of dry animals*—(a) *The Madras Co-operative Society for salvage of dry cows.*—During the year the membership and paid-up share capital of the society increased from 462 and Rs. 2,985 to 538 and Rs. 3,400 respectively. The number of cows collected and sent to the Kancha at Kambakkam for salvage was 231 of which 60 belonged to professional milkmen. During the year 227 cows were returned to the owners after calving or during pregnancy and there were 204 cows at the Kancha at the end of the year. A sum of Rs. 18,294 was collected towards salvage fees as against Rs. 18,010 during the previous year.

(b) *The Vattambedu Salvage Society for dry she-buffaloes.*—The society had at the end of the year 57 "A" class members and 148 "B" class members with a paid-up share capital of Rs. 1,802. The Madras Co-operative Milk Supply Union continued to act as agent of this society for collecting dry animals for salvage. During the year 69 animals were sent to the society for salvage. There were 70 animals at the beginning of the year. During the year 86 animals were returned to the owners after salvage. Three animals died during the year on account of foot and mouth disease. There were 50 dry she-buffaloes in the society at the end of the year. The total amount of salvage fees collected during the year was Rs. 5,827. Government continued to assist the society by lending the free services of a Senior Inspector, a stockman compounder and a cattleman and by giving an annual grant of Rs. 460 towards the maintenance of the stud buffalo and cost of medicines. As the society was unable to carry on the work of salvage due to adverse seasonal conditions and for want of finances, the Madras Co-operative Milk Supply Union was requested to carry on the scheme and with the approval of Government, the Union has agreed to it. The Union will work the scheme in the current year.

6. *Cattle-breeding Co-operative Societies*—(a) *General.*—At the end of the year there were 32 cattle-breeding societies with a membership of 2,985 and a paid-up share capital of Rs. 36,264. Twenty-five of them were maintaining 149 stud bulls, 80 rams and 3 buffalo bulls. The bulls rendered 1,838 services during the year. The number of improved calves produced during the year was 573 bull calves, 430 heifers and 128 buffalo calves. The societies received Rs. 18,603 by way of subsidies from Government and other sources.

(b) *Cuddapah Cattle-breeding Scheme.*—All the ten societies in this district were registered and started on work. Each of the ten societies purchased a stud bull. Five bulls rendered 94 services

during the year and eight bull calves were produced during the year.

(c) *Societies in the Salem district.*—The two cattle-breeding societies in the district continued to function. The Mecheri Society maintained 12 stud bulls which rendered 716 services during the year. The number of improved calves produced during the year was 415. The Anchetti Society maintained 9 stud bulls which rendered 629 services. Three hundred and forty-two improved calves were produced. All the 21 bulls were included in the premium scheme of the Animal Husbandry Department.

(d) *Sugalimetta Co-operative Cattle-breeding Society.*—This society was formed for the benefit of the Sugali tribe who are mainly cattle-rearers. The society was granted free services of a Senior Inspector. It had 141 members. It maintained 4 stud bulls which served during the year 210 animals of the members. During the year 56 bull calves and 32 heifer calves were produced.

(e) *Village Livestock Improvement Scheme.*—This scheme for the production of improved breeds of cattle in 34 select firkas in the State has been introduced in four firkas in the first instance. The implementation of the scheme in the Ongole firka in Guntur district and the Palladam firka in Coimbatore district is entrusted to the Co-operative department and the implementation of the scheme in the Alur firka in Bellary district and the Saliamangalam firka in Tanjore district is entrusted to the Animal Husbandry Department. To work the scheme in Ongole and Palladam firkas Government sanctioned a special staff of one Senior Inspector and non-recurring grants of Rs. 4,640 for the purchase of 3 stud bulls, erection of sheds and cost of veterinary outfit, and a recurring grant of Rs. 700 towards premium for the bulls and cost of medicines.

The Special Senior Inspectors were given training for a period of six weeks in the Government livestock research stations. A co-operative society was registered at Ongole for working the scheme. Consequent on the discontinuance of the Kangayam cattle-breeding scheme, the cattle-breeding society at Kangayam in Coimbatore district shifted its headquarters to Palladam and has undertaken to work the scheme. Both the societies will purchase stud bulls and start functioning in the current year. The question of extending the scheme to the remaining 30 firkas is under the consideration of Government.

7. *Poultry farming and egg production.*—At the end of the year there were 44 egg production and sale societies with 2,354 members and a paid-up share capital of Rs. 14,628. They purchased 3·71 lakhs of eggs for Rs. 35,101 and sold 3·69 lakhs of eggs for Rs. 41,069. Consequent on the discontinuance of the scheme for collection and marketing of eggs subsidized by the Government of India, there has been a fall in the business of the societies and many have become dormant.

The first stage of the scheme for poultry-farming and marketing of eggs through the feeder societies of the Madras Co-operative Milk Supply Union has commenced from 1st October 1950.

CHAPTER V.

Co-operative Societies for Harijans and Backward Communities and Miscellaneous types of Agicultural societies.

1. (*a*) *General progress.*—At the end of the year there were 2,679 societies for Harijans and Backward Communities with 188,750 members on their rolls and a paid-up share capital of Rs. 10·95 lakhs and working capital of Rs. 34·08 lakhs. One thousand and thirty-four of these societies were affiliated to Co-operative Central Banks. It is gratifying that the members of these societies contributed Rs. 2·56 lakhs towards thrift deposits. The borrowings of the societies outstanding at the end of the year and due to central banks and Government were Rs. 7·89 lakhs and Rs. 2·70 lakhs respectively. Their reserve fund stood at Rs. 6·58 lakhs. The total loans outstanding against members at the end of the year were Rs. 19·82 lakhs. The main function of the societies was the provision of credit facilities to their members. Some of them arranged for the distribution of domestic requirements of their members on the joint purchase system to the value of Rs. 2·22 lakhs. Some of them encouraged small cottage industries and distributed to members raw materials valued at Rs. 10,650. The value of finished goods sold through the societies was Rs. 1,04,200. In order to place these societies on a firm footing, Government sanctioned a subsidy of Rs. 35,000 yearly and permitted me to grant subsidies at a rate not exceeding Rs. 30 per mensem to each of the deserving Harijan societies and other societies composed of backward communities, towards the cost of maintenance of a clerk. During the financial year ended 31st March 1950, a sum of Rs. 28,513 was disbursed to societies.

In addition, local credit societies were advised to take in Harijans and persons from other backward communities as members and provide them credit facilities. On 30th June 1950 as many as 98,084 persons belonging to these communities were members of 5,856 credit societies. These members contributed a share capital of Rs. 5·48 lakhs and held deposits in the societies to the extent of Rs. 1·64 lakhs. Loans amounting to Rs. 13·15 lakhs were issued to them during the year and Rs. 16·35 lakhs were outstanding against them at the end of the year. The admission of Harijans and other backward classes in local co-operative societies and the provision of credit and other facilities through them, have been progressively on the increase.

(*b*) *Supervision of the Harijan and Kallar societies.*—The supervision of co-operative societies for Kallars in Mathurai district continued to be done by a special co-operative staff under the administrative control of the Harijan Welfare Department. Other

societies of this type were under my administrative control. The societies in circles in which the system of supervision on a territorial basis is not in force were supervised by a special staff of 28 Junior Inspectors.

2. *Societies for the Agency hill tribes.*—The hill tribes of the Agency tracts in the Visakhapatnam, East Godavari and West Godavari districts present a difficult problem. Government are anxious to improve their lot and have appointed a special staff to explain to them the benefits of co-operation and to train them in co-operative methods and practice. The special staff has been attending the shandies where these hill people assemble in large numbers and has been carrying on educative propaganda. They have been explaining to them the advantages of selling the hill produce collected by them through co-operative societies instead of through merchants who exploit them by purchasing the produce at cheap rates and selling the commodities required by them at extremely high prices. Efforts are made by the special staff to ameliorate the condition of the hillmen in the following ways :—

(i) Getting a reasonable price for the forest minor produce collected by them,

(ii) supplying their domestic requirements at cheap rates, and

(iii) providing cheap credit facilities for cultivation expenses.

Under the ten-year plan now under formulation, more co-operative societies are proposed to be organized to improve the socio-economic condition of these people and to inculcate the habit of self-help and thrift among them.

Societies in the Visakhapatnam district.—In the Visakhapatnam district, two Agency societies on limited liability basis were functioning during the year. The hillmen of the Agency areas of Ananthagiri in Srungavarapukota taluk and Gudem in Narsapatnam taluk have in some measure realized the benefits of co-operative action. The two societies had 3,395 members on their rolls with a paid-up share capital of Rs. 4,968. The reserve fund and working capital were Rs. 1,608 and Rs. 14,318, respectively. They made purchases to the extent of Rs. 34,057 and effected sales to the tune of Rs. 36,464.

Societies in the West Godavari district.—With a view to affording credit facilities to the hillmen of the Agency areas in the West Godavari district, a co-operative credit society was started in Puliramunigudem. It has a share capital of Rs. 212. In the Achiapalem society there were 106 members. During the year, Rs. 1,145 were disbursed as loans to 43 members. The Bayyangagudem Co-operative Society took adda leaf plates worth about Rs. 1,100 from the members for joint sale. Arrangements are being made to develop this activity on a large scale.

Societies in the East Godavari district.—In the East Godavari district, 15 societies provided credit facilities to their members. To enable the Koyas and the Reddis of the East

Godavari district, Government have sanctioned a scheme of subsidy through the co-operative stores at Chirala, Kannavaram and Bhadrachalam. The first two stores opened depots for collection of the hill produce gathered by these men. Each depot is in charge of a Senior Inspector. The inspectors arrange for the distribution of controlled and essential commodities required by them through the depots. Subsidy is given by Government at Rs. 50 per mensem for each depot towards the maintenance of accounts and establishment charges. The Bhadrachalam Stores is providing better facilities to the hillmen. It is given a Senior Inspector for the purpose and Government have sanctioned to it a subsidy of Rs. 9,000 for being given to the stores towards the maintenance of the depots. For opening similar depots in the Polavaram Agency of the West Godavari district, the Godavari Central Stores is given a grant of Rs. 2,640 towards the cost of establishment and rent for four depots. The services of a Senior Inspector have been given to it free of cost for the purpose. Steps are also being taken to organize, wherever conditions permit, forest coupe co-operative societies, land colonization societies, grain banks, marketing societies or multi-purpose societies for the benefit of the hillmen.

The scheme for helping the hill tribes of the Kolli Hills has already been referred to in the chapter on "Co-operative Marketing". The Atmakur Chenchu Co-operative Purchase and Sale Society in Kurnool district works for the uplift of the Chenchus and arranges for the sale of the hill produce collected by them at favourable prices. The value of hill produce sold was Rs. 8,573. Amelioration of hillmen is a slow process and results can be achieved only by sustained endeavours.

It is needless to add that co-operative organization of hillmen is, for obvious reasons, bound to be slow, hard, sometimes even disappointing, but, however difficult the path, the department is sparing no effort to carry the message and to popularize co-operative action among one of the most backward and illiterate sections of the community.

3. *Sugarcane growers co-operative societies and unions.*—On 30th June 1950, 13 sugarcane growers' co-operative societies and unions were functioning in the State. They had 8,699 members and a paid-up share capital of Rs. 2·09 lakhs. The societies issued loans to their members to the extent of Rs. 10·89 lakhs for cultivation of sugarcane. A sum of Rs. 8·33 lakhs was outstanding against the members at the close of the year. During the year, 5,550 tons of sugarcane, valued at Rs. 4·56 lakhs, were cultivated by the members of these societies and 1,700 tons of sugarcane, valued at Rs. 1·28 lakhs, were supplied to the sugar factories working in the area. To assist the sugarcane growers' societies in the maintenance of their accounts, and to carry on propaganda among their members and to act as liaison officers between the societies and the managements of the sugar factories, Government sanctioned a special staff of one Senior Inspector, one lower division clerk and a peon for Visakhapatnam district and a Senior Inspector, a Junior Inspector, a lower division clerk and a peon for the Bellary district. The staff in the Bellary district functioned up to 23rd December 1949. Government have since sanctioned post of one Senior Inspector for Bellary district, whose cost is to be met on a 50 : 50 basis by the State Government and the Indian Central Sugarcane Committee.

4. *Sugar factories.*—The Etikoppaka Co-operative Agriculture and Industrial Society, Limited, in the Visakhapatnam district continued to function with its sugar factory of 75 tons daily crushing capacity. On 30th June 1950, it had a paid-up share capital of Rs. 3,19,883. During the crushing season 1949–50, the factory worked for 105 days, 6,196 tons of sugarcane were crushed and 543 tons of sugar were produced. The percentage of recovery of sugar was 8·77. The cyclone in the Circars and the high price for jaggery, affected the cane supply to the factory. The recovery was low partly due to the poor quality of sugarcane affected as it was by the cyclone and partly due to a vacuum trouble in the machinery during the peak period of the season. The society went ahead with its proposal to set up a large factory of 600 tons crushing capacity. The original proposal for the import of machinery from the United Kingdom was dropped in view of the heavy cost of the plant and the delay involved in its transport. The society has, therefore, selected second-hand plant at Pipraich in the Western Uttara Pradesh. Arrangements for its purchase and transport are in progress. The society has been sanctioned a loan of Rs. 20 lakhs by the Madras Provincial Co-operative Bank towards cost of machinery and construction of the new factory.

5. *Other types of societies—(a) The Valparai Co-operative Thrift Bank.*—The Co-operative Thrift Bank at Valparai in Coimbatore district was registered for the benefit of the labourers in the Anamalai Plantation Estates with the main object of promoting thrift and self-help among them. This is the only thrift bank established for the Anamalai Hills covering about 150 square miles with 45 estates and over 40,000 labourers. Government sanctioned the free services of a Senior Inspector who is charged with the duty of bringing home to the labourers the advantage of joining bank and of counteracting the hostile propaganda on the part of the vested interests like money-lenders, shop-keepers, etc. Government were also pleased to sanction a sum of Rs. 3,000 as subsidy to the Bank to meet a portion of its working expenses. During the year under report, Rs. 2,750 were drawn in instalments and disbursed to it. At the end of the year there were 1,297 members on the rolls with a paid-up share capital of Rs. 6,364. A sum of Rs. 23,280 was collected as thrift deposits from the members during the year. The outstanding amount under thrift collections on 30th June 1950 was Rs. 14,845. The Bank is becoming popular. It has recently amended its by-laws providing for the issue of jewel loans.

(b) The Guntur District Tobacco Growers' and Curers' Co-operative Society.—It has jurisdiction over Guntur district and the

Kandukur taluk of Nellore district. It has its head office at Ongole and branches at Chirala and Guntur. Its objects are to purchase coal in bulk and distribute it to its members for curing tobacco, to purchase and distribute manure for tobacco cultivation and equipments, accessories and fuel needed for the curing of tobacco by its members. It had 1,210 members and a paid-up share capital of Rs. 81,100. The society obtained a cash credit accommodation of Rs. 4 lakhs from the central bank. It drew 6·47 lakhs from this cash credit account. The entire amount was repaid before 30th June 1950. It purchased 30,841 tons of coal for Rs. 7·46 lakhs and sold coal worth Rs. 10·61 lakhs during the year. It sold zinc sheets for construction of barns to its members for Rs. 36,060. The Director of Controlled Commodities has allotted 32,500 tons of coal to the society this year as against 25,000 tons in the previous year. The proposal to set up a redrying factory is under consideration. The gross profits of the society for the year were Rs. 64,154 and its net profit was Rs. 25,744.

(c) *The South Kanara Bee-keeping and Honey Production and Sale Society, Limited, Mangalore.*—The society has 220 members with a paid-up share capital of Rs. 1,164. The members own and maintain about 587 bee-hives. They produced about 3,000 lbs. of honey of the value of Rs. 5,250 during the year. The society has opened model apiaries at three select centres for imparting practical instruction to its members in modern methods of bee-keeping. It purchased during the year hives and appliances costing Rs. 1,326. The fieldmen of the Agriculture department lent free of cost to the society by Government, toured for 147 days, interviewed 145 bee-keepers in 56 villages and helped them to extract honey with the help of the honey extractor and imparted instruction in clearing the hives and destroying insects. The society supplied 43 hives to its members and introduced 101 hives. The following demonstrations were conducted during the year :—

(a) Hiving wild colonies	101
(b) Feeding the bees..	11
(c) Control of swarming	38
(d) Extraction of honey	45
(e) Interchange of brood combs	27
(f) Giving comb foundation sheets	39
(g) Providing supers with combs	34

The society participated in the Agricultural exhibition held at Mangalore which was opened by the Hon'ble the Chief Minister. It arranged for shows at Kumbla and Badiyadka in the Firka Development area. The society has also published a book on " Bee-keeping " in Kannada.

(d) *Tirukattupalli Apiary Co-operative Society.*—This society has 206 members on rolls with a paid-up share capital of Rs. 275.

It supplied hives to the members and marketed the honey produced by them. The total production and sale during the year were Rs. 718 and Rs. 616, respectively. The society was given a subsidy of Rs. 100 towards half the cost of the equipment purchased by it.

CHAPTER VI.

Consumer's Co-operative Societies.

1. *Primary or Retail Co-operative Stores (excluding schools and college students' stores)*—(a) *General progress.*—The policy as regards consumers' co-operatives is to consolidate the progress already made. While mushroom growth was prevented, organization of co-operative stores in promising places where there was a real need, was not rejected. The stores opened branches in places where there was no scope for independent stores. In view of this policy, the number of branches rose from 1,426 to 1,843 during the year. There were 1,743 primary stores. The progress made by them during the last two years is indicated below :—

	1949-50.	1948-49.
Number of stores functioning	1,743	1,764
Number of branches and sales depots maintained by them	1,843	1,426
	(IN LAKHS).	(IN LAKHS).
Number of members	5·79	5·83
	RS. (IN LAKHS).	RS. (IN LAKHS).
Paid-up share capital at the end of the year	97·02	111·86
Reserve Fund at the end of the year ..	67·19	53·64
Borrowings from central banks	67·91	145·11
Borrowings from other sources	56·08	42·15
Total working capital	288·20	352·76
Purchases made during the year	2,360·25	2,198·70
Sales during the year	2,559·16	2,307·37
Gross profits	117·22	112·91
Net profits	30·70	28·30
Trading loss	5·03	1·75

The fall in the number of members and their paid-up share capital is due to the fact that dormant stores which were incapable of revival, were weeded out. The following statement indicates the proportion of owned and borrowed capital to the total working capital in the last two years :—

Percentage to total working capital.

	1949-50.	1948-49.
	RS.	RS.
Share capital	33·68	31·71
Reserve fund	23·31	15·21
Borrowings from central banks ..	23·56	41·12
Borrowings from others	19·45	11·96
	100·00	100·00

The position is encouraging.

(b) *Business.*—With the continuance of intensive procurement of foodgrains and rationing throughout the State, the consumers' movement recorded an increase in business during the year. The total purchases made by all retail societies amounted to Rs. 23·60 crores as against Rs. 21·99 crores in the previous year. Their total sales also increased from Rs. 23·07 crores to Rs. 25·59 crores. Goods to the value of Rs. 6·92 crores representing 28 per cent of their total purchases were brought from the wholesale stores. Foodgrains and other controlled goods in respect of which the societies are not free to make a choice, constitute the bulk of their purchases. In many cases they are allotted to the private wholesalers near their areas for their supplies and this largely contributed to the low percentage of their purchases from the Co-operative Wholesale Stores. On a resolution passed at the Conference of the representatives of Co-operative Wholesale Stores and others at Madras in June 1949, I requested Government that the primaries might be allotted only to Co-operative Wholesale Stores for their supplies. The Board of Revenue agreed to keep this principle in view as far as possible. It has at the same time stated that, if the retail societies are far away from the wholesale stores, they would be allotted only to a private dealer, as this is in the interests of the consumer. Government agreed with this view. The primaries are advised to take their supplies of other commodities only from the Co-operative Wholesale Stores to the extent possible.

The following table furnishes an interesting analysis of the commodities sold by the retail societies :—

	1949–50.	Percentage to total.	1948–49.	Percentage to total.
	RS. (IN LAKHS.)		RS. (IN LAKHS.)	
1 Foodstuffs	1,695·26	66·27	1,475·35	63·94
2 Groceries	383·88	15·00	306·75	13·08
3 Cloth—				
(a) Mill cloth	243·46	9·52	337·32	14·64
(b) Handloom goods ..	58·39	2·28	66·25	2·87
4 Drugs— Medicines and infant foods.	10·40	0·41	4·02	0·17
5 Other consumer goods ..	160·05	6·22	110·83	4·80
6 Vegetables, fruits, etc. ..	1·66	0·06	3·78	0·16
7 Fuel	6·06	0·24	3·07	0·34
Total ..	2,559·16	100·00	2,307·37	100·00

It is natural that the sale of foodstuffs continued to dominate their trade. There was also an increase in sales of other goods such as groceries, other consumer goods, etc., even though the consumers' movement has had to concentrate its attention, for obvious reasons, on the distribution of food and other controlled goods. There was, however, a steep fall in the sale of mill cloth

brought about principally by the cancellation of textile quotas to co-operatives.

Consignment business.—Some of the primaries helped producers' co-operatives in the sale of their goods on consignment basis, though many of them confined their activities to the distribution of essential goods, like handloom and mill cloth, manures, brass and copper vessels, fruits, groundnut and other oils, etc., produced by co-operatives. The business done on this account during the year amounted to Rs. 1·64 lakhs.

The system of obtaining articles like foodstuffs, etc., required by the jails and borstal schools from co-operative stores in pursuance of the orders of Government, was continued. Ninety-one stores supplied articles worth Rs. 15·31 lakhs to jails and certified schools. It is also a matter for satisfaction to note that some of the stores supplied articles worth Rs. 2·24 lakhs to Government and local board hospitals, Rs. 7·37 lakhs worth of goods to Devasthanams and Mutts and Rs. 3·78 lakhs worth of goods to educational institutions and hostels.

The Indian Coffee Board continued to supply coffee seeds to the retail co-operative stores through the district wholesale stores for sale to the public at the rates fixed by it. The value of coffee seeds supplied was Rs. 31·87 lakhs. Though the quantity supplied was small, distribution through co-operatives acted as a check on the traders in keeping prices at a reasonable level. The Indian Coffee Board has accepted my recommendation and appointed Sri T. Raghavachari, Secretary of the Coimbatore Stores and Bank as one of the four persons representing coffee trade interests on the Indian Coffee Board.

(c) *Profits.*—The following table shows the number of stores that earned profit or suffered loss in the last two years :—

	1949–50.		1948–49.	
	Number of stores.	Amount.	Number of stores.	Amount.
		RS. (IN LAKHS.)		RS. (IN LAKHS.)
1 Total number of primary stores	1,743	..	1,764	..
2 Gross profit earned ..	1,389	117·22	1,510	112·92
3 Trading loss sustained ..	257	5·03	191	1·75
4 Net profits earned	801	30·70	944	28·30
5 Net loss sustained	900	19·15	786	16·78

It may be seen that while there was an increase in the net profits earned by some stores, there was also an increase in the net loss sustained by some of them mainly by the stores in the South Arcot, Bellary, Cuddapah, Visakhapatnam, Srikakulam, East Godavari, West Godavari, Guntur, Kurnool, Nellore, Madurai, Ramanathapuram, Salem and Tirunelveli districts. It has long been the experience that consumers co-operatives in the delta districts have not been progressive and broad based. A rise in their running expenses including salaries and wages of employees has in some measure contributed to the losses of the retail societies. It is obvious that co-operators should more than ever continue to have their war-time faith in the utility and the healthy influence of consumers' co-operation, board-base the retail co-operative trade, enlist members, tighten up vigilance and control over employees and stabilize the working of consumers' co-operatives.

(d) *Procurement operations by primary stores.*—Consumers' stores undertook procurement of foodgrains during this year also and the work done by them in this regard during the last two years is shown below :—

	1949–50. Quantity. TONS.	1949–50. Value. RS. (IN LAKHS.)	1948–49. Quantity. TONS.	1948–49. Value. RS. (IN LAKHS.)
Procured during the year ..	39,009	107·68	71,164	224·72
Sold during the year	38,694	112·72	65,572	214·85
Stock on 30th June 1950 ..	2,055	5·54	16,696	48·23

The quantity and value of different commodities procured by them in the year are indicated below :—

	Procured. Quantity. TONS.	Procured. Value. RS. (IN LAKHS.)
Paddy and rice	34,716	91·65
Millets	4,252	15·20
Others	41	0·83
Total ..	39,009	107·68

The business done in respect of imported foodgrains was as below :—

Articles. (1)	1949–50. Stocks imported. Quantity. IN TONS. (2)	Stocks imported. Value. RS. (IN LAKHS.) (3)	Sold. Quantity. IN TONS. (4)	Sold. Value. RS. (IN LAKHS.) (5)
Paddy and rice	62,971	199·84	69,092	220·66
Millets	23,019	86·30	27,503	110·86
Others	2,922	12·62	2,726	13·23
Total ..	88,912	298·76	99,321	344·75

Articles.	1948–49. Stock imported. Quantity. TONS. (6)	Stock imported. Value. RS. (IN LAKHS.) (7)	Sold. Quantity. TONS. (8)	Sold. Value. RS. (IN LAKHS.) (9)
Paddy and rice	65,388	220·64	60,103	221·86
Millets	26,616	67·69	25,241	64·52
Others	3,084	14·69	3,113	14·55
Total ..	95,088	303·02	88,457	300·93

There was a fall in the procurement and import business done by the stores in 1949–50. Failure of crops is the major reason. I also insisted on the stores taking my previous permission so that incompetent stores may not undertake the business and land themselves in loss. Only such stores as were financially strong and commanded the necessary funds were permitted to take up the work.

(e) *Role of retail co-operatives in rationing.*—With the rationing in force in the State, co-operative stores were as usual entrusted with the distribution of foodgrains both in the statutory and informal rationed areas. In the statutory rationed areas, 210 stores maintained 729 ration shops with nearly 4½ lakhs of cards registered with them. In the informal rationed areas, 809 stores had 1,644 ration shops with 9·08 lakhs of card-holders. The total value of foodgrains distributed through these co-operative ration shops during the year was Rs. 1,273·02 lakhs, of which Rs. 534·60 lakhs represent the value of foodgrains sold in the statutory rationed areas.

(f) *Classification of retail co-operative stores.*—The following table shows the volume of business done by the urban, semi-urban and rural stores in the past two years :—

	1949–50. Number of stores.	1949–50. Purchases. RS. (IN LAKHS).	1949–50. Sales. RS. (IN LAKHS).	1948–49. Number of stores.	1948–49. Purchases. RS. (IN LAKHS).	1948–49. Sales. RS. (IN LAKHS).
Urban	278	1,065·24	1,121·69	271	923·94	935·27
Semi-urban	363	700·71	828·10	389	672·75	683·51
Rural	1,102	594·30	609·37	1,104	602·01	621·59

The view is held, in some quarters, that rural co-operative stores would collapse with the return of normal conditions after the war. The statement appended will show that there are stores in the rural areas which have been doing appreciable business. When controls are withdrawn, they will have to depend on their own members for business. Every endeavour is therefore being made to increase their membership. Inducement is offered to them to take more shares by making available a reasonable share of profits for distribution as dividend and bonus. Towards this end, stores which have built up large reserves have been permitted to reduce the proportion of net profits to be taken to the reserve fund from 40 per cent to 25 per cent. Government have amended rule XII (*c*) of the rules framed under the Act so as to enable consumer co-operatives to give their members bonus on purchases at the rates prescribed in the by-laws subject to a maximum of 25 per cent of their net profits. Control over the special staff is tightened and every attempt is being made to ensure intensive supervision of stores. Government sanctioned an additional staff of 10 Senior Inspectors for the supervision of stores during the year. On 30th June 1950, there were 26 Co-operative Sub-Registrars and 55 Senior Inspectors for the work. Supervision fees have been levied at 5 per cent of the net profits on stores societies earning profits exceeding Rs. 1,000. The fees levied amounted to Rs. 1·70 lakhs for the year 1949–50 and they more than covered the cost of the special staff of Senior Inspectors.

(*g*) *Working of some important primary stores.*—(i) *The Triplicane Urban Co-operative Society.*—There was a steady increase in the membership, share capital and turnover of the Triplicane Urban Co-operative Society. The following figures indicate the progress :—

	On 30th June 1950.	On 30th June 1949.
Numbers of members	18,075	16,553
	RS.	RS.
Paid-up share capital	1,86,293	1,77,272
	1949–50.	1948–49.
	RS. (LAKHS).	RS. (LAKHS.)
Sales	155·20	140·16

The part played by the Triplicane Urban Co-operative Society in the equitable distribution of Bengalgram and dhall had a steadying influence on its prices. Direct import of rice from Nellore and Tanjore areas for distribution to the card-holders was continued in the year and enabled it to ensure uniform quality. Some of the depots set up during the war have established themselves and there has been a justifiable feeling that they should be converted into branches and that the members admitted from their areas should be permitted to elect representatives to the board of directors of the society in the same way as the branches do. This question is under the consideration of the society. Government paid to the Triplicane Urban Co-operative Society Rs. 87,000 being the balance of *ex-gratia* grant of Rs. 1·87 lakhs in recognition of the services rendered by it in running the War-time Emergency Reserve Stock Maintenance Scheme. With this grant, the society has undertaken to construct its head office buildings at Triplicane. His Excellency the Governor of Madras laid the foundation stone for the new buildings. The society has also made arrangements to put up buildings for its branches at Tambaram and Venkataramanapuram.

(ii) *The Madras Provincial Indian Medical Practitioners' Co-operative Pharmacy and Stores.*—This society has 777 members with a paid-up share capital of Rs. 47,250. During the year, it purchased drugs for Rs. 1·18 lakhs and manufactured medicines worth Rs. 1·07 lakhs. The value of medicines sold by it was Rs. 2·38 lakhs. The society earned a net profit of Rs. 47,503. It opened two sales depots, one at Vijayavada and the other at Kakinada. The society is constructing a building with a "Pakasala" and other appurtenances for carrying on its business at a cost of Rs. 2 lakhs. Government have given it a loan of Rs. 1·50 lakhs at a low rate of interest repayable in 20 years. The society has transactions with members all over the State. The question of amending its by-laws constituting a representative general body for the election of directors and for other purposes, in view of its far-flung membership, is under consideration.

(iii) *The Tiruvarur Co-operative Stores* in Tanjore district is one of the progressive co-operative stores. It has introduced several new activities for the benefit of the consuming public. It runs a medical shop and has employed a qualified compounder to administer medicines. It has opened a canteen whose sales during the four months of its working amounted to Rs. 15,523. It serves 400 to 500 visitors daily. It has also opened a meals section towards the close of the year and serves food to about 100 persons a day. The working of the canteen, however, resulted in a loss of Rs. 488 owing to heavy establishment charges. Steps are being taken to work it as a profitable concern. The stores has opened a reading room.

(iv) *The Tungabhadra Project Co-operative Stores.*—It is intended for the benefit of the employees working in the project area. It has 193 members with a paid up share capital of Rs. 7,190. It has opened a branch and seven ration shops. A special permit for the import of 120 tons of rice direct from Tadepalligudem has been issued to the stores, for distribution among the officers, staff and labourers employed on the Dam site and canal. The stores gets gingelly oil direct from Samalkota for the use of its members and the public. Its total sales during the year amounted to Rs. 13·09 lakhs. The Regional Transport Authority has allotted to the stores a route permit to run a bus service between Hospet Railway station and the Dam site for the convenience of the members, officials and labourers. A petrol-driven bus was purchased and put on road. Government have permitted the stores to amend its bylaws for the conservation of the rebate on the purchases of non-members into a welfare fund to be used for such objects and welfare measures in the area of its operations as may be decided by it in consultation with the Welfare Officer of the Project.

(v) *The Chandrasekarapuram Co-operative Stores* in Tanjore district is one of the flourishing rural co-operative stores in the State. It has developed its business all round. Its sales during 1949–50 exceeded Rs. 5 lakhs. Besides procurement, it deals in consumers goods, groundnut cake and cycles. The society has been entrusted with the distribution of chemical manures.

2. *Co-operative Wholesale Stores*—(*a*) *General progress.*—Including the West Godavari District Co-operative Central Stores, which was started on the last day of the year, there were on 30th June 1950, twenty-four co-operative wholesale stores in the State. The progress made by them in the last two co-operative years is indicated in the following table :—

	1949–50.	1948–49.
Number of societies	24	23
Number of members	12,615	12,442

	1949–50. RS. (IN LAKHS).	1948–49. RS. (IN LAKHS).
Paidup share capital	36·64	36·70
Reserve fund	42·75	30·56
Borrowings from central banks outstanding at the end of the year	177·96	322·07
Borrowings from others	15·87	22·51
Working capital	273·22	411·84
Value of purchases during the year	1,842·36	2,528·90
Value of sales during the year	2,333·12	2,513·23
Gross profits	70·69	77·55
Net profits	20·38	31·79
Trading loss	..	..
Net loss	0·04	..

There was a shrinkage in their trade and a consequent fall in their net profits which were only two-thirds of those in the previous year. One of the main contributory factors is the decline in the business of mill cloth consequent on the cancellation of the textile quotas. The value of mill cloth sold during the year was Rs. 248·71 lakhs as against Rs. 545·37 lakhs in the previous year. As the stores had unsaleable varieties of mill cloth, most of them had to reduce the price considerably to find a sale for them.

(*b*) *Financial position.*—The general financial position of the wholesales continued to be sound. All except the South Kanara Co-operative Central Wholesale Stores and the West Godavari Co-operative Stores, which started work only on 30th June 1950, worked at profit. The South Kanara Co-operative Central Wholesale Stores sustained a net loss of Rs. 4,316 notwithstanding its annual business of about Rs. 3 crores. This was due to the inadequate margin on the procurement work undertaken by it. It expressed its inability to undertake monopoly procurement for the Khariff year 1950–51. Government have partially complied with its request for enhanced margins, subsequently and the stores has taken up the work and has represented to Government that it should be given the full margin applied for by it. This is under the consideration of Government.

The large funds required by the wholesale stores for procurement and other business were provided by the respective central banks with the financial assistance given by Government. During the year the central stores borrowed Rs. 14·83 crores from the central banks. A sum of Rs. 1·78 crores was outstanding against them at the end of the year.

(*c*) *Business*—(i) *Purchases.*—An analysis of purchases made by the co-operative wholesale stores from the various sources discloses that out of total purchases of Rs. 18·42 crores, the value of foodgrains purchased was Rs. 8·27 crores. The value of purchases made through sister co-operative institutions was Rs. 0·50 crores.

(ii) *Sales.*—Of the total sales of Rs. 23·33 cores, the value of goods sold to members was Rs. 7·93 crores. The business done in different commodities in the last two years is indicated below :—

	1949–50. RS. (IN LAKHS.)	1948–49. RS. (IN LAKHS.)
Food stuffs	1,977·12	1,693·29
Groceries	71·19	96·98
Cloth—		
(*a*) Mill made	248·71	545·37
(*b*) Handloom	0·64	0·30
Drugs— Medicines and infant foods	0·10	0·44
Other consumer goods	24·07	174·46
Vegetables, fruits, etc.	4·45	2·39
Fuel	0·03	..
Manures, etc.	6·81	..
Total	2,333·12	2,513·23

Foodstuffs constituted as usual the bulk (85 per cent) of the sales. The sales of mill cloth showed a decline—they were less than 50 per cent of the sales in the previous year, due to the cancellation of textile quotas to co-operatives. The business in consumer goods declined owing partly to pre-occupation of the wholesales with procurement work and their feeling of hesitancy which was influenced by unsteady market conditions. It is being repeatedly impressed on the wholesales that they should enlarge their business in non-food lines so that they may be able to hold their own when controls are withdrawn.

During the year eleven wholesale stores sold goods worth Rs. 7·27 lakhs on agency basis and earned a commission of Rs. 5,838. They also continued the supply of the requirements of jails and Borstal schools, hospitals, etc., and the value of goods supplied is indicated below :—

	RS. (IN LAKHS.)
Jails and certified schools	15·78
Hospitals	2·57
Devasthanams and Mutts	0·44
Educational institutions	4·59
Total	23·38

(*d*) *Procurement and import of foodgrains.*—The wholesale stores in South Kanara, Bellary and Kurnool were entrusted with monopoly procurement in their respective districts. In other districts, the wholesales were given monopoly procurement in restricted areas. Except the wholesale stores in the districts of East Godavari, West Godavari, Guntur, Malabar, Tiruchirappalli, Tanjore and Nilgiris, the co-operative wholesale stores in the remaining

17 districts were entrusted with local procurement of paddy, rice and millets. The business done by them in respect of procurement and import of foodgrains during the last two years is shown below :—

1949–50.

(1)	Paddy and rice. Quantity. TONS. (2)	Paddy and rice. Value. RS. (IN LAKHS). (3)	Millets. Quantity. TONS. (4)	Millets. Value. RS. (IN LAKHS). (5)
Procurement.				
Procured during the year ..	1,22,940	345·88	34,806	81·06
Sold	1,41,273	427·52	37,803	95·63
Stock at the end of the year ..	11,580	30·63	3,538	8·25
Imports.				
Imported	1,93,815	724·91	35,259	89·10
Sold	2,04,371	815·15	35,638	104·06
Stock at the end of the year ..	8,767	34·26	1,575	4·24

1948–49.

	Paddy and rice. Quantity. TONS. (6)	Paddy and rice. Value. RS. (IN LAKHS). (7)	Millets. Quantity. TONS. (8)	Millets. Value. RS. (IN LAKHS). (9)
Procurement.				
Procured during the year ..	95,793	292·62	10,566	22·89
Sold	72,867	234·82	5,385	14·36
Stock at the end of the year..	32,104	96·97	6,023	13·19
Imports.				
Imported	2,47,053	889·29	58,576	147·21
Sold	2,61,741	1,024·25	55,322	143·91
Stock at the end of the year ..	27,019	102·65	4,621	12·39

The volume of procurement done by the wholesales during the year was greater than that of the previous year. There was, however, a decline in the import business handled by them.

(e) *Business in mill cloth.*—As stated in my Administration Report for 1948–49, co-operatives were entrusted with the distribution of mill cloth to the consumers in the State, so that they might act as check shops on the normal trade channels. The special quota allotted to them was about 3,000 bales consisting of the cloth of Mettur Mills, Buckingham and Carnatic Mills, the South Indian and the Bombay Mills. But it was stopped by Government in January 1950 with a view to encourage sales of handloom cloth through co-operatives. The co-operative wholesale stores in the 22 districts, the West Godavari Marketing Federation, the Triplicane Urban Co-operative Society in Madras acted as wholesalers for the respective districts in procuring the stocks of mill cloth from the mills, and select primary stores were entrusted with retail distribution. During the year the co-operatives procured 9,100 bales of mill cloth

valued at Rs. 117 lakhs. Fifteen thousand and one hundred and forty bales of cloth were sold for Rs. 202 lakhs. Retail distribution was undertaken by 2,883 retail co-operative depots.

The stoppage of the special quota to co-operatives, resulted in a considerable shrinkage in the volume of business of the co-operatives in general and of wholesale stores in particular. As a result of representations made, Government permitted such of the co-operative societies as were doing mill cloth business during the previous control, to deal in mill cloth according to the strict needs of their members. Under the existing orders only primary stores, rural credit societies, employees societies, etc., which were doing mill cloth business during the previous control will be linked to wholesale dealers for the supply of Bombay surplus area and South Indian Mills cloth. These societies will have to make their own arrangements to get their requirements of Buckingham and Carnatic and Mettur cloth direct from the mills or through their wholesalers. The co-operative wholesale stores will not be given any quota of mill cloth; nor will they be linked to any wholesale consignee for supply of mill cloth. These co-operative institutions will have to make their own arrangements to obtain mill cloth from lapsed quotas or from the 1/3rd production reserved for the miller's choice. The mill cloth business of the co-operatives should be restricted only to the needs of their members.

The withdrawal of the special quota earmarked for the co-operatives and the imposition of the restrictions mentioned above, handicapped the societies in getting the required varieties of mill cloth. Several representations were made by co-operative organizations all over the State for the restoration of the special quota. A deputation of the representatives of co-operative wholesale stores led by Sri T. A. Ramalingam Chettiar waited on the Hon. the Chief Minister and the Hon. Minister for Industries in June 1950 and presented a memorandum requesting the restoration of the special quota to co-operatives. Final orders of Government are awaited.

(f) *Distribution of groundnut oil-cake.*—The scheme of distribution of groundnut oil cake through co-operatives on subsidized basis remained in force till the end of December 1949. All the twenty-two co-operative wholesales and the marketing federations at Tiruvarur and Eluru continued to procure the balance of the controlled portion of groundnut cake from the millers and distributed it to the ryots at controlled prices though the price and production of groundnut cake was decontrolled in January 1949. During the year they procured 5,497 tons of groundnut cake from the millers and sold 7,094 tons (including their opening stocks) for over Rs. 10 lakhs. The co-operative wholesale stores in surplus districts acted as agents for procurement and despatch of stocks from the surplus to deficit zones. The retail distribution was in the hands of 366 societies such as stores, sale societies, agricultural improvement societies, and village credit societies including retail depots of wholesale stores. In accordance with the scheme sanctioned in G.O. No. 4074, dated 4th August 1948, Government gave a subsidy of Rs. 40,296 to 10 co-operative wholesale stores to enable them to meet the establishment and overhead charges for the period ended 31st December 1948. The subsidy worked out to 9 per cent as against the ceiling margin of 15 per cent allowed in the scheme. A further claim for a subsidy of Rs. 1,08,567 for the period ended 31st December 1949 was submitted to Government and their sanction is awaited.

(g) *Distribution of chemical fertilizers*.—Under the State Trading Schemes, the distribution of chemical fertilizers to ryots was done by the Agriculture Department. In November 1949, Government ordered that a dozen reliable co-operative societies might be selected for the transfer of this work from the Agriculture Department to co-operatives as an experimental measure. In this Pilot Scheme, 20 societies in ten districts (viz., Tanjore, Tiruchirappalli, Mathurai, Chingleput, South Arcot, North Arcot, East Godavari, West Godavari, Guntur and Nellore) were selected and the scheme was brought into effect by the end of February 1950. Meanwhile in G.O. No. 131, Food and Agriculture, dated 20th January 1950, Government decided to transfer the work relating to distribution of chemical fertilizers from the Agriculture Department to co-operatives on a State-wide basis, stage by stage, by the end of June 1950. Accordingly a large number of societies including rural credit societies was selected in each district for the distribution work with a view to enable the ryots to get the fertilizers in their own villages or at nearby centres. The scheme contemplates the distribution of fertilizers by the co-operatives and tender firms on a 50 : 50 basis. The margin allowed to the co-operatives for this work is Rs. 15 per ton in respect of Ammonium Sulphate and Rs. 20 per ton in respect of Super Phosphate. The co-operatives have cleared their quota by about the end of October 1950. Twenty-two co-operative wholesale stores, the West Godavari and the Tanjore Marketing Federations and the Lalgudi Sivagnanam Co-operative Agricultural Society have been selected as wholesalers. Primary societies like co-operative marketing societies, agricultural improvement societies, rural credit societies doing multi-purpose activities and select stores societies have been entrusted with retail distribution. The wholesalers pay the cost of the allotments on intimation by the Joint Director of Agriculture and on receipt of the stock distribute them to the retail societies. The co-operative wholesale stores have opened depots for retail sales wherever primary societies could not be selected for distribution. As there has been disparity in the price of Ammonium Sulphate sold by co-operatives or tender firms depending on whether the stocks were taken from Agricultural depots or received direct from Madras, Government have, with a view to equalize the prices, instructed the Joint Director of Agriculture to see that stocks are either moved from Madras or given from agricultural depots to co-operatives and tender firms in such a way that parity of stocks as between co-operatives and tender firms is achieved and equalization of price is effected. Super Phosphate is, however supplied to the co-operatives direct from the producing companies. The subsidized sale of Super Phosphate (i.e., sale at half the cost) was in force till 30th June 1950 and this has since been extended till 31st March 1951. The retail distribution was undertaken by 397 primary societies. There were 545 retail centres inclusive of depots opened by primaries and co-operative wholesale stores for distribution at the end of June 1950. The number of depots has now exceeded 1,600. Till the end of June 1950, co-operatives bought 24,680 tons of chemical manures valued at Rs. 88·21 lakhs and in the short period of three months ending 30th June 1950 sold 3,359 tons to the value of Rs. 11·47 lakhs. As the agricultural season advanced, the sale became brisk.

(h) (i) *Fabrication and distribution of agricultural implements*.—In accordance with the orders contained in G.O. No. 6250, dated 17th December 1948, the co-operatives continued to distribute fabricated agricultural implements to the ryots during the year. Twenty-five co-operative societies which were approved as fabricators, manufactured agricultural implements out of raw materials allotted to them by the Joint Director of Agriculture. They purchased raw materials worth Rs. 1·79 lakhs and manufactured agricultural implements worth Rs. 1·74 lakhs. They sold implements valued at Rs. 2·42 lakhs both to co-operative societies and ryots direct.

Two hundred and two co-operative societies were selected for distribution of agricultural implements. They purchased implements worth Rs. 2·05 lakhs from fabricators and from agricultural depots. The total sales made by them during the year amounted to Rs. 1·50 lakhs.

(ii) *Distribution of iron and steel*.—The co-operatives were at first entrusted only with the distribution of fabricated agricultural implements while the distribution of iron and steel was retained with the Agriculture Department. In view of the representations made by the co-operators, Government in their Order No. 131, Food and Agriculture, dated 20th January 1950 directed that the distribution of iron and steel should also be transferred from the Agriculture Department to co-operative societies. Under the above orders, the co-operatives are to procure the agricultural quota of iron and steel from the registered stockholders and sell them to the ryots with a margin ranging from Rs. 35 to Rs. 45 per ton.

(i) *Other activities—Processing*.—Some of the co-operative wholesale stores undertook processing activities. The main processing work was the hulling of paddy into rice. Ten wholesale stores hulled paddy worth Rs. 130·06 lakhs. Other activities included conversion of gram into dhall and of maize and wheat into flour, etc., but the business in these directions was not much.

3. *School and college students' stores*.—These societies continued to do useful work. Their number increased from 303 on 30th June 1949 to 345 as on 30th June 1950. Their paid-up share capital was Rs. 81,618. There has been an increase in their profits. The societies, particularly those in Guntur, Madras,

Malabar and Kumbakonam did appreciable work and the value of books sold by them was Rs. 1·01, Rs. 2·81, Rs. 1·10 and Rs. 3·44 lakhs, respectively. All the societies put together effected savings of Rs. 13,649 to their members. The progress of all the stores during the last two years is indicated below :—

	1949–50	1948–49
Number of societies	345	303
Number of members—		
(i) Students	21,186	20,241
(ii) Teachers	6,203	4,737
(iii) Associates	15,280	19,474
Paid-up share capital	81,618	55,334
	RS. (IN LAKHS)	RS. (IN LAKHS)
Value of books purchased—		
(i) On indent from members	1·79	1·67
(ii) At societies' risk	14·82	9·36
Value of books sold—		
(i) Out of those purchased on indent ..	1·89	2·64
(ii) Out of those purchased at societies' risk.	14·50	9·11
Value of stationery articles purchased ..	0·28	1·19
Value of stationery sold	1·45	1·22
Value of stationery held at the end of the year.	3·03	2·45
Net profit earned	0·74	0·57
Net loss sustained	0·18	0·13

4. *Distribution of consumers goods by other types of societies.*—As in previous years, a large number of rural credit societies, employees societies, etc., continued to distribute foodgrains and other controlled articles and supplemented the work of the stores in an equitable distribution of essential articles. The business done by them during the year is indicated below :—

	Rural credit societies.	Limited liability societies.	Employee societies.	Others.	Total.
Number of societies ..	2,039	3	69	22	2,133
	RS. (IN LAKHS)	RS. (IN LAKHS)	RS. (IN LAKHS)	RS. (IN LAKHS)	RS. (IN LAKHS)
Value of commodities purchased	187·64	3·84	20·54	13·10	225·12
Value of commodities sold.	200·69	3·54	21·78	13·54	239·55
Value of stock at the end of the year	9·61	0·43	1·00	0·27	11·31
Profit earned—					
Number of societies ..	1,158	2	48	13	1,221
	RS. (IN LAKHS)	RS. (IN LAKHS)	RS. (IN LAKHS)	RS. (IN LAKHS)	RS. (IN LAKHS)
Amount	4·19	0·25	1·03	0·19	5·66
Loss sustained—					
Number of societies ..	529	1	17	9	556
	RS. (IN LAKHS)	RS. (IN LAKHS)	RS. (IN LAKHS)	RS. (IN LAKHS)	RS. (IN LAKHS)
Amount	2·06	0·02	0·07	0·01	2·16

The number of rural credit societies which undertook distribution work has been increasing from year to year. They were 940 on 30th June 1948, 1,271 on 30th June 1949 and 2,039 on 30th June 1950. This is evidence of the growing realization on the part of the villagers to make use of co-operative institutions for supply of their essential requirements. During the year 1948–49, 23 per cent of rural credit societies which undertook distribution of essential commodities sustained losses. During the year 1949–50, 26 per cent worked at loss. I am asking the Deputy Registrars to examine the case of the societies which sustained losses and take suitable steps so that this business may not interfere with their normal working.

5. *Working of producers'-cum-consumers' co-operative societies —(a) Reorganization of producers-cum-consumers co-operative societies.*—The work of reorganization of producers-cum-consumers co-operative societies both in the Circar districts and Malabar was pushed through vigorously by the special staff. The intensive procurement of foodgrains entusted to the twenty-two producers-cum-consumers' co-operative societies in the Ramachandrapuram and Kakinada taluks in the East Godavari district was discontinued from 1st April 1950 and their reorganization into normal types of societies was taken up immediately thereafter. By the end of June 1950, the reorganization of 120 out of 168 societies in the Circar districts was taken up and the re-registration of 106 societies was completed by the end of the year as shown below :—

1 Marketing Societies	95
2 Stores Societies	3
3 Urban Banks	6
4 Building Societies	1
5 Amalgamation with Rural Bank	1
Total ..	106

The registration of such of those societies as refused to reorganize themselves and were anxious to refund the share capital of their members, was cancelled. The re-organization and the re-registration of the remaining societies has since been completed. The latest position is that 127 societies transformed themselves into one or another type of normal co-operative organizations while 41 societies were liquidated. An appeal against liquidation is pending with Government in the case of one society.

(*b*) *Procurement work by Producers-cum-Consumers Societies in East Godavari district.*—Twenty-one Producers-cum-Consumers societies and two marketing societies in the Ramachandrapuram and Kakinada taluks entrusted with monopoly procurement, did the work for five months in the khariff year 1949–50. The paddy yield in the area was considerably affected by the cyclone havoc in October 1949. The merchants carried on propaganda against the societies. In spite of these handicaps, the societies under the very good supervision of one of the Deputy Registrars (Sri R. Adisesha Nayudu) were able to procure 12,234 tons of paddy representing 65 per cent of the target. The monopoly procurement was terminated with effect from 1st April 1950 and merchants were appointed in their places. I may in passing record that in his review on the progress of procurement for the period ending 10th June 1950, the Collector of East Godavari district stated that the procurement for the first and second crops by the merchants was 25,367 tons in these two taluks, whereas in the corresponding period of previous year the Producers-cum-Consumers societies had procured as much as 44,694 tons according to the review for the week ended 11th June 1949.

(c) *Producers-cum-consumers co-operative societies in Malabar district.*—There were 107 Producers-cum-Consumers Co-operative Societies in Malabar. They had 187,278 members with a paid-up share capital of Rs. 44·56 lakhs. The progress made by them is shown below :—

	1949–50	1948–49
Number of societies	107	107
Members	187,278	174,801
	RS. (IN LAKHS)	RS. (IN LAKHS)
Paid-up share capital	44·56	47·11
Reserve Fund	26·77	23·52
Borrowings from Central Bank	6·98	36·82
Borrowing from others	26·25	22·38
Other funds	12·52	16·37
Total working capital	117·08	146·20
Value of goods purchased	1,231·39	1,169·18
Value of goods sold	1,670·37	1,375·26
Net Profit	25·45	26·84
Net Loss	0·50	6·70

Their main business was procurement of foodgrains. During the year they procured 108,284 tons of paddy as against 115,532 tons in the previous year. This decline was partly due to the failure of second crop and partly to the enforcement of procurement regulations under which rent paddy due from tenants to the Jenmis was set off towards the domestic consumption of the farmer. The societies also acted as wholesale and retail distributors of foodgrains, kerosene, sugar and other essential articles. Six societies ran provision stores. The total purchases of the Producers-cum-Consumers Co-operative Societies amounted to Rupees 1,231·39 lakhs and their sales were Rs. 1,670·37 lakhs. Seventeen societies purchased 35 pumpsets for Rs. 95,726 and five societies purchased tractors for Rs. 60,000 for the benefit of their members. Three hundred twenty-eight ryots used the pumpsets to irrigate 1,355 acres; 288 ryots used the tractors to plough 308 acres of cultivable lands. Government have authorized the Collector to

permit the societies to utilize their reserve funds, to the extent of 50 per cent or Rs. 10,000 whichever is less, for providing more pumpsets, etc., in pursuance of the Grow More Food Campaign. Eleven societies have put up godowns using their building fund to the extent of Rs. 1·38 lakhs with a storage capacity of a lakh of bags. The societies are financed by the Malabar District Bank for local procurement. Import of foodgrains is generally done on Government account, the societies paying their cost after the grains are sold. The amount due to Government on 30th June 1950 under this head was Rs. 3·14 lakhs. The societies are under the administrative control of the Collector, with a Deputy Collector as his Personal Assistant on whom the powers of the Registrar under section 51 (5) of the Madras Co-operative Societies Act have been conferred. The reorganization of these societies has been taken up on hand. By the end of June 1950, 98 societies adopted enbloc amendments with a view to converting themselves into the following approved types of societies :—

Agricultural Co-operative Societies ..	7
Credit Societies	22
Marketing Societies	62
Multipurpose Societies	5
Urban Banks	1
Stores	1
Total ..	98

The amendments will be registered after they have ceased to be entrusted with procurement. The remaining 9 societies are not agreeable to reorganization.

Particulars of Select Primary Rural Co-operative Stores.

Name of the Deputy Registrar's Circle.	Name of Stores.	Membership as on 30th June 1950.	Share capital as on 30th June 1950.	Number of depots and branches.	Value of purchases during the year 1949–50.	Value of sales.	Reserve Fund.	Other reserves.	Net profit.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
			RS.		RS. (IN LAKHS).	RS. (IN LAKHS).	RS.	RS.	RS.
Arcot, South ..	Pennadam ..	414	8,404	2	1·79	1·90	5,750	..	2,129
Bellary	Narayanadevarakari.	110	4,010	1	0·47	0·50	..	..	2,200
Chingleput ..	Naravarikuppam.	131	4,350	1	1·21	1·33	7,049	2,529	1,152
Chittoor	Pakala ..	162	3,834	1	0·57	0·55	9,315	..	684
Erode	Chennimalai ..	261	22,400	4	12·04	13·39	8,642	32,710	10,848
Godavari, East ..	Kotipalli ..	163	2,355	..	0·35	0·38	19	547	1,463
Godavari, West ..	Bhimadole ..	36	3,260	..	0·51	0·53	722	58	..
Guntur	Zoolakallu ..	162	5,100	..	0·73	0·95	..	..	486
Kasargode	Nileshwar ..	776	5,998	11	6·28	6·84	21,495	14,004	8,731
Krishna	Naidugudem ..	172	7,410	..	0·62	0·63	1,025	..	1,602

Name of the Deputy Registrar's Circle. (1)	Name of Stores. (2)	Membership as on 30th June 1950. (3)	Share capital as on 30th June 1950. (4) RS.	Number of depots and branches. (5)	Value of purchases during the year 1949–50. (6) RS. (IN LAKHS).	Value of sales. (7) RS. (IN LAKHS).	Reserve Fund. (8) RS.	Other reserves. (9) RS.	Net profit. (10) RS.
Madurai	Pattiveeranpatti.	235	15,153	8	3·44	3·64	21,551	23,789	3,071
Malabar	Payyanur ..	216	7,870	7	3·35	3·42	7,099	1,012	6,671
Nellore	Venkatagiri ..	220	17,648	8	3·90	6·38	19,361	35,478	2,611
Nilgiris	Kundah ..	882	11,565	2	8·96	10·04	24,885	7,050	24,566
Ramanathapuram.	Ramachandrapuram.	190	4,235	8	1·19	1·30	2,245	1,408	7,251
Salem	Pallipalayam ..	569	10,450	5	2·85	3·19	3,675	6,843	3,031
Kumbakonam ..	Chandrasekarapuram.	589	17,630	2	5·57	5·49	15,803	4,154	5,683
Tirunelveli ..	Tisayanvillai ..	618	6,728	24	11·75	13·20	34,808	22,580	11,644

CHAPTER VII.

Weavers Co-operative Societies.

1. *General progress.*—The handloom cloth industry passed through a critical phase during the first half of the year owing to severe slump occasioned by the dullness in export markets and the free flow of mill cloth into the internal market. The primary weavers' co-operative societies as well as the Madras Handloom Weavers' Provincial Co-operative Society had to sell the cloth at less than cost price in order to prevent accumulation of stock. As a result they incurred heavy losses. They were also obliged to effect serious cuts in their production. The second half of the year, however, began to witness signs of slow improvement.

2. *Membership and share-capital.*—There was a decline both in the number of societies and membership from 953 and 154,815 at the beginning of the year to 941 and 149,393, respectively, at the close of the year. Similarly, there was a slight fall in the number of looms from 134,985 to 134,653. The following table shows the progress :—

	1949–50.	1948–49.
1 Number of societies	941	953
2 Number of members	149,393	154,815
3 Number of looms in the societies	134,653	134,985
	RS. (IN LAKHS.)	RS. (IN LAKHS.)
4 Paid-up share capital	65·98	72·60
5 Borrowings outstanding	101·30	83·44
6 Reserve Fund	72·44	62·48
7 Working capital	259·72	267·58
8 Value of cloth produced	370·38	690·49
9 Value of cloth sold	489·56	704·39
10 Net profits	4·28	22·76
11 Net loss	90·59	19·07

It may be seen that there was a general fall both in the production and sales and the societies had, for reasons already set forth, to face heavy losses. Some of the societies set off the losses against their reserves. Nevertheless, it is gratifying that at the end of the year, the societies had reserve funds amounting to Rs. 72·44 lakhs, price fluctuation reserves amounting to Rs. 20·67 lakhs, wages equalization funds of Rs. 3·59 lakhs and building funds of Rs. 9·45 lakhs. During the year, the societies collected Rs. 5·78 lakhs as thrift deposits from their members. The thrift fund in the societies at the close of the year amounted to Rs. 8·13 lakhs. During the year the societies distributed wages, dividend and bonus to their members to the extent of Rs. 94·81 lakhs. Government have recently amended the rules providing for the payment of bonus to members of weavers societies according to the rate prescribed in their bylaws, in proportion to the value of goods produced by them and supplied to the society subject to a maximum of 25 per cent of their net profits. This is calculated to promote the members' loyalty towards their societies.

3. *Marketing.*—The societies as usual marketed most part of their goods locally as well as through 104 emporia and depots of the Provincial Society. Besides, they also supplied cloth to co-operative stores which undertook the sale of handloom cloth on a large scale following the cancellation of their mill cloth quotas. Handloom cloth was sold by multipurpose rural societies as well. The primary weavers co-operative societies maintained 105 depots for the sale of their cloth. Out of the total sales of Rs. 489·56 lakhs effected during the year, sales through the Provincial Society amounted to Rs. 72·99 lakhs. The value of handloom cloth supplied to co-operative stores and other types of co-operative institutions was Rs. 12·08 lakhs and Rs. 3·70 lakhs respectively. Sales to merchants came to Rs. 256·89 lakhs and sales to consumers direct amount to Rs. 109·92 lakhs.

4. *The Yemmiganur Weavers Co-operative Society.*—In the last year's report, a reference was made to the working of the Yemmiganur weavers co-operative society which is the biggest of its kind in the State. During the year, there was a decline in its membership as well as its business. At the end of the year, the society had 1,614 members on rolls with a paid-up share capital of Rs. 90,543 as against 1,771 members and a paid-up share capital of Rs. 81,887 at the beginning of the year. The society's production and sales during the year were Rs. 10·93 lakhs and Rs. 10·99 lakhs respectively as against Rs. 14·23 lakhs and Rs. 12·48 lakhs during the previous year. The society supplied goods to the value of Rs. 1·48 lakhs to the Provincial Society. It has a reserve fund of Rs. 3·75 lakhs, building fund of Rs. 2·35 lakhs and price fluctuation fund of Rs. 0·43 lakh. The society is running two branches. It has also a dye house, a calendering machine, a weaving factory and a printing section and a staff of technical experts to operate these units. The society proposes to introduce automatic looms.

The preparation of ready-made garments for sale is another line of business, which is engaging the attention of the society.

5. *Weavers Co-operative Housing Schemes.*—The Yemmiganur Weavers Co-operative Society made good progress in carrying out its scheme to provide decent houses to its members at reasonable cost. The construction of sixty of the first batch of 100 houses has been completed and the remaining are in various stages of construction. In addition to the society's own funds, Government loans of Rs. 2 lakhs have so far been invested in the scheme. The colony of sixty houses built under the scheme was opened by His Excellency the Governor of Madras on 25th July 1950. Some of the houses have since been occupied by the members.

The Ondipudur Weavers Co-operative Society in Coimbatore district is another society which made equally good progress in this direction. So far the society has completed thirty-two houses and the construction of the remaining houses is progressing. The first batch of twenty-two houses was opened by the Hon'ble the Chief Minister. Government sanctioned a loan of Rs. 74,000 which was fully drawn and utilized. The application of the society for an additional loan of Rs. 26,000 is pending with Government.

A third society which deserves mention in this connexion is the Pedakundla Weavers Co-operative Society in Kurnool district. This society has so far completed the construction of 16 out of 20 houses proposed under its scheme and the remaining four houses will soon be completed. This society was sanctioned a Government loan of Rs. 22,750.

Besides, nine more weavers societies, three in North Arcot district, one in Chittoor district, one in Bellary district, one in Anantapur district, one in Cuddapah district and two in Salem district have taken up housing schemes. Government have approved the schemes and sanctioned loans aggregating Rs. 5·06 lakhs. The societies will begin construction as soon as the proceedings for the acquisition of house-sites have been completed. Two more societies in the Erode circle of Coimbatore district also propose to undertake similar schemes for the benefit of their members.

6. *Levy of supervision fees.*—On a reference made by Government, I proposed that such weavers societies as have worked at a profit should be required to meet the cost of the staff for supervision and that the rate of contribution might be fixed at 2 per cent of the net profits earned by a society in a co-operative year subject to a maximum of Rs. 500 in each case. Government approved the proposal and ordered that it should be given effect to from 1st July 1948. Supervision fees were accordingly levied for the year 1948–49. A total sum of Rs. 45,738 was levied as supervision fees and Rs. 43,570 collected, leaving a balance of Rs. 2,168 pending collection as on 30th June 1950.

7. *The Madras Handloom Weavers' Provincial Co-operative Society.*—The business of the Provincial Society received a set-back during the year as a result of the slump. The disposal of huge stocks accumulated in its emporia and godowns presented a serious problem to the society. Prices were cut down. The reduction in prices and an improvement in the market conditions in the latter half of the year helped the society to dispose of most of its old stocks. During the year the membership and share capital of the Provincial Society increased from 2,628 and Rs. 3·43 lakhs to 2,740 and Rs. 3·82 lakhs respectively. The purchases and sales of finished goods during the year amounted to Rs. 55·24 lakhs and Rs. 63·27 lakhs respectively as against Rs. 81·90 lakhs and Rs. 117·47 lakhs respectively during the preceding year. During the year, the society purchased yarn worth Rs. 196·62 lakhs as against Rs. 793·20 lakhs purchased during the previous year. This was mainly due to the fact that during the previous year the society was entrusted with the distribution of yarn to the weavers outside the co-operative fold as well. The society earned a net profit of Rs. 84,424 for the year. It had reserve fund and other funds amounting to Rs. 40·69 lakhs at the end of the year. The working capital of the provincial society on the last day of the year was Rs. 63·77 lakhs.

(a) *Collective Weaving Centres.*—The Provincial Society maintains six collective weaving centres. It introduced a scheme of standaridization of cloth in these centres and its other manufacturing units in order to give the cloth produced better appearance and enable it to compete successfully with the mill cloth in the market. During the year, cloth to the value of Rs. 7·59 lakhs was produced in the collective weaving centres.

(b) *Handloom factories.*—Besides the four handloom factories in Basin Bridge, Kurnool, Cuddalore and Kodumur already working one new factory was started at Adoni in Bellary district. These factories produced different varieties of cloth valued Rs. 1,11,981 during the year.

(c) *Printing factory.*—The printing factory of the Provincial Society at Madras continued to function during the year and it printed 19,180 yards of cloth.

(d) *Dye factories.*—Two of the society's nine dye factories those at Vellore and Tiruttani were closed down during the year.

(e) *Co-operative Spinning Mill.*—In pursuance of the proposal to start a spinning mill with 11,000 spindles allotted to it by the Government of India, the Provincial Society constituted a special committee to attend to all preliminary arrangements. A scheme for the constitution of a separate co-operative society to run the mills with an initial capital of Rs. 30 lakhs, has been drawn up and submitted to Government. The scheme contemplates a Government loan of Rs. 10 lakhs to the Provincial Society in connexion with the establishment of the mill.

(f) *Calendering plant.*—In order to give better finish to the handloom cloth, the Provincial Society proposed to instal calendering, bleaching, printing and dyeing plants at a cost of Rs. 5·60 lakhs and the State Government agreed to meet 25 per cent of the cost and requested the Government of India to meet a portion of the cost from the handloom development fund. The orders of the Government of India are awaited.

(g) *Marketing.*—Marketing of handloom cloth produced by the primaries as well as its manufacturing units presented, as has been already stated, a difficult problem. The three Deputy Registrars appointed as Regional Marketing Officers continued to explore and tap the markets. The intensive marketing scheme formulated in the previous year was in force in Cuddapah and Bellary districts from 1st March 1950. The Assistant Marketing Officers secured bulk orders from merchants in the respective districts. The three Regional Marketing Officers entered into forward contracts with the primary societies and secured the supply of saleable varieties of goods to the emporia. Besides they bought goods from the primaries on outright basis. The Provincial society's wholesale depots at Calcutta, Colombo and Trivandrum and its emporia at Hyderabad and Secundarabad continued to function and popularise handloom cloth in outside markets.

(h) *Export trade.*—Exports of handloom cloth to other countries during the year were generally dull. Owing to lack of import licences in Pakistan, no exports on any large scale could be made to that country while the unsettled political conditions in South East Asian countries prevented the resumption of any large scale export trade with them.

This State has been the traditional exporter of Madras Handkerchiefs to the West and South Africa. In recent years, this trade has received a set back on account of the restrictions imposed on the issue of import licences and the operation of the English Patents' Act in that country. This, added to the exploitation by private exporting merchants, led to agitation on the part of the Madras Handkerchief weavers. Government have recognized the need for relief to these weavers and promised to render all assistance to the Provincial Society to open emporia in Africa and such other countries with which the society can build-up export trade relations. The matter is receiving the attention of Government and the Provincial Society.

8. *General.*—The slump in handloom industry led to a series of ameliorative measures both by the Central and the State Governments. As early as November 1949, the Government of India announced their intention to purchase one-third of their textile requirements in the shape of handloom cloth. Though this announcement has not been followed up by any large scale purchases of handloom cloth either by the Central or State Governments till now, it is hoped that it will form the basis for future Government policy.

(a) *Scheme of reservation.*—A second step in aid of the handloom industry was the Government of India's decision to reserve ten items of cloth exclusively to be produced by the handlooms. This scheme of reservation came into force from 1st June 1950 and the weavers societies in the State have responded promptly by undertaking the production of reserved varieties. Over 350 weavers' societies employing 40,000 looms are engaged in the production of reserved varieties and the average value of goods produced by them was about Rs. 20 lakhs per month.

(b) *Relief scheme.*—Realizing the hardships of the weavers thrown out of employment as a result of the slump Government sanctioned a scheme of relief to 12 districts during the year. The scheme has since been extended to seven more districts, where the distress was acute. Under the scheme, any weaver who wanted to join a weavers' co-operative society was given an interest-free loan of Rs. 25 towards share capital to be recovered in twelve monthly instalments. Government guaranteed the repayment of loans borrowed from central banks by weavers' societies working the scheme and the reimbursement of any business losses arising in working the scheme. Five thousand two hundred and sixty-seven weaver-members were admitted into the societies under the scheme and a sum of Rs. 77,835 was given to them towards share capital advances during the year. Yarn valued Rs. 8·34 lakhs was distributed to the members. The production of only utility varieties like dhoties, sarees and towels was permitted and Government sanctioned the services of technical supervisors to draw up designs and specifications and to render such other technical assistance to the societies working the scheme. The relief scheme has since been wound up in most of the districts owing to an improvement in handloom trade. It is now in operation only in the districts of Bellary, Tirunelveli and Salem and in the Erode circle of Coimbatore district. So far none of the societies which worked the scheme sustained loss.

(c) *The Madras State Handloom Committee.*—The Madras Government have recently constituted the State Handloom Committee (which is representative of handloom weavers, cloth merchants, yarn dealers and mill owners) to advise Government on the steps to be taken to help the handloom industry in all possible ways.

9. *Yarn distribution.*—During the year, the modified scheme of distribution of yarn to half the number of the total looms in the State by the Provincial Society continued to operate. Under this scheme, the Provincial Society was expected to distribute 9,256 bales of yarn per month out of which 6,351 bales were intended for supply to the members of weavers' co-operative societies and 2,905 bales to non-members. But owing to scarcity of yarn, particularly of lower counts, the Provincial Society was not able to get adequate supplies even to meet the internal demands of the primary societies and, therefore, it could not supply yarn to societies for external distribution though most of the societies held the necessary licences for distributing yarn to outside looms.

During the year as against 76,135 bales indented for by the Provincial Society for internal consumption, the Director of Controlled Commodities allotted only 46,650 bales and out of these only 26,158 bales were actually supplied by the mills. The position in this regard continues to remain unsatisfactory. The Provincial Society fully repaid the Government loan of Rs. 2 crores sanctioned in connection with the scheme of yarn distribution.

10. *Cumbly Weavers' Co-operative Societies*—(a) *General*.—The following 10 cumbly weavers' co-operative societies continued to function :—

1 Doddaghatta Cumbly Weavers' Co-operative Society.	Anantapur district.
2 Beluguppa Cumbly Weavers' Co-operative Society.	Do.
3 Kudithini Cumbly Weavers' Co-operative Society.	Bellary district.
4 Nitravati Cumbly Weavers' Co-operative Society.	Do.
5 Bishlahalli Cumbly Weavers' Co-operative Society.	Do.
6 Salkapuram Cumbly Weavers' Co-operative Society.	Kurnool district.
7 Budithapadu Cumbly Weavers' Co-operative Society.	Do.
8 Dharmajigudem Cumbly Weavers' Co-operative Society.	West Godavari district.
9 Soundarajapuram Cumbly Weavers' Co-operative Society.	Mathurai district.
10 Kanumole Blanket Weavers' Co-operative Society.	Krishna district.

Besides one more society was registered during the year at Pedatummidi in Krishna district. The societies produced cumblies and druggets of various sizes and shades. They also supplied cumblies according to specifications to the Government of India and others. There were 418 looms in these societies on 30th June 1950. During the year, the societies produced goods valued at Rs. 21,366 and sold goods valued at Rs. 22,715. At the end of the year, they held stock valued at Rs. 3,349. The working of these societies is supervised by one designer and one Junior Inspector of Co-operative Societies. There is a proposal to introduce fly shuttle looms in these societies. Already the Bislahalli Cumbly Weavers' Co-operative Society constructed a factory with fly shuttle looms and a beginning has also been made in this direction in the Salkapuram Cumbly Weavers' Co-operative Society. The question of securing adequate Government assistance to these societies with a view to train the members in modern methods of weaving has been taken up with the Rayalaseema Development Board.

(b) *Bishlahalli Cumbly Weavers' Co-operative Society*.—The management of the factory constructed by the society with the assistance of Government was taken over by the Madras Handloom Weavers' Provincial Co-operative Society during the year 1948–49. A proposal to construct a wool-shearing yard as an adjunct to the weaving factory for the shearing of wool under improved conditions is under consideration. In January 1950, Government sanctioned a subsidy of Rs. 400 to this society to enable it to pay premium at the rate of one anna per sheep brought into the society's shearing yard.

(c) *The Eluru Pile Carpet Weavers' Co-operative Society*.—On 30th June 1950, there were 120 members on the rolls of the society with a paid-up share capital of Rs. 3,425. It borrowed Rs. 5,000 from the Central Bank for its business. The society sold carpets worth Rs. 30,758 as against Rs. 26,060 during the preceding year. During the year, the society took part in the All-India Co-operative Exhibition convened by the All-India Co-operative Union, New Delhi. The Hon'ble Ministers of the Indian Union including the Prime Minister visited the society stall and appreciated the fine workmanship of the carpets displayed. The society was given a first-class certificate of merit at the Exhibition.

(d) *The Ayodhyapatnam Pile Carpets Weavers' Co-operative Society*.—This society provides employment to the trained ex-toddy tappers and is the only one of its kind in the Salem district. During the year, the society purchased yarn and other raw materials valued at Rs. 8,234, produced finished goods to the value of Rs. 3,453 and sold goods worth Rs. 13,198. There were 22 cotton carpet looms and four woollen drugget looms working in the society's factory. The drugget looms are idle owing to want of raw materials and of demand for woollen goods. Production of cotton carpets was also handicapped for want of yarn of required lower counts. The Regional Marketing Officer, Madras, is trying to contact foreign markets for the goods of the society. Efforts have been made to secure raw materials for the society. Government have sanctioned the services of a Senior Inspector free of cost to the society.

11. *Khadi societies*.—On 30th June 1949, there were 12 khadi societies in the State. Following the promulgation of the Madras Khadi (Development) Order, 1949, the question of formation and expansion of khadi co-operative societies, in areas where the All-India Spinners' Association and Government Khadi production centres were not functioning and the building of a good marketing organization were discussed at a conference of the Registrar with the Provincial Firka Development Officer, held in the last week of August 1949. Based on the proceedings of this conference, Government passed orders directing the formation of co-operative societies for production and sale of khadi. Under this scheme, six new khadi societies were started during the year, raising the total number to 18 on 30th June 1950.

Beyond the loan of Rs. 2,000 sanctioned by Government during the previous year to the Madras Khadi Development Society to purchase, motors and other accessories, no fresh loan or other financial assistance was granted to any of the khadi societies. On a representation made by the society I recommended to Government the waiver of the entire interest on the loan. I also recommended to Government the retention of the Senior Inspector sanctioned to the society free of cost for a further period of one year.

12. *Powerloom Weaving as a cottage industry.*—In the last year's report I stated that Somanur Weavers' Co-operative Society in Coimbatore district was selected for undertaking powerloom weaving as a cottage industry and that two members were selected to work the powerlooms. The society has since secured two powerlooms and installed one of them and has also been provided with electric power to work the loom.

The Peelamedu Weavers' Co-operative Society in Coimbatore district which proposed to take to powerloom weaving, applied to the Textile Commissioner, Bombay, for the necessary licence to import powerlooms. But the Textile Commissioner has declined to comply with its request in view of the prevailing scarcity of yarn.

CHAPTER VIII.

Cottage Industrial Co-operative Societies (other than Handloom Weavers' Co-operaitve Societies).

1. *General progress.*—A statement showing the progress made by the different types of cottage industrial co-operative societies during the year 1949–50 is furnished below :—

Type of society.	Number of societies.	Number of members.	Paid-up share capital.	Value of raw materials purchased.	Value of goods produced.	Value of goods sold.
			RS.	RS.	RS.	RS.
1 Carpet Weavers' Co-operative societies.	4	273	5,788	27,292	30,803	64,076
2 Cumbly Weavers' Co-operative societies.	12	686	13,695	13,387	36 311	35,038
3 Handspinners' Co-operative societies.	19	5,898	1,22,842	6,56,647	4,47,734	7,71,499
4 Mat Weavers' Co-operative societies.	18	800	6,397	12,566	4,261	15,455
5 Coir Workers' Co-operative societies.	15	2,446	19,586	1,18,087	83,702	1,68,237
6 Metal Workers' Co-operative societies.	33	3,579	1,86,684	9,80,226	13,90,680	16,99,246
7 Leather Workers' Co-operative societies.	11	374	6,142	24,197	36,290	38,080
8 Basket-makers Co-operative societies.	9	434	6,451	26,201	29,467	32,800
9 Potters' Co-operative socities.	12	751	12,088	38,895	46,380	95,467
10 Forest Coupes and Charcoal Production Co-operative societies.	10	289	11,868	..	1,345	..
11 Toy-makers' societies ..	5	143	2,319	2,725	13,492	13,752
12 Button Manufacturers' co-operative societies.	1	76	196	642	651	826
13 Stone carvers' societies ..	3	246	373	4,615	4,615	4,716

Type of society.	Number of societies.	Number of members.	Paid-up share capital.	Value of raw materials purchased.	Value of goods produced.	Value of goods sold.
			RS.	RS.	RS.	RS.
14 Bullock-cart makers' societies.	3	116	4,480	11,985	11,589	12,322
15 Carpenters' and wood cutters' co-operative societies.	6	387	8,553	25,776	27,212	24,240
16 Coffee-curing co-operative society.	1	609	1,32,590	..	..	..
17 Tape Weavers' co-operative societies.	5	586	4,301	46,012	31,708	30,618
18 Oil producers' co-operative societies.	3	153	14,370	2,21,771	..	2,46,428
19 Tailors' societies	2	109	3,245	7,325	10,325	13,478
20 Women co-operative societies.	58	5,218	35,841	1,22,018	98,892	1,58,467
21 Other miscellaneous societies.	39	4,677	1,68,866	4,99,777	8,02,698	10,12,765
Total ..	269	27,250	7,66,675	28,40,144	31,09,163	44,37,460

The figures show an increase in the number of cottage industrial societies and the volume of business done by them. Of the lumpsum grant of Rs. 45,600 placed at my disposal for the development of cottage industrial co-operative societies, a sum of Rs. 6,259 was sanctioned during the year to 17 deserving societies to enable them to purchase equipment. The grant could not be disbursed towards the establishment and contingent charges as the question of dropping the condition that 25 per cent of the net profits of societies to which the subsidies were given should be remitted to Government was under consideration. Government have since passed orders waiving such recovery and permitted me to disburse the grant during the current financial year. The balance of the grant available with me will be utilized in the current year. This help from Government will surely go a long way in strengthening the societies. With its limited funds the Cottage Industries Sub-Committee of the Madras Provincial Co-operative Bank could not offer assistance to a large number of women societies as in the previous year. It, however, continued to meet from its funds the pay of the technical staff, viz., one ceramic instructor, one leather instructor and two coir instructors. In addition to this staff, an additional ceramic instructor was appointed towards the close of the year for the intensive supervision of Potters' Societies in the State.

Of the thirteen District Cottage Industries Committees, those in Guntur, Bellary and Tirunelveli reviewed the position of cottage industries in their districts. The Tirunelveli District Cottage Industries Committee sanctioned loans and grants to ten cottage industries societies for the purchase of equipment and for meeting the cost of their establishment.

Societies like the Quilandy Artisans' Society, the Ellore Pile Carpet Weavers' Co-operative Society, Ayodhyapatnam Wool and Carpet Weavers' Co-operative Society, Gandhinikethan Cottage Industries' Co-operative Society, Cuddalore Toy Makers' Co-operative Society, etc., which produce fine quality goods, partook in the All-India Co-operative Exhibition held at Delhi in March 1950. They also sent samples of their products to the Cottage Industries Museum at New Delhi for being sent to foreign countries. The Madras Provincial Handloom Weavers' Co-operative Society which took a stall of its own, arranged to take the exhibits of other cottage industrial societies also to Delhi. Towards the cost of the stall and other incidental expenses connected with the exhibition of the cottage industrial products other than handloom fabrics, Government sanctioned a subsidy of Rs. 900. Some societies popularised their goods at the exhibitions held in Hospet, Rameswaram and Tenali.

The two five-year schemes drawn up by this Department, one for the development of cottage industries in general and the other the promotion of cottage industries exclusively among women were dropped by Government. The one-year plan put up to Government for immediate execution was sanctioned with modifications. Only a lumpsum grant was placed at my disposal for disbursement to deserving cottage industrial societies towards their equipment, establishment and other charges.

Government constituted a State Cottage Industries Board consisting of officials and non-officials as its members with the Hon'ble Minister for Rural Development as Chairman and the Deputy Director (Cottage Industries) as Secretary, to devise ways and means for the intensive development of Cottage Industries having the following objects in view.

(1) improvement and expansion of rural industries in a manner that will ensure full utilization of local man-power and raw materials to meet local demands;

(2) balanced development of the village economy based on agriculture and cottage industries leading to the economic self sufficiency of the villages and raising their standard of living;

(3) establishment and expansion of mechanised cottage industries based on modern techniques so that the integration of large scale and cottage industries may be secured;

(4) development of traditional artistic skill of the craftsmen; and

(5) co-operative organization of cottage industries at every stage. For the intensive development of select cottage industries in the State such as woollen, cumbly and blanket weaving, manufacture of pile-carpets, crocket, lace making, leather goods manufacture, Government constituted six Regional Advisory Boards. The local Deputy Registrars are the members of these Boards. With the active interest taken by Government and with the guidance of the newly constituted State Cottage Industries Board, it may be expected that cottage industries will record better progress in the coming years.

The progress made by the carpet and cumbly weavers' and hand-spinners' co-operative societies, is indicated in Chapter (VII) and that made by the co-operative societies exclusively for the

benefit of ex-tappers and ex-addicts is given in Chapter XII. The progress made by some of the other important types of cottage industries co-operative societies is indicated below.

2. *Working of important types of cottage industries societies.*—The most important of cottage industries societies are those intended for metal workers, leather goods manufacturers, coir workers, mat weavers, carpenters, etc. A brief account of some of these societies is given below :—

(i) *Metal Workers' Co-operative Societies.*—At the end of the year there were 33 metal workers' societies as against 29 at the end of the previous year. They had 3,579 members with a paid-up share capital of Rs. 1·86 lakhs. Twenty-six societies produced brass and bell metal-ware, one society manufactured aluminium-ware and the remaining six societies manufactured agricultural implements. The total value of goods sold by all of them during the year was Rs. 16·99 lakhs. The brass workers' societies did not feel any difficulty in getting brass sheets in the open market. Arrangements were, however, made with the Director-General of Disposals, New Delhi, who allowed appreciable quantities of brass sheets to the Rajahmundry Brass Workers' Co-operative Society. The work done by the Azzaram Brass Workers' Co-operative Society in West Godavari District deserves special mention. It produced during the year brassware worth Rs. 1·62 lakhs and its sales amounted to Rs. 1·59 lakhs. The societies in East Godavari, North Arcot, Salem, South Arcot and Mathurai Districts also did good business. The Rajahmundry Aluminium Workers' Co-operative Society which is the only one of its kind in the State, manufactured aluminium cast-ware worth Rs. 4·76 lakhs, and its sales amounted to Rs. 4·75 lakhs during the year. It paid wages exceeding Rs. 1·28 lakhs to its members. It constructed a building and workshop of its own valued at Rs. 53,000. A Senior Inspector is working in the society on foreign service terms. The six iron and steel workers' societies produced agricultural and industrial goods worth Rs. 1·25 lakhs and their sales exceeded Rs. 1·40 lakhs during the year. They would have transacted better business and provided full work to their members if they had been supplied adequate iron and steel materials whose distribution is controlled by the Industries Department and if the restriction that a fabricator should not be the manufacturer of both consumers' goods and agricultural implements had not been enforced. This latter restriction has hampered the work of these societies and the matter has been taken up with Government. The Penugonda Hardware Workers' Co-operative Society in West Godavari District did good work. It manufactured agricultural implements valued at Rs. 82,514 and sold goods to the value of Rs. 83,952. It gave training free of cost to the Adi-Andhras and ex-tappers. The Quilandy Artisans' Society in Malabar continued to produce iron and brass wares of artistic beauty. In addition to the articles intended for local use such as pen-knives, locks and keys, the members manufactured electric lamp stands, flower vases, ash cups, bathi stands, etc. Its brass-embroidery works on coconut shells are much appreciated in and outside India. The society was sanctioned a non-recurring grant of Rs. 3,000 by Government for the purchase of 5 h.p. Crude Oil Engine. Spoons made of German silver with the help of the newly installed engine have become popular.

(ii) *Leather Workers' Co-operative Societies.*—At the end of the year there were 11 leather workers' co-operative societies with a paid-up share capital of Rs. 6,142. During the year they produced leather goods valued at Rs. 36,298 and effected sales for Rs. 38,030. The Tiruchirappalli Leather Goods Manufacturers' Society did good work. It produced goods worth Rs. 14,484 and its sales amounted to Rs. 13,056. It was given a subsidy of Rs. 400 by Government for the purchase of a sewing machine. The work of the Kumbakonam Arunthathiar Leather Workers' Co-operative Society was fair. Its sales amounted to Rs. 8,253. To the Pannar Leather Workers' Co-operative Society in Chittoor district, Government sanctioned the free services of a Junior Inspector for six months. The Perambur Arunthathiar Leather Workers' Co-operative Society opened a stall in the Engineering College to attend to the repairs and to supply leather goods requirements of the students and staff of the Engineering College. The Leather Instructor, whose cost is met by the Madras Provincial Co-operative Bank, visited all these societies and helped them in producing articles of better finish. The societies are unable to secure orders from the Police and Excise Departments as the latter are able to secure their requirements from the Jail Department.

(iii) *Potters' Societies.*—At the end of the year there were 12 potters' societies which manufactured pots for over Rs. 46,000 during the year. Their sales amounted to nearly a lakh of rupees. The Manamadura Potters' Society did good work. It manufactured fancy mud-pots, kujas, filters and other household requirements, valued at Rs. 41,393 and its sales amounted to Rs. 46,252. As there was good demand for the society's articles in Quilon and other places, it established trade contracts with local co-operative institutions and merchants. The pottery societies in Tirunelveli District also fared well and their sales amounted to Rs. 41,132 during the year. As one ceramic instructor was not able to devote adequate attention to all the pottery societies, an additional instructor was appointed by the Madras Provincial Co-operative Bank. The two instructors visited the potters' societies and offered technical guidance to their members.

(iv) *Basket Makers' Societies.*—There were nine societies for basket and bamboo workers at the end of the year. During the year, they produced baskets and bamboo articles worth Rs. 29,467 and sold goods for Rs. 32,800. The societies in North Arcot and Salem Districts did substantial work. The Vellore Basket Makers' Society disbursed Rs. 10,639 as wages to its members. The services of a Junior Inspector were given to the society for supervision and management. To the Ellore Basket Makers' Society, Government sanctioned a non-recurring grant of Rs. 300 towards the share capital of its members and a recurring subsidy of Rs. 50 per month for one year towards rent and establishment charges.

(v) *Coir and Rope Manufacturers' Co-operative Societies.*—At the end of the year there were fifteen societies of this type, including the two coir societies at Engandiyoor and Vatanapalle, started exclusively for ex-tappers and ex-addicts. They purchased raw materials to the extent of Rs. 1·18 lakhs and produced finished goods worth Rs. 0·83 lakh. The value of finished goods sold during the year was Rs. 1·68 lakhs. To each of the two coir workers societies at Palayoor and Pavaratty, Government sanctioned a subsidy of Rs. 2,100 to enable them to undertake soaking of husks. Of the three coir workers' co-operative societies at Engandiyoor, Vatanapalle and Maruthayoor to which Government sanctioned a subsidy of Rs. 6,600 for capital and recurring expenditure, the Maruthayoor society gave training to 24 workers and absorbed them as workers. The society at Engandiyoor did not do business during the year as construction of sheds and purchase of capital equipment were not completed. The society at Vatanapalle soaked 24,623 raw husks during the year and produced goods worth Rs. 255.

The yarn and rope manufacturers societies at Kumbakonam, Madurai and Annathanapatti did substantial work. The Kumbakonam Yarn Rope Manufacturers' Co-operative Society had 65 members on its rolls with a paid-up-share capital of Rs. 840. It purchased yarn worth Rs. 57,225 and sold finished goods for Rs. 72,477. The society manufactures nose-strings, panka ropes, etc. The Annathanapatti society in Salem District has Harijans as its members. During the year it produced yarn ropes required for agricultural purposes valued at Rs. 13,082 and paid wages to its members amounting to Rs. 3,274. The Madurai Mahalipatti Rope Makers' Co-operative Society manufactured ropes and tapes from cotton yarn. Its products command a good market in Ceylon.

(vi) *Mat Weavers' Societies.*—Of the eighteen mat weavers' societies, only those in Tirunelveli, Salem and North Arcot Districts did some work. The Giriammalpuram Mat Weavers' Co-operative Society had 89 members on its rolls with a paid-up share capital of Rs. 1,177. It produced fine varieties of korai mats. During the year it sold goods amounting to Rs. 10,478. The society applied for permission to remove korai grass free of cost in Ambasamudram and other forests. The matter is under consideration of Government.

(vii) *Tape Weavers' Societies.*—There were five societies of this type at the end of the year with a membership of 586. They produced tape, etc., worth Rs. 31,708 and the sale of their goods amounted to Rs. 30,618. To the Tekkalakota Tape Weavers' Co-operative Society in Bellary district, Government sanctioned a subsidy of Rs. 1,000 and a loan for a like amount for the purchase of fly-shuttle looms and twisting machines. It was also given the services of a Junior Inspector to work as Manager at one-fourth cost. The society produced cot tapes and gudarams and sold articles worth Rs. 12,650.

(viii) *Carpenters and Bullock-cart Makers' Societies.*—There were nine societies of this kind at the end of the year. They had 13,053 members with a paid-up share capital of Rs. 37,761. During the year they manufactured carts, furniture, etc., valued at Rs. 38,801. Their sales amounted to Rs. 36,562. The Vetapalam Gayathri Industrial Society in Guntur District did good work. During the year it effected sale of goods for Rs. 12,012. The Kilapavoor Viswakarma Workers' Co-operative Production and Sale Society in Tirunelveli District had 59 members on rolls with a paid-up share capital of Rs. 1,100. The society was approved as a fabricator of Agricultural implements. The Tinnevelly District Cottage Industries Committee sanctioned to the society a subsidy of Rs. 240 towards establishment charges.

(ix) *Forest Coupes and Charcoal Production and Sale Societies.*—There were ten such societies at the end of the year. Only the societies at Karlapalem in Guntur District and the Ramapuram Forest Coupe Society in Cuddapah District did some work. To encourage Harijans and backward communities engaged in forest coupe operations, Government permitted the Forest department to issue the lease of forest coupes to co-operative societies consisting of persons belonging to the said communities as their members, on the average rental basis of the previous five years without holding any public auction. The Karlapalem Forest Coupe Society in Guntur district took good advantage of this concession and entered into an agreement with the Forest authorities to harvest soapnuts in Muthayapalem forest for a lease amount of Rs. 12,538. The society paid wages in kind to its members at three measures of soapnuts per day. Government sanctioned to the society the free services of a Senior Inspector for supervision and management. One Senior Inspector at Government cost worked in Ramapuram Forest Coupe Society in Cuddapah district.

(x) *Toy Makers' Societies.*—Of the five toy makers' societies the society at Cuddalore in South Arcot District did good work while the Kondapalle Toy Makers' Co-operative Society in Krishna District did some business. The Cuddalore Toy Makers' Co-operative Society had 25 members on the rolls with a paid-up share capital of Rs. 720. The members are expert craftsmen in toy-making. The models of Christian Saints, Hindu Gods, political leaders, animals, birds, etc., are attractive and popular. The societies' sales amounted to Rs. 10,228. Government sanctioned a non-recurring subsidy of Rs. 250 towards the purchase of show-case and equipment and a recurring monthly subsidy of Rs. 100 for one year to meet the cost of establishment, rent and contingent charges of the stall opened by it in Moore Market in Madras. The society sent toys to the Central Cottage Industries Emporium,

New Delhi, for being sent to Foreign countries like New York, Sydney, etc.

3. *Cottage Industrial Societies for Women.*—On 30th June 1950, there were 58 cottage industrial co-operative societies formed exclusively for women. They had 5,218 members with a paid-up share capital of Rs. 35,841. Most of them were engaged in producing ready-made garments. The total value of raw materials purchased, goods produced and goods sold by these societies during the year were Rs. 1·22 lakhs, Rs. 0·99 lakh and Rs. 1·58 lakhs respectively. The working of some of the important women societies is indicated below :—

(i) *Women Cottage Industries Co-operative Societies in Madras City.*—Nine women societies in the city of Madras continued to be at work during the year. They manufactured ready-made garments to the value of Rs. 7,197 and effected sales for Rs. 14,313. Government sanctioned a subsidy of Rs. 2,640 to these societies to meet the rent of the buildings occupied by them and the pay of group clerks. The members received training under a Master-Tailor appointed by the Madras Women Cottage Industries Central Co-operative Society in manufacturing garments of better finish.

(ii) *The Madras Women Cottage Industries Central Co-operative Society* continued its assistance to the primaries in providing work and finding a sale for their finished goods. The Central Society was granted a subsidy of Rs. 1,950 to meet the pay of the Master-Tailor and rent for its building. The Madras Provincial Co-operative Bank also sanctioned a subsidy of Rs. 2,500 to meet the pay of lady instructors and other charges such as payment of commission to sales woman, etc.

(iii) *Women Cottage Industries Societies outside the Madras City.*—The Visakhapatnam Women Cottage Industries Co-operative Society had 703 members on its rolls with a paid-up share capital of Rs. 5,010. It continued to provide employment to women in stitching ready-made garments. The Naval Base Authorities renewed the contract of supplying dress to the Cadets, during the year also. Sixteen sewing machines were put in the Naval Base to execute the work. The value of garments sold by the society during the year was Rs. 26,200. The society appointed a woman instructor to give tution to its members in tailoring, knitting and embroidery.

The Srirangam Ladies Co-operative Society, in addition to the stitching of ready-made garments, took up the preparation of appalams and pickles. The quality of asafœtida prepared by its members was appreciated and the stuff was sold at Rs. 15 a viss. The society took a stall in the exhibition held by the Srirangam Municipal Council in December last and popularized its goods.

4. *Oil Producers' Societies.*—At the end of the year there were three oil producers' societies which purchased raw materials worth Rs. 2·21 lakhs and effected sales of oil for Rs. 2·46 lakhs. The

Tinnevelly Oil Producers' Society did good work. It took the services of a Senior Inspector on Foreign Service terms for management. The society has represented that the Senior Inspector may be given to it free of cost, in view of the low volume of its business. The representation is under the consideration of Government.

CHAPTER IX.

Co-operative Housing Schemes.

1. *General progress.*—During the year, 27 ordinary building societies, five house building societies and two co-operative house construction societies making a total of 34 were registered and there were at the end of the year 280 housing societies of all types. The following statement shows the position of different types of housing societies as at the end of the year :—

Particulars.	Ordinary building societies.	House building societies.	House construction societies.	Co-operative town-ships.	House mortgage banks.	Total.
Number of societies as on 30th June 1950.	193	68	13	2	4	280
Number of members as on 30th June 1950.	11,697	5,939	2,500	1,185	4,612	25,933
	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).
Share Capital as on 30th June 1950.	27·72	29·64	41·02	4·53	6·21	109·12
Amount of Government loans sanctioned during the year.	34·97	26·95	21·00	1·70	..	84·62
Government loans outstanding at the end of the year.	42·11	16·03	99·56	0·47	..	158·17
Total working capital as on 30th June 1950.	76·20	47·75	143·88	5·12	35·88	308·83
Loans disbursed to members during the year.	29·95	14·57	..	1·06	0·75	46·33
Loans outstanding against the members at the end of the year.	79·40	19·03	..	1·04	18·53	118·00

During the year, the construction of 751 houses was completed. At the end of the year, 1,233 houses were under construction in different stages.

2. *Ordinary building societies.*—There were 193 ordinary building societies at the end of June 1950. They continued to provide their members with long-term loans for the construction of houses on sites owned by the applicants. The societies at Hiramandalam (Visakhapatnam), Tambaram (Chingleput), Chittoor, Bapatla (Guntur), Vijayawada (Krishna), Madurai, Madras, Nellore, Salem, Tiruchirappalli and Visakhapatnam advanced a large number of loans to their members. Eleven ordinary building societies that have taken up the housing schemes, applied for the acquisition of

162·80 acres of lands during 1949–50; awards in favour of eight societies covering 85·67 acres were given during the year. Including the old references, applications from 27 societies in respect of 434·76 acres were pending with the Land Acquisition Officer at the end of June 1950.

3. *House-building societies.*—Including the five house-building societies registered during the year, there were 68 societies of this type at the end of the year. Fifteen house-building societies applied for the acquisition of 255·15 acres selected by housing committees. Awards were pronounced in favour of 14 societies for an extent of 265·33 acres. At the end of June 1950, applications from 30 house-building societies in respect of 476 acres were pending with the Land Acquisition Officer. During the year, 22 societies took possession of 483·58 acres and they intend constructing 2,216 houses of B, C, D and E classes according to type designs. Fifty-nine houses in Salem (City Extension Co-operative House Building Society), 61 in Dharmapuri, 63 in Krishnagiri, 23 in Attur, 58 in Suramangalam, 7 in Villupuram, 60 in Palani, 9 in Chinnamanur, 18 in Bellary, 59 in Adoni, 55 in Rayachoti, 142 in Eluru, 103 in Kovvur and 13 in Rajahmundry—730 houses in all, are under construction. Invariably all the house-building societies have departmental officers as their secretaries.

4. *House construction societies.*—Including the two new house construction societies registered during the year—one at Coimbatore and the other at Erode—there were 13 such societies of which three were exclusively for the mill employees at Mathurai, Vikramasingapuram and Tuticorin and one exclusively for the weavers at Tenali. Construction work is in full swing in the house construction societies at Madras, Tanjore, Madurai and Palayamkottai.

(i) *The Madras Co-operative House Construction Society* had 708 members on its rolls with a paid-up share capital of Rs. 23·14 lakhs. Two hundred and nine applicants were on the waiting list at the end of June 1950 and the amount deposited by them towards their shares was Rs. 3·19 lakhs.

The society completed the construction of 334 houses in Gandhinagar Colony in Adyar I. Only seven more yet remain to be completed. Two hundred and thirty-five houses have been occupied. The colony has been provided with essential amenities such as water-supply, underground drainage and sewerage, metalled roads, electricity, etc. Arrangements are under way for the provision of markets, schools and parks. The completion of more than 300 houses has to some extent eased the pressure on housing accommodation in the City of Madras.

The foundation stone for the Venkatesapuram Colony at Ayanavaram where the society proposes to construct cheap houses for the lower middle classes was laid by the Hon'ble Sri P. S. Kumaraswami Raja, Chief Minister of the Madras Government. The society proposes to build two A class houses at an estimated cost of Rs. 10,500 to Rs. 10,800 each, five B class houses at an estimated cost of about Rs. 9,200 to Rs. 9,800 each and 127 C class houses at a cost ranging from Rs. 6,700 to Rs. 9,200. The cost of house site inclusive of the cost of amenities works out to Rs. 1,600 per ground. Unless Government and the Corporation come to the aid of the society by sharing the cost of common amenities such as roads, drainage, sewerage, lighting, etc., it will be beyond the means of most of the middle-class families to acquire even C class houses within the city limits on account of the prohibitive cost of house-sites. Four houses built as 'model' houses have been let out to members. The society has entrusted the construction of the remaining 130 houses to a contractor. The work is progressing briskly.

An extent of 32·93 acres has been acquired for the society in Adyar II to the south of Guindy road, adjacent to Gandhinagar. The layout plan for the colony has been approved and it provides for 27 A class, 51 B class, 60 C class and 4 D class houses. Applications have been invited for the construction of houses, and sites will be allotted soon. A block of 75 acres in Mylapore has been acquired for the society. The layout plan and the design of houses are yet to be approved.

Up to the end of June 1950, the society had been sanctioned a Government loan of Rs. 67 lakhs for Gandhinagar, Adyar, and Rs. 4 lakhs for Venkatesapuram, Ayanavaram. Of this, Rs. 67 lakhs for Adyar and Rs. 1 lakh for Ayanavaram were drawn and disbursed to the society. The members of Gandhinagar have contributed from their own resources a total sum of Rs. 3,14,981 to supplement the Government loans for the purpose of completing the type-designs and to provide additional structures like outhouses, garages, compound walls, etc. The total cost of the colony inclusive of the cost of the site as on date is estimated at Rs. 107·07 lakhs. The first instalment of Government loan in respect of Gandhinagar Colony which fell due after the close of the co-operative year, was remitted by the society on the due date. A Deputy Registrar of Co-operative Societies on Foreign Service terms is working as its Secretary. It has taken the loan of services of an Executive Engineer, two Assistant Engineers and three Supervisors from the Public Works Department and a Manager and one Supervisor from the Corporation of Madras. The society has gained wide publicity and has drawn enquiries and visitors from different parts of the country. Important among the visitors were the Honourable Sri C. Rajagopalachari, the former Governor-General of India, His Excellency Raja Maharaj Singh, Governor of Bombay, and the Hon'ble Sri B. C. Roy, Chief Minister of West Bengal. All of them expressed their appreciation of this enterprise.

(ii) *The Tanjore Co-operative House Construction Society* had 94 members on its rolls with a paid-up share capital of Rs. 1.52 lakhs. It has prepared three layout plans—I. Rajappa Nagar with provision for 49 houses, II. Pannirselvam Nagar with provision for 81 houses and III. Daniel Thomas Nagar with provision for 16 houses. The society proposes to construct 24 A class, 16 B class, 51 C class and 56 D class houses on these three layouts. By the end of September, 51 houses were completed and 17 were under construction. The colony was opened by the Honourable the Chief Minister on 23rd August 1950. In addition to the lands already taken by it, the society has applied for the acquisition of 29·80 acres. It has been sanctioned so far Government loans to the extent of Rs. 6 lakhs and a sum of Rs. 4 lakhs was disbursed to it before the end of June 1950.

(iii) *The Madura Co-operative House Construction Society* had at the end of the year 335 members on its rolls with a paid-up share capital of Rs. 6·13 lakhs. It acquired 148·26 acres in Tirupparankundram village and proposes to construct 49 A class, 71 B class, 270 C class and 134 D class houses. It has taken up the construction of 220 houses of which 66 have been completed. As soon as the first batch of houses was completed, the colony named 'Thirunagar' was opened by the Hon'ble Sri K. Chandramouli, Minister for Local Administration and Co-operation, on 25th June 1950. Roads are being formed and arrangements are in progress for the construction of a septic tank for drainage and an overhead tank for water-supply to the colony. The society has so far been sanctioned a Government loan of Rs. 17 lakhs of which Rs. 16 lakhs were drawn and disbursed before the end of June 1950. A Deputy Registrar is working as its Secretary and a Senior Inspector as its Manager.

(iv) *The Palayamkottai Co-operative House Construction Society* was registered on 24th July 1947 and at the end of the year it had 144 members on its rolls with a paid-up share capital of Rs. 2·24 lakhs. It acquired 45·03 acres opposite to the Palayamkottai Railway Station in Kulavanikkapuram village and has taken up the construction of 28 B class and 106 C class houses, of which 103 houses were completed and the rest are expected to be ready for occupation before the end of December 1950. The colony named "Perumal Nagar" was inaugurated by the Hon'ble Sri J. L. P. Roche Victoria, Minister for Food and Fisheries, on 12th July 1950. It acquired an additional extent of 15·39 acres to the south of the colony and proposes to construct 15 B class, 17 C class and 34 D class houses on it. The layout plan was recently approved by the Director of Town-Planning. The society has yet to allot the sites to the applicants. The request of the society to exclude the colony from the jurisdiction of the Melapalayam Municipality and to include it in the jurisdiction of the Palayamkottai Municipality is still under the consideration of Government. It has so far been given a Government loan of Rs. 8·56 lakhs. A Co-operative Sub-Registrar on Foreign Service terms is working as the paid Secretary of the society.

(v) *The Tiruchirappalli Co-operative House Construction Society*, though registered on 23rd August 1947, actually commenced work during the year under report when Government permitted it to acquire the wet lands, measuring about 185 acres, between the Woraiyur and the Tennur roads in the heart of the built-in area of the town. It has applied for the acquisition of 79·15 acres in this a membership of 43,253. During the year, it issued 5,910 policies for Rs. 85·88 lakhs. The total amount of premia realized during the year was Rs. 19·20 lakhs, of which Rs. 4·34 lakhs represented first year premia on new policies. At the end of the year, the society had a life-fund of Rs. 64·35 lakhs. During the year, it settled claims in respect of 253 policies, involving a total sum of Rs. 2·58 lakhs. With the introduction of compulsory insurance scheme among Government Servants, the South India Co-operative Insurance Society lost no time in availing itself of the opportunity afforded by the scheme. In order to attract Government servants, the society amended its prospectus allowing a rebate of 7½ per cent on the usual premia and offered a further rebate of 2½ per cent if the premia were paid annually. I have appealed to all the departments of Government to encourage this institution.

(b) *The Co-operative Fire and General Insurance Society, Ltd., Madras*, continued to confine its business mostly to fire insurance. During the year, it issued 4,172 fire insurance policies covering a risk of Rs. 8·03 crores. Total premia collected during the year amounted to Rs. 4·56 lakhs. Fifty-eight claims involving Rs. 8,687 on account of damage by fire, were settled during the year. The society also issued 91 fidelity guarantee insurance policies and 697 motor vehicles insurance policies during the year.

(c) *The Indian Posts and Telegraphs Co-operative Insurance Society, Ltd., Madras.*—The area of operations of the society extends throughout India. During the year, membership in the society was thrown open to all the employees of the Central and the State Governments. The society has been given the concession to recover the premia from the policy-holders from their pay-roll. There are 3,393 members on its rolls. During the year, it issued 370 policies for a total value of Rs. 4·53 lakhs. The amount of premia realized during the period was Rs. 1·32 lakhs. At the end of the year, there were 3,488 policies in force, involving risk to the tune of Rs. 35 lakhs. The life insurance fund at the end of the year was Rs. 13 lakhs. During the year, the society settled claims in 84 policies to the extent of Rs. 0·82 lakh.

(d) *The Madras Co-operative Motor Vehicles Insurance Society, Ltd., Madras.*—During the year, the society was busy in getting itself registered as a *joint stock* insurance company. It received a total premia of Rs. 76,176. Claims to the extent of Rs. 1,929 were paid during the year. Motor insurance fund at the end of the year amounted to Rs. 34,245. The society's registration has since been cancelled.

General.—The year under review saw the establishment of the " Salem Co-operative Non-Official Employees' Insurance Trust Fund ". The Fund has been established with the dual objects of providing life insurance facilities for the employees of Co-operative Institutions in Salem District and of developing the business of the South India Co-operative Insurance Society, Ltd., Madras, and the Madras Co-operative Fire and General Insurance Society, Ltd., Madras. The Insurance societies on their part, will appoint the " fund " as their special agents for Salem. The members of the Trust fund are to function as sub-agents of these two institutions. The insurance commission received from the two societies and contribution from the net profits and general funds of the employer-societies shall form the resources from which premia on the policies taken on the lives of the employees are to be paid.

The South India Insurance Co-operative Society was the Chief financing agency to the House Mortgage Banks in the State. During the year a bill to further amend the Insurance Act, 1938 (IV of 1938), came up before the Union Parliament. The Bill imposed certain restrictions on the investment of funds by an insurance society. It was made law with a proviso whereby the Controller of Insurance might permit a co-operative life insurance society to keep more than 3 per cent of its controlled fund in fixed deposit with any co-operative society, if the fixed deposit was secured by a first mortgage on any immovable property. The restriction does not, therefore, affect the business of co-operative insurance societies with house mortgage banks.

2. *Labour Contract Co-operative Societies.*—There were 40 labour contract societies. They secured contracts to the extent of Rs. 2·68 lakhs. The total value of works executed during the year was Rs. 2·29 lakhs as against Rs. 1·96 lakhs during last year. Wages paid to the members amounted to Rs. 53,000. The two societies in Madurai district continued to do good work. They executed works worth Rs. 1·18 lakhs during the year. The Uralangal Labour Co-operative Society in the Malabar district, the Reddipalli Labour Contract Society in Kurnool District and the Kanupur Labour Contract Society in Nellore district, took up contracts like the construction and repairs of roads, culverts, buildings, digging of wells, etc. During the year, they secured works to the value of Rs. 79,000 and executed works estimated at Rs. 64,000. Wherever possible the serivces of labour contract societies are utilized by Co-operative housing societies in the construction of houses. Government have recently ordered that Public Works Department works costing less than Rs. 2,500 should be entrusted for execution to co-operative labour contract societies recommended by the Deputy Registrars. With this concession, it is expected that these societies may do better work in the future.

3. *Co-operative canteens and restaurants.*—There were twenty-one societies of this kind at the end of the year. Of these, two societies did not do any work. The twenty-one societies had 5,683 members with a total paid-up share capital of Rs. 20,451. The value of provisions, etc., purchased by them during the year amounted to Rs. 2·75 lakhs and the sales to Rs. 3·20 lakhs. The societies earned a gross profit of Rs. 43,752 and a net profit of Rs. 6,480. Those that sustained losses had a gross loss of Rs. 1,303 and a net loss of Rs. 21,556. The canteens in the North Arcot, Coimbatore and West Godavari districts and in the Madras City did good business.

4. *Co-operative Printing Societies.*—There were six printing societies in the Coimbatore, Madras, Malabar, Salem and Tanjore districts and in the Pudukkottai area in the State. Of these, the society at Salem did not do any work during the year. All the six societies had a paid-up share capital of Rs. 98,214. The society at Coimbatore purchased machinery worth Rs. 32,775 while those at Tanjore and Pudukkottai purchased machinery worth Rs. 2,543 and Rs. 4,343, respectively. Five societies executed printing, binding and other works for a total value of Rs. 3·42 lakhs. They also printed books and forms on their own account for Rs. 2·43 lakhs for supply to co-operative societies as against Rs. 1·48 lakhs in the previous year. As in the previous year, the co-operative printing works at Coimbatore and Madras did particularly good business. Excepting the presses in Malabar and Pudukkottai, which sustained a net loss of Rs. 8,786, the others worked at a net profit of Rs. 34,220 as against Rs. 32,821 earned during 1948–49.

5. *Fishermen Co-operative Societies.*—Co-operative societies exclusively for fishermen have been formed with the object of improving their socio-economic condition and promoting the technical and commercial aspects of fishing industry. The members are in most cases drawn from the fishermen community, Harijans and other backward classes. Being poor, they are generally unable to contribute sufficient share capital to raise small loans from the central banks. Considering their helpless condition, Government have extended certain concessions to them. They have directed that the societies should be given leases of inland fisheries otherwise than in public auction at rates not exceeding the average rental for the previous five years. A number of societies have availed themselves of this concession and taken leases of inland fisheries. Government have also exempted all fishermen societies from payment of the licence fees payable under the Madras Yarn (Dealers) Control Order, 1948, for an initial period of two years.

On 30th June 1950, there were 206 co-operative societies for fishermen with a paid-up share capital of Rs. 2·67 lakhs, and a working capital of Rs. 6·93 lakhs. They had 19,388 fishermen and 1,068 sympathisers as members. Financial aid was given to the members by way of loans at a reasonable rate of interest. During the co-operative year, the societies disbursed loans amounting to Rs. 4·68 lakhs to their members and the amount outstanding against them at the end of the year was Rs. 5·36 lakhs. Some societies obtained leases of inland fisheries for a total annual rental of Rs. 80,526 and sub-leased them to 3,724 members for Rs. 91,725. Some of the societies distributed foodstuffs and other domestic requirements, the value of business so done being Rs. 18·74 lakhs. Some of them distributed yarn and fishing-tackle worth Rs. 28,716.

Fishermen co-operative societies in the South Kanara and Malabar districts in the West Coast, and in the Visakhapatnam district in the East Coast continued to be under the control of the Fisheries Department. In the West Coast one Co-operative Sub-Registrar and five Junior Inspectors supervised these societies under the control of the Assistant Director of Fisheries, Calicut. One Junior Inspector attended to the supervision of the societies in the Visakhapatnam district. During the year, Government sanctioned a Senior Inspector for the organization and supervision of fishermen societies in Tanjore district. He is working under the Assistant Director of Fisheries, Tanjore. The remaining societies were under my control. The three Junior Inspectors sanctioned for the expansion of co-operative activities among fishermen in the East Coast, are working in the districts of Madras, Tirunelveli and West Godavari.

6. *Educational and Publishing Societies.*—There are two societies in Madras, viz., South India Adult Educational Co-operative Society and the Madras Catholics Educational Co-operative Society. There were 121 members with a paid-up share capital of Rs. 4,740. The main objects of these societies are to raise funds by way of share capital and donations from sympathisers and utilize them for the development of higher education of deserving students.

The Canara Catholic Educational Co-operative Society was started as a public welfare institution for the Roman Catholic Community. It had a membership of 230 and a share capital of Rs. 29,910 and issued Rs. 8,595 as long-term loans to deserving Catholic pupils for prosecuting their studies. A sum of Rs. 21,827 was outstanding on 30th June 1950. It earned a net profit of Rs. 963–12–0.

7. *Salt Licensees' Co-operative Societies.*—Co-operative Salt Societies are being formed with the main object of taking on lease from the Central and the State Governments, lands fit for salt cultivation and sub-leasing them to members for salt production. They help the members by constructing wells, channels, bunds, etc., to conserve the sea brine and by installing engines and pumps to bale out brine for the irrigation of salt pans. They undertake the marketing of salt on behalf of members. In some cases the society itself produces salt by engaging its members as labourers. In the attempts to increase the salt production of the country, the co-operatives have had a part and the Government of India desire to encourage co-operative effort in this direction and they prefer co-operative institutions to private individuals in the matter of issuing licences and giving Government lands for salt production and this will be a fillip to the expansion of salt production on co-operative lines.

At the beginning of the year there were three salt manufacturing societies. During the year two societies were formed, one in each of the districts of Nellore and West Godavari. Two more societies were subsequently registered in the districts of Visakhapatnam and Nellore. All the four societies were organized at the instance and with the active support of the Salt Department. The registration of one society was cancelled during the year. Out of four existing societies, only two were working at the end of the co-operative year 1949–50. They had 1,000 members on their rolls and a paid-up share capital of Rs. 11,390. 99,960 maunds of salt valued at Rs. 50,036 were produced and 75,654 maunds were sold for Rs. 38,911 during the year. The stock at the end of the year amounted to 50,746 maunds valued at Rs. 22,706. The net profit earned by the two societies amounted to Rs. 3,182. One out of the two societies formed during the year has not yet begun work as the season for the manufacture of salt was over by the time the society was started. It had 70 members and a share capital of Rs. 350. The other society in South Arcot district was also revived and it applied to Government for the assignment of salt pans in Kandadu Salt Factory.

A salt society at Vedaranyam in the Tanjore district was under formation at the end of the year under report. The main object of the society is to procure the salt formed spontaneously on the bed of the swamps near Vedaranyam and to send the produce to Bengal. It is expected that about 20 lakhs of maunds of salt can be procured in a season. Membership is open to all labourers, ex-tappers and small licensees. Preliminary investigations for the formation of another society for the salt workers of Tuticorin in Tirunelveli district were also conducted during the year. The two societies will be registered as soon as the required share capital is collected by the promoters. The organization of another society at Muthurenganathapatnam in the Ramanathapuram district was also under consideration.

8. *Co-operative Motor Transport Societies for Civilians.*—There were two co-operative motor transport societies for civilians at the beginning of the year. During the year, another society was formed. Consequent on the closing down of the Sri Rama Vilas Service in Pudukkottai, the drivers, conductors and fitters were thrown out of employment. At the request of these employees, a co-operative motor transport society was registered. There were on its rolls 37 members with a paid-up share capital of Rs. 8,580. The society commenced business on 10th October 1949. It is having five buses. The society earned hire charges to the extent of Rs. 55,110 while it spent Rs. 40,007 towards maintenance and running of the vehicles. It was able to absorb 36 of its members as employees. It worked at a net profit of Rs. 10,260.

The Kurnool District Co-operative Motor Transport Society continued to work with one bus during the year. There were 25 members and 9 sympathizers with a paid-up share capital of Rs. 11,600. The society earned Rs. 36,197 as hire charges while it spent Rs. 26,097 towards maintenance and running of the vehicle. It was able to absorb only three of its members as employees. It worked at a net profit of Rs. 6,287. It has since purchased one bus with a view to develop its business.

The Anantapur District Co-operative Motor Transport Society was not able to put all the vehicles on the road either for want of petrol or for want of route permit in the first year of its working. It had, therefore, to face a serious loss. Attempts to revive the

society failed. The society arranged to dispose of the lorries and pay off its outside liabilities. It will be liquidated shortly.

9. *The Madras Rikshaw Pullers' Co-operative Society.*—This is the ninth year of the working of the society. There were 97 members with a paid-up share capital of Rs. 2,112 as on 30th June 1950. Of these, 38 are "A" class members and 59 are "B" class members. The society owns 50 rickshaws as against 25 rickshaws on 30th June 1949 and the daily hire is 6 annas. The total hire collections during the year 1949–50 amounted to Rs. 3,489. Of the hire charge of 6 annas a sum of two annas is set apart as thrift fund to the credit of "B" class members and the thrift fund collected up to 30th June 1950 amounted to Rs. 2,402. The special staff of one Senior Inspector and a peon given to the society free of cost for one year from 10th September 1946 has been extended from year to year. The society earned a profit of Rs. 190 for the year 1949–50.

CHAPTER XI.

Co-operative Societies for Ex-Servicemen.

1. *General.*—The year 1949–50 was one of consolidation rather than of expansion. The ex-servicemen's societies, especially the co-operative workshops for ex-servicemen, had to face some difficulties.

There were three non-gazetted officers, viz., the Metal Expert, the Timber Expert and the Automobile Expert to assist me in technical matters connected with the supervision, direction and control of co-operative workshops and motor transport societies. The Metal and Timber Experts visited the workshops and gave technical advice and training to ex-servicemen engaged in production work. The Automobile Expert visited the transport societies and gave them suggestions concerning the maintenance of vehicles, etc. The Automobile Expert served in this department till December 1949 and the post was kept vacant thereafter.

The Post-war Services Reconstruction Fund Committee approved my proposal for the filming of the activities of ex-serivcemen's co-operative societies in order to give publicity to the measures taken by Government and the Post-war Services Recontruction Fund Committee for resettling and rehabilitating ex-servicemen and sanctioned the estimated cost of Rs. 30,000. The production of the film is nearing completion and it will be ready for screening early in 1951.

2. *Co-operative Workshops for Ex-servicemen.*—The following ten workshops continued to carry on their business as usual by engaging their members on production work:—

(i) The Kumbakonam Co-operative Metal Works, Limited.

(ii) The Visakhapatnam Co-operative Metal Works, Limited,

(iii) The Visakhapatnam Co-operative Timber Works, Limited.

(iv) The Malabar Co-operative Metal Works, Limited.

(v) The Malabar Co-operative Timber Works, Limited.

(vi) The Tirunelveli Co-operative Timber Works, Limited.

(vii) The Strathie Co-operative Engineering Workshops, Limited.

(viii) The Reid Co-operative Timber Works, Limited.

(ix) The Katpadi Co-operative Metal Works, Limited.

(x) The Katpadi Co-operative Timber Works, Limited.

By the close of the year 1948–49 the re-organization proposals in respect of the first five workshops were approved by the State Government and the Committee for the administration of the Post-war Services Reconstruction Fund. The proposals for the re-organization of the Tirunelveli Co-operative Timber Works were approved by Government during the year under report. The proposals for the re-organization of the Strathie Co-operative Engineering Workshop are pending with Government since June 1948 as the question of assigning to it the site which is now required by it, is still under their consideration. It was considered that the remaining three workshops, viz., the Reid Co-operative Timber Works, the Katpadi Co-operative Metal Works and the Katpadi Co-operative Timber Works might for the present continue to be run on the manual labour basis.

Re-organization of Workshops.—Strenuous efforts were made to speed up the re-organization of the six workshops referred to above. Many problems had to be faced. Approval of lay out plans and installation of machinery by the Chief Inspector of Factories, arrangements for the supply of electrical energy consistently with the requirements of the Local Boards Act and Public Health Act, difficulties involved in the purchase of machinery, etc., are only some of them. The work of re-organizing the workshops may be classified under three heads—

(i) construction or remodelling of workshop buildings and quarters for supervisory staff and workmen,

(ii) purchase of machinery, installation and other work satisfying the provision of law, and

(iii) provision of electric power to ensure machine production.

(i) *Construction and remodelling of workshop buildings.*—Satisfactory progress has been made in this direction. The Rail-head buildings in which the Malabar Metal and Timber workshops are located, were remodelled according to the plans already drawn up and 50 workmen were provided with quarters. As there is no suitable building for installing heavy machinery such as toggle press, etc., a new machinery shed at a cost of Rs. 19,000 has to be built. The construction work is now in progress. The Kumbakonam Co-operative Metal Works already put up a M. and B. shed and carried out the necessary improvements to satisfy

the requirements of the Factories Act. Remodelling of the existing buildings and construction of quarters for the Secretary, Foreman, etc., are proposed to be taken up later. As regards the Visakhapatnam Co-operative Metal and Timber Works, the principal problem was the shifting of the workshops from Duvvada to a suitable place near Visakhapatnam. With great difficulty it was possible to secure a site with small buildings, through private negotiation at a cost of Rs. 50,000. The M. and B. sheds and Nissan huts at Duvvada were dismantled, transported to Kapparada near Visakhapatnam and erected at the new site. The entire workshops were shifted to the new premises in October 1949 and have been carrying on regular business in the new premises since then. In order to get over certain legal disabilities, the site and buildings are being acquired under the Land Acquisition Act with the consent of the owner. The question of construction of quarters for workmen in the Tirunelveli Co-operative Timber Works is being examined. Some slight improvements and repairs to the existing Sennek Buildings will shortly be taken up by the society.

(ii) *Purchase and installation of machinery.*—Major items of metal working machinery were got manufactured by the Strathie Co-operative Engineering Workshop during the year and despatched to the respective workshops. Electrical motors, tools, etc., were also purchased and despatched to the respective workshops by the Strathie Workshop. Major wood working machinery was bought and despatched to the respective workshops. Some more machinery and equipment could not be bought as it was not readily available. Plans and estimates for the installation of machinery in the premises of the respective workshops (other than the Tirunelveli Timber Works) were drawn up and got approved by the Chief Inspector of Factories in accordance with the provisions of the Factories Act.

(iii) *Provision of electrical energy.*—Electrical energy is a vital need for any industrial concern for without it no factory could be run economically or successfully. All the workshops excepting the Kumbakonam Co-operative Metal Works were not provided with electrical connections. Unforeseen difficulties had to be faced in this matter. The delay in the provision of electrical power has retarded the progress. To provide electric power to the Malabar Co-operative Workshops, electrical transmission lines have to be taken from the Olavakkot Railway Station which is about a mile distant. I took up the question with the Chief Inspector of Electricity and the Chief Operation Engineer. As a result of my endeavours, the Parli Extension Scheme which includes the supply to the workshops was ordered to be given high priority and taken up for execution. It is hoped that it would be taken up soon. So far as the Visakhapatnam Co-operative Metal and Timber Works are concerned, the Chief Electrical Inspector to the Government permitted the supply of electrical energy from the Visakhapatnam Electric Supply Corporation during nights, i.e., between 23 hours and 7 hours. This being inconvenient, the workshops could not utilize the power. I am taking up with the authorities the question of supply during the day time. With regard to the Kumbakonam Co-operative Metal Works, even though the Electric Supply Corporation was willing to give the necessary load of 40 horse-power, the workshop could not utilize the energy because new loads were suspended consequent on the low water level in the Mettur Dam during the middle of the year. But even after an improvement in the Mettur electrical system, the workshop could not use the load sanctioned to it on account of the restriction imposed under the Local Boards and Public Health Acts, according to which the workshop area should be declared an industrial one. The matter is now pending with the Kumbakonam Municipal Council. As soon as it is decided, the question of getting the workshop area declared as an industrial area will be taken up with the Director of Town-Planning and the Director of Public Health and Government. In Tirunelveli Co-operative Timber Works, the electrical transmission lines had to be extended from Government mains which are located about a mile off the workshop premises. In spite of repeated representations to the officers of the Electricity Department, it has not been possible to have the extension scheme sanctioned during the year. The matter is now pending with the Chief Operation Engineer, Electricity, Madras.

It is obvious that as the workshops had to keep the machinery without use and carry on production only with the aid of hand tools, they are not in a position to bring down the costs of production and put the articles on the market at competitive rates. This state of affairs landed some of the workshops in loss during the year. When once they are in a position to undertake machine-production with electric power, they may be expected to run as successful commercial concerns.

The proposals for the re-organization of the Strathie Engineering Workshop which were submitted to Government in June 1948 were pending approval of Government. The workshop absorbed the ex-servicemen trainees and increased its strength of workmen to 160 in the hope that it would be re-organized during the year. It provided employment to all its ex-servicemen members by undertaking job works such as the manufacture of metal working machinery for metal workshops, appliances required for palm gur industry and other machinery and mechanical appliances. Its carpentry section undertakes the manufacture of furniture and its metal department undertakes the manufacture of household utensils. It produced large quantities of stainless steel, brass, aluminium and copper utensils with the aid of machinery and earned a reputation for the good finish and workmanship of the articles. Prominent officials and non-officials and foreign visitors visited the workshop and paid tributes to its working.

The timber workshops in general got adequate orders from Government offices and local bodies for the supply of furniture. They have, however, been struggling very hard to execute the orders promptly as they are not assured of regular supply of timber by the Forest Department. I have taken up the matter of prompt and adequate supply of timber to these workshops with the Chief Conservator of Forests and the Government. The metal workshops too are experiencing difficulties in getting metal sheets and I am considering whether any satisfactory arrangements can be made in this regard.

At the end of the year, there were 1,210 ex-servicemen members on the rolls of all the workshops with a paid-up share capital of Rs. 0·73 lakh as against 1,556 members with a share capital of Rs. 1·10 lakhs at the end of the year 1948–49. Their working capital rose from Rs. 5·4 lakhs at the beginning of the year to Rs. 6·45 lakhs at the close of the year. Compared with the previous year, there was a slight increase both in production and sale of goods during the year. The value of goods produced by the ex-servicemen's workshops during the year was Rs. 5·71 lakhs as against Rs. 4·44 lakhs in the previous year and the value of goods sold was Rs. 5·75 lakhs as against Rs. 4·24 lakhs in the previous year. A sum of Rs. 1·50 lakhs was paid as wages and stipends to the members of the workshops during the year.

One of the difficulties which the workshops had to face was that they had to discontinue giving technical training to ex-servicemen from the beginning of the year as the Technical Training Scheme of the Government of India came to a close on 30th June 1949. The workshops were unable to equip the new ex-servicemen entrants to the workshops with the necessary skill and efficiency to enable them to earn a living wage. Attempts were made to permit the workshops to undertake training under the civilian adult training scheme. I have been successful in getting an allotment of 94 seats for training in the Strathie Engrineering Workshop.

The business of the workshops has been increasing steadily. They are, therefore, in need of additional funds. At my request Government have enhanced the guarantee of the repayment of the advances made to these workshops by the Indian Bank from Rs. 5 lakhs to 7 lakhs.

3. *Co-operative Land Colonization Societies.*—The ten land colonization societies mentioned in the last year's report continued to function. The society at Bhavadevarapalli (Krishna District) has not yet started functioning effectively. Government have since approved my proposals to allot ex-servicemen members an extent of 550 acres out of the original acreage of 796·85, the balance being made available to civilian encroachers who have long been cultivating the land. I hope this society too will begin to work actively. The proposal to organize a society in Allur and

Nizampatam area in Guntur district for settling 150 ex-servicemen on an extent of 1,257 acres is still under the consideration of Government. There is yet another scheme for settling 35 ex-servicemen on an extent of 224 acres in Nallavanniankudikadu, Papanasam taluk, Tanjore district. Possibilities of organizing societies in Kalla Kalavapudi block VI (West Godavari district) and in Bhoominigedda in Chittoor district are being examined.

During the year attention was concentrated on consolidating the work in the existing ten societies. The Secretaries of the societies and the Deputy Registrars concerned were instructed to bestow greater attention on the development of the colonies by executing the various capital works such as construction of huts, reclamation of land, sinking of drinking water wells, irrigation channels, etc., as well as by increasing the number of ex-servicemen settlers in the colonies. Unfortunately the cyclone in the northern districts and the drought conditions in the southern districts hindered progress. In Kalavapudi, Kalidindi and Komaragiripatnam colonies and in Rudravaram also to a lesser extent, the cyclone played havoc. Huts collapsed, crops suffered to a very large extent and bulls were lost in some places. Timely action was taken to alleviate their suffering. In Chinnakkalpalayam, Manivilandan and Meyyur-Gudapakkam societies the cause of distress was the failure of seasonal rains. Crops failed and the colonists were unable to maintain themselves as well as their cattle. In some places, especially Chinnakalpalayam in Coimbatore district they migrated. This was checked wherever possible by giving them small loans for domestic expenses.

There were 1,337 members on rolls of the ten societies with a paid-up share capital of over Rs. 4 lakhs. The following statement shows the ultimate strength of each colony, extent of land allotted, reclaimed and cultivated, etc :—

Name of the society.	Ultimate strength.	Number of members as on 30th June 1950.	Total extent allotted to the colony for cultivation.		Total extent reclaimed.		Extent cultivated.	
			Wet.	Dry.	Wet	Dry	Wet	Dry
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
			ACS.	ACS.	ACS.	ACS.	ACS.	ACS.
1 Kalavapudi Land Colonization Society	345	316	1,825·00	..	1,438·86	..	1,438·86	..
2 Komaragiripatnam Land, Colonization Society ..	120	110	469·56	..	328·00	..	240·00	..
3 Kalidindi " " " ..	350	312	1,894·00	..	1,632·47	..	1,200·00	..
4 Rudravaram " " " ..	72	69	382·64	111·00	385·18	..	385·18	..
5 Piduguralla " " " ..	56	56	..	499·89	..	406·00	..	141·00
6 Meyyur-Gudapakkam " " " ..	82	74	..	680·04	..	484·81	..	430·00
7 Chinnakkalpalayam " " " ..	30	17	58·00	89·00	58·00	89·00	..	94·00
8 Manivilandan " " " ..	250	37	..	2,992·63	..	523·00	..	306·00
9 Thirumangalakottai " " " ..	285	264	1,578·77	..	778·75	..	778·75	..
10 Dr. Rajan Nagar " " " ..	82	82	355·42	..	287·15	..	287·15	..
	1,672	1,337	6,563·39	4,372·56	4,908·41	1,502·81	4,329·94	971·00

No Central Government's contribution was received during the year (besides the contribution for 436 settlers received in 1948–49 to the extent of Rs. 2·18 lakhs). Proposals for reimbursing this amount towards the expenditure incurred by the State Government have been submitted to Government and their orders are awaited. As regards the Post-War Services Reconstruction Fund Committee, an amount of Rs. 2,53,775 was received during the year. The committee's total contribution so far made amounted to Rs. 11,06,737.

Vocational training centres (under the Government of India Training Scheme) attached to the colonies (for training the colonists in agriculture) in Kalavapudi, Komaragiripatnam, Tirumangalakottai, Dr. Rajan Nagar, Rudravaram and Meyyur-Gudapakkam were wound up by 30th June 1950.

Subsidiary occupations.—Poultry farming, dairying, duck-rearing, mat-weaving, etc., are some of the subsidiary occupations introduced in the colonies. Poultry farming has been taken up by all the colonies and is making slow progress. Milk production has been started only in two colonies, viz., Meyyur-Gudapakkam (Chingleput) and Thirumangalakottai (Tanjore). In the former milch animals were supplied to 26 colonists and in the latter to 85 colonists. But lack of rains and sufficient cattle-feed has interfered with progress in dairying in these colonies.

In order to provide amenities to the colonists, such as street-lighting, reading room, etc., a fund known as 'Amenities Fund' has been started in the colonies, each colonists contributing a small amount as fixed by the general body of each society, which will be collected during harvest season. To infuse in the minds of the members a spirit of co-operation and a desire for better living committees composed of the colonists themselves have been constituted to look after houses and huts, parks, orchard, health, sanitation, etc. These committees have been asked to draw up suitable programmes of development.

During the year, a community hall was constructed in Meyyur-Gudapakkam colony (Chingleput District) at a cost of Rs. 2,300. The Honourable Sri T. S. S. Rajan, Minister for Public Health, opened the hall in July 1949 and appealed to the ex-servicemen to develop the colony by taking advantage of the facilities and the Post-war Services Reconstruction Fund Committee and thus help themselves and the country. The Honourable Minister for Food, Sri J. L. P. Roche Victoria, visited the Thirumangalakottai colony and advised the colonists to make the best use of the facilities afforded to them by the Government. He recorded his impressions about the colony as follows :—

"Very pleased to visit the colony. When co-operative farming is receiving increased attention, this ex-servicemen's colony should serve as a model. I wish more such colonies are organized all over the Province as part of our programme of stepping up food production. I wish the colony all success."

With a view to enable me to maintain the societies in good working condition, I have been empowered by Government to extend from time to time at my discretion the period of nomination of the Board of Directors from three years up to a total period of nine years.

Wynaad Land Colonization Scheme.—The Post-War Services Reconstruction Fund Committee sanctioned a sum of Rs. 38 lakhs for the benefit of 2,000 ex-servicemen and expressed the view that a separate society for ex-servicemen might be formed. On an examination of the matter, Government decided that a composite society for ex-servicemen and civilians should be formed for the entire colony, that separate accounts should be maintained for ex-servicemen and civilians and that necessary provision should be made in the by-laws of the proposed society that in regard to matters of general policy concerning the ex-servicemen, their decision alone should prevail. The by-laws have accordingly been amended and approved by the Government.

As there was no substantial work until a society was registered, the post of the Special Deputy Registrar of Co-operative Societies sanctioned for the scheme was ordered by the Government to be held in abeyance and the incumbent of the post was withdrawn from 17th September 1949. The post of the Senior Inspector of Co-operative Societies was, however, ordered to be continued. Government have since sanctioned the post of a Co-operative Sub-Registrar in place of a Deputy Registrar and the post will soon be filled up.

With a view to expedite progress Government have directed that all items of expenditure relating to the scheme should be brought under a single head of account, viz., "25. General Administration—District Administration—Miscellaneous, etc.", that the revised accounting procedure should take effect in respect of accounts from 1949–50, that the Board of Revenue will be the chief controlling and estimating authority while the Collector of Malabar will be the subordinate controlling officer.

Up to the end of June 1950, 772 ex-servicemen were settled in the colony in an extent of 1,412 acres of wet land and 4,205 acres of dry land. They brought under cultivation the entire wet land and 2,150 acres of dry land. Hill paddy (*karuthan*), ragi, samai, tapioca, sweet potatoe and ginger are the principal crops raised by the colonists. In addition, the ex-servicemen colonies planted about 1,50,000 coffee plants and about 50,000 orange plants in their dry plots. Subsidiary occupations such as rearing of milch cattle and poultry-farming have been taken up by them. Till 30th June 1950 a sum of Rs. 6,83,221 was disbursed to the colonists from the Post-War Services Reconstruction Fund for land reclamation, house construction, agricultural operations, sinking of wells, domestic expenses, etc.

4. *Co-operative Motor Transport Societies for Ex-servicemen.*—There were thirteen Co-operative Motor Transport Societies for Ex-servicemen with 289 vehicles, 750 members and a paid-up share capital of Rs. 2·90 lakhs. The societies earned hire charges to the tune of Rs. 31·60 lakhs as against Rs. 27·86 lakhs during the previous year. The maintenance and running expenses amounted to Rs. 17·46 lakhs. Out of the loan of Rs. 20 lakhs sanctioned by the committee for the administration of the Post-War Services Reconstruction Fund to meet the capital expenditure a sum of Rs. 17·43 lakhs was drawn and Rs. 7·30 lakhs were repaid towards the loan. Excluding this amount the societies had Rs. 6·74 lakhs to their credit under loan repayment sinking fund. A sum of Rs. 9·56 lakhs was accumulated by the societies in a fleet replacement fund which is designed to provide for the replacement of the old vehicles by another fleet of new lorries when the former become unserviceable.

The thirteen societies were able to employ 715 ex-servicemen as drivers, fitters, cleaners, store-keepers, clerks or managers and the total bill of their pay, allowances, etc., for the year was Rs. 5·88 lakhs.

The Madras Co-operative Motor Transport Society continues to act as the chief agent for the insurance of the vehicles of all the societies. It also acts to a limited extent as agent of other societies for the purchase and supply of spares, accessories, etc.

Unfortunately, the beginning of the year saw a cut in the supply of petrol. One hundred and seventy-five gallons per month were given to each vehicle originally. This was reduced to 60 gallons per month. Due to the intervention of His Excellency the Governor (who is the Chairman of the Post-War Services Reconstruction Fund Committee), a special quota of 125 gallons per vehicle per month was given for some months. But from time to time, the society has had to face a cut in varying degrees. This cut had its effect on the business of the society and these societies made the best of the situation. The Madurai society continued its regular lorry services between Madurai and Kodaikanal and Madurai and Dindigul. Lorires were stationed by some of the societies outside their headquarters in the districts to secure business and to make available co-operative transport to the public. Some of the societies succeeded in getting extensive route permits for their lorries. Special mention may be made about the Visakhapatnam society which got for a while route permits in the Orissa State and the Madras society which secured route permits in the Mysore State.

All the societies are having small workshops for getting minor repairs to the vehicles done. The Tanjore society has undertaken the repairing of vehicles of local bodies, co-operative societies and private individuals. The South Arcot District Co-operative Motor Transport Society has a battery charging section and a valcanising section. The societies at Kozhikode, Coimbatore and Madurai are having consumers' petrol pumps in their premises.

The maintenance of vehicles is attended to by the societies. The mechanics are deputed from time to time for training in servicing and maintenance conducted by Messrs. Ford and Company. The Field Service Organizer of Messrs. George Oakes and Company visits the societies, inspects the vehicles and gives practical demonstration of the method of proper maintenance of vehicles.

The societies are not only re-settling ex-servicemen but also providing quick and reliable transport. The Malabar society undertook the transport of timber which was entrusted to it by the Forest Department and the transport of the dam materials in connexion with the construction of Malampuzha scheme. The Visakhapatnam society took up the transport of materials in connexion with the Muchkund Hydro-Electrical Scheme. It also undertook the conveyance of airmails from the Air Port to the town post offices. The Madras society undertook the transport of Government stationery articles. The Tiruchirappalli society is attending to the conveyance of mail bags from the railway station to the post offices.

Special mention has to be made about the services rendered by the Visakhapatnam society during the time of cyclone in the district. The lorries of this society were utilized for transporting people and equipment from the flood-affected areas in Anakapalli and other places. The postal authorities made use of the lorries for conveyance of mail bags which were accumulated on account of stoppage of trains. The movement of foodgrains was entrusted to this society on account of the dislocation of the railway traffic. The society won the appreciation of the public and the authorities for the services rendered by it.

In order to take stock of the position and to devise measures for solving the problems, chiefly those arising out of inadequate petrol supply, undertaking passenger transport, etc., a business conference of the Secretaries and Managers of the societies was convened during the year. The Hon'ble Sri B. Gopal Reddi, Minister for Finance and Transport, inaugurated the conference. Many subjects of interest and important problems were discussed and decisions arrived at.

His Excellency the Governor of Madras visited the societies at Madurai and Guntur. Brigadier Gurubachan Singh, Commander, Madras sub-area, visited the Guntur society. Major General Rudra visited the Coimbatore Society and distributed prizes to the drivers and cleaners who rendered best services during the year. His Excellency, K. M. Cariappa, Commander-in-Chief of India, opened the newly constructed M. & B. sheds of the Tiruchirappalli Motor Transport Society.

Since the close of the year, Government permitted the Co-operative Motor Transport Societies to undertake passenger transport. The societies at Cuddalore and Visakhapatnam have already put their buses on road. The Guntur society obtained a route permit for passenger transport. Other societies are also expected to enter this field.

5. *Co-operative Milk Supply Societies for Ex-servicemen.*—The ex-servicemen in the Pudukkottai State applied for the formation of milk supply societies among other types of societies. Investigations revealed that organization of such societies solely for ex-servicemen was not possible as sufficient number of ex-servicemen were not concentrated in any one place. It was, therefore, decided to form societies both for ex-servicemen and civilians in select places. The Post-War Services Reconstruction Fund Committee at my request, sanctioned a grant of Rs. 100 to each ex-servicemen member of co-operative milk supply societies for the purchase of milch animals, on condition that the maximum amount to be given should not exceed Rs. 10,000. Five ex-servicemen have since been admitted in the Pudukkottai Gokul Co-operative Milk Supply Society. A society in Alangudi has since been started. Steps are taken to form a few more societies in select places.

CHAPTER XII.

Prohibition—Amelioration.

1. *General.*—Prohibition was in force throughout the Madras State during the year. It was introduced on 1st April 1950 in the Sandur State area in the Bellary district, which was merged with the Madras State.

2. *Scope of Ameliorative work.*—Besides the nine-point programme of ameliorative work referred to in my last report, the Special Development Officers and their staff in non-bifurcated districts were entrusted with rural housing, welfare of fishermen in the east coast, land colonization schemes for civilians and intensive food production through village co-operatives in select districts.

The select districts in which the scheme for intensive food production was introduced, have since been bifurcated into two Deputy Registrars' circles and the work was entrusted to the Deputy Registrars.

3. *Progress of Ameliorative work—Rehabilitation of ex-toddy tappers.*—As a result of total prohibition in the State, about 1·63 lakhs of tappers were displaced from their age-long profession of toddy tapping. To provide them with an alternative employment, Government permitted in most of the districts the tapping of palm trees for sweet juice for the manufacture of jaggery on a co-operative basis. During the year, Government extended the concession of tapping coconut trees to more centres in the Malabar and South Kanara districts and to Erode and Gobichettipalayam taluks in the Coimbatore district. On the whole the concession to tap palm trees for sweet juice for the manufacture of jaggery worked well. Out of 1·15 lakhs of licences issued for drawing sweet toddy, 854 licensees were convicted for violation of Madras Sweet Toddy Rules. As a result of the abuse noticed in the tapping of coconut trees in the Madras City, Government at my instance, withdrew the concession. Government ordered the cancellation of registration of all palm jaggery societies in Rayalaseema in view of similar abuses. In the Chingleput district the licences issued for tapping palmyra trees have not been renewed in pursuance of the resolution of the District Prohibition Advisory Council. At the end of the year, the concession to tap palmyra trees was in force in all the districts in the State except Rayalaseema and the Nilgiris district. The permission for the tapping of coconut trees was in force in select areas in the districts of Malabar, South Kanara and Coimbatore; the tapping of date trees in the districts of North Arcot and Guntur and the tapping of sago trees in four taluks in the Malabar district.

The permission given by Government for the sale of sweet juice as beverage in the Tirunelveli district and in the three taluks of Ramanathapuram district was extended to three more taluks of the Ramanathapuram district during the year. A proposal to open a neera parlour in the Madras City by tapping sweet juice from date trees in the Government House compound is under consideration.

Government amended rule 2 of the Madras Sweet Toddy Rules restricting the issue of licences for drawing sweet toddy to the members of palm jaggery societies, modified form I of the forms prescribed under the Madras Sweet Toddy Rules providing for the recommendation of the panchayatdars of the palm jaggery societies instead of the village headman and amended rules 7 and 8 of the Madras Sweet Toddy Rules and modified conditions Nos. 3 and 5 laid down in Form II of the forms prescribed under the said rules, extending the time-limit for tapping coconut trees from 2 p.m. to 6 p.m. Amendments to the Madras Sweet Toddy Rules to enable the members of palm jaggery societies to manufacture sugar, sugarcandy and jaggery products have been submitted for consideration of Government.

Palm jaggery co-operative societies have provided alternative employment to ex-tappers and thanks largely to their success, the problem of unemployment among the tappers may be said to have been in a considerable measure solved except in the City of Madras. About 78 per cent of the tappers thrown out of work have found employment in jaggery societies. Ex-tappers were also provided with work as agricultural labourers, as peons, watchmen, etc., in Government and other institutions and as gang coolies, chowkidars, etc. About 58,044 ex-tappers were so employed up to 30th June 1950. Efforts were made to secure employment to the Madras City ex-tappers in commercial institutions, firms, Government establishments, etc., and in this manner 1,065 ex-tappers were provided with work. The City Toddy Tappers Relief Committee under the chairmanship of the Mayor of Madras sanctioned out of the Mayor's Relief Fund a subsidy of Rs. 100 each to four ex-tappers, milk supply societies for the purchase of utensils and Rs. 50 each to two jaggery societies to meet initial expenses and set apart Rs. 500 for giving grants to the children of ex-tappers for purchase of books. Though on its representation Government assured the Relief Committee that such of the ex-tappers as were willing or might go to the Lower Bhavani Project area at their own cost would be employed as job workers, none of the ex-tappers was willing to go there. The City ex-tappers are generally reluctant to take to hard manual labour or to leave their homes for distant places.

The progress achieved in the provision of employment to the ex-tappers through the various co-operatives is furnished below:—

(i) *Palm jaggery manufacturing co-operative societies.*—There were 1,881 palm jaggery manufacturing societies on 30th June 1950 with 1·49 lakhs of members (of whom 1·27 lakhs were ex-tappers) and a paid up share capital of Rs. 4·72 lakhs. There was an all-round improvement in the year as compared to the previous year's record. The number of licences issued under the Madras Sweet Toddy Rules and in force at the end of the year for the tapping of palm trees was 113,106 of which 103,791 were for palmyra, 8,832 for coconut, 264 for date and 219 for sago tree tapping. The following statement gives details of jaggery produced by the societies during the year : —

Jaggery produced.	Palmyra.	Coconut.	Date.	Sago.	Total.
1 Quantity (in maunds)	2,600,746	123,790	9,505	10,938	2,744,979
		Rupees (in lakhs).			
2 Value	112·21	9·57	0·53	0·49	122·80

Small loans to the extent of Rs. 1·84 lakhs were issued by the societies to the ex-tappers to enable them to meet expenses in connexion with the manufacture of jaggery and to undertake subsidiary occupations. The amount outstanding against them at the end of the year was Rs. 1·62 lakhs. Two hundred and twenty jaggery societies undertook extra activities such as supply of rice, cloth, kerosene, agricultural implements, etc., to an extent of Rs. 3.25 lakhs.

Five thousand three hundred and sixty-seven permits were issued to the ex-tappers in the Tirunelveli and Ramanathapuram districts for sale of sweet juice as beverage, and 2·81 lakhs Madras Measures of sweet juice valued at Rs. 4.85 lakhs were sold as beverage in the two districts. The Vannarpet jaggery manufacturing co-operative society in the Tirunelveli district opened a *neera* stall for the sale of sweet juice. Government sanctioned a subsidy of Rs. 250 to the society towards the cost of utensils, etc. There were in all 79 Senior Inspectors and 79 peons at the end of the year for the organization and supervision of jaggery societies at Government cost.

Palm Gur Development.—In October 1949, Government sanctioned a scheme for giving State-wide training to ex-tapper members of jaggery societies in improved methods of production of jaggery and it came into effect from December 1949. One Deputy Palm Gur Organizer sanctioned under the scheme was appointed to assist the State Palm Gur Organizer. Government sanctioned a sum of Rs. 84,000 under recurring and Rs. 1,625 under non-recurring expenditure. The Government of India have undertaken to meet 50 per cent of the recurring expenditure. Under the scheme, 22 Palm Gur Instructors were trained in the Central Palm Gur Training School at Cuddalore and they were subsequently posted to the districts. It was proposed to train 1,000 ex-tappers in improved methods of jaggery production and to supply them each, free of cost equipment consisting of an iron pan, a juice container, etc., worth Rs. 75. Up to the end of the year 850 sets of equipment were got manufactured at the Strathie Engineering Co-operative Workshop for distribution to the trainees through the palm jaggery societies concerned. Government sanctioned a subsidy of Rs. 300 to two of the jaggery societies in the Madras City towards purchase of utensils, construction of sheds, etc.

The Palm Gur Instructors conducted 96 training centres and trained 628 ex-tappers in better methods of production at less cost and held demonstrations at 226 centres for the benefit of members of jaggery societies and others interested in the industry. Pamphlets in English, Tamil and Telugu relating to palm gur were distributed to the public. A palm gur stall was successfully conducted in the All-India Khadi, Swadeshi and Industrial Exhibition at Madras in December 1949 at which various kinds of palm jaggery and other palm products were exhibited and demonstrations in improved processes of jaggery manufacture were held. The societies and the Palm Gur Instructors participated in the exhibitions conducted at Kumbakonam, Tanjore and Srirangam. Show cases were kept in the districts including the Madras City, with the palm gur and palm products duly displayed in them.

The Government have under considerations the proposals made to them for intensifying the activities under the palm gur development scheme and conducting experimental centres, one in the south and the other in the north, for carrying on research in the palm gur industry generally and in particular in the manufacture of white sugar directly from sweet juice on the open pan system and in the aerial ropeway method of tapping palm trees. Government have since sanctioned the deputation of two Palm Gur Instructors for training in the aerial ropeway system of tapping palm trees in the Central Palm Gur Training School at Cuddalore. At the instance of the Government of India, a scheme has been put up to Government for the establishment of two intensive production centres, one for palmyra and the other for date, for the collection of precise data about the economics of the industry with a view to examine the commercial possibilities of the industry. It is under the consideration of Government.

(ii) *Milk supply societies.*—There were at the end of the year 213 milk supply co-operative societies and 11 milk supply unions working with 1,655 ex-tappers and 6,818 ex-addicts and others as members and a paid-up share capital of Rs. 1·35 lakhs. Six societies organized for the benefit of ex-tappers were pending registration at the end of the year. The milk supply societies produced 20·46 lakhs Madras Measures of milk valued at Rs. 10·45 lakhs and sold 12·28 lakhs Madras Measures of milk valued at Rs. 10·26 lakhs. Interest free Government loans to the extent of Rs. 2·01 lakhs were sanctioned to the members of these societies who bought 2,804 milch animals. A subsidy of Rs. 15,900 to 33 milk supply societies towards their working expenses and another subsidy of Rs. 3,950 towards the cost of equipment were sanctioned. The milk supply unions had a membership of 169 individuals and 31 feeder societies with a paid-up share capital of Rs. 12,283 at the end of the year. They sold milk and milk products valued at Rs. 1·45 lakhs. One hundred and thirty-eight members of 12 palm jaggery societies were also given interest-free-loans amounting to Rs. 30,950 for the purchase of milch cattle.

A special staff of six Senior Inspectors and two Junior Inspectors were sanctioned by Government free of cost and one Senior Inspector and one Junior Inspector at partial cost for the supervision of these unions and societies.

(iii) *Land colonization co-operative societies.*—The four land colonization co-operative societies in the Salem district, to which admission is restricted to ex-tappers continued to do good work during the year. There were 413 ex-tappers and 80 others as members with a paid-up share capital of Rs. 3,011. An extent of 2,292·95 acres of land were brought under cultivation.

The proposals for starting land colonization co-operative societies in Kuvettu (South Kanara), Avarampatti and Seruvaviduthi (Tanjore district) and Doddagatta (Anantapur district) for the benefit of ex-tappers were generally approved by Government. On account of various practical difficulties in the reclamation of land and settling the required number of colonists, the Kuvettu proposal will have to be dropped.

(iv) *Other types of societies.*—At the end of the year, there were 8 cottage industries societies, 6 tenants co-operative societies, 28 field labourers co-operative societies and 1 cattle breeding society for the benefit of ex-tappers. The Cottage Industries Co-operative Societies had 470 members with a paid-up share capital of Rs. 11,276. They produced and sold goods to the value of Rs. 18,530 and Rs. 17,093 respectively.

The Pile Carpet Weavers' Co-operative Society at Ayothipatnam in the Salem district had 82 ex-tapper members with Rs. 8,450 as paid-up share capital. The society has a factory of its own with 22 carpet looms and 4 woollen druggot looms in addition to a frame for production of cotton blankets. During the year, it produced and sold goods worth Rs. 14,372 and Rs. 13,199 respectively. Government approved a scheme for the starting of a production-*cum*-training co-operative society for coir-making at Ullal in the South Kanara district and sanctioned a subsidy of Rs. 6,286 towards recurring and non-recurring charges. The society has since been organized. The Melshanankuppam Cottage Industries Society in the North Arcot district had a membership of 120 with a paid-up share capital of Rs. 1,506 and produced coconut leaf mats worth Rs. 420 during the year. The Valligallu Co-operative Society in the Chittoor district admitted 22 ex-tappers as members who undertook the weaving of date leaf mats. It produced and sold mats worth Rs. 279 and Rs. 404 respectively. The Labour Contract Society at Bukkapatnam in the Anantapur district had 67 ex-tappers as members with a paid-up share capital of Rs. 2,508. It obtained fishery rights in the Bukkapatnam tank and surrounding ponds for a period of five years on an annual rental of Rs. 3,187. It executed road contract works for Rs. 9,284. In the Madras City khadi demonstration centres, for the conduct of which Government sanctioned a sum of Rs. 4,732 were conducted

at three centres for a period of six months and 200 ex-tappers were trained.

During the year 28 field labourers co-operative societies and six tenants co-operative societies were formed in the State for the benefit of ex-tappers as well as others with a membership of 2,583 of whom 2,310 were ex-tappers. In the Guntur district, four of the tenants societies got assigned 244 acres of land for cultivation by 115 members and 19 others at the rate of $1\frac{1}{2}$ acres each. In the Krishna district, there were 22 societies formed exclusively for 1,971 ex-tappers. A committee consisting of Revenue Divisional Officers, Tahsildars, Assistant Engineers (Public Works Department) and the Special Development Officer was formed for recommending the assignment of lands to these societies. About 20,000 acres of land are available for assignment to ex-tappers and other landless people. The assignment of about 384·83 acres of land in the prohibited zone of Romperu drain to the Gowdas of Guntur district for cultivation is still under the consideration of Government.

Government have permitted the lease of lanka lands without auction to the ex-tappers in the districts of West Godavari, Krishna and Guntur as well as the lease of unobjectionable poramboke lands under the Grow More Food concessions for a period of one year, to start with and the renewal of such lease further for a period of one year at a time.

4. *Co-operatives for the general public including ex-addicts*—(i) *Cottage Industries Co-operative Societies.*—There were 40 cottage industries co-operative societies and 53 other types of societies formed for the benefit of ex-addicts and others at the end of the year. A cottage industries society at Gooty in the Anantapur district for the manufacture of palmyra and date products was registered during the year and Government had sanctioned a subsidy of Rs. 4,300 towards its recurring and non-recurring expenditure. Government approved during the year a scheme for poultry-farming at Gooty and sanctioned the necessary recurring and non-recurring expenditure for working it. The society was registered with 29 members and a paid-up share capital of Rs. 405. It purchased a foundation stock of 3 cocks and 13 pullets. The Vellore Basket Makers Co-operative Society with its 140 members produced and sold baskets worth Rs. 21,070 and Rs. 22,900, respectively, and earned a net profit of Rs. 688. The Cart Makers Co-operative Society at Bojjayapalli and the Egg Marketing Society at Proddatur in the Cuddapah district continued to do good business during the year. The Cart Makers Society could not, however, increase its business for want of adequate supply of cart tyres. During the year, a mat-makers society at Mandiram and a labour contract society at Proddatur in the same district were formed. The Anumalapalli Shoe Makers Co-operative Society in the Kurnool district which was started during the year was given a subsidy of Rs. 600

towards establishment charges. Goods worth Rs. 3,157 and Rs. 3,360 were produced and sold respectively during the year. The Pannur Leather Workers' Co-operative Society (Chittoor district) had on its rolls 25 members; it purchased raw materials worth Rs. 3,500 and sold finished goods worth Rs. 3,270 during the year. The Collector of Chittoor gave it a subsidy of Rs. 700 from the Firka Development Fund for the purchase of a sewing machine and other tools. The Rayalaseema Development Board has recommended to Government the sanction of an ex-gratia grant of Rs. 2,000 towards its share capital. Government sanctioned to the society the free services of a Junior Inspector.

(ii) *Cattle-breeding societies.*—Four cattle-breeding co-operative societies were formed during the year, one each in the district of North Arcot, Chittoor, Kurnool and Guntur. Government sanctioned the formation of cattle-breeding societies in the districts of North Arcot, South Kanara, Madurai, Anantapur, Guntur and Nellore and sanctioned a non-recurring subsidy of Rs. 19,950 towards 50 per cent of the cost of the bulls and a recurring subsidy of Rs. 13,048 per annum for a period of three years towards working expenses. In the societies formed and registered up to the end of the year, 18 stud bulls valued at Rs. 9,905 were purchased during the year and including these, there were 22 bulls valued at Rs. 13,505 at the end of the year. The Chintaparthi cattle-breeding co-opearative society (Chittoor district) was started on work during the year with 279 members and a paid-up share capital of Rs. 3,000; 9 stud bulls at a cost of Rs. 4,715 were purchased and a stockman-compounder was placed in charge of the society by the Director of Animal Husbandry. A sum of Rs. 500 was sanctioned by the Firka Development Committee to the Perdal Cattle-Breeding Co-operative Society in the South Kanara district for the construction of sheds for the bulls. The district board and the central bank, Madurai, agreed to donate Rs. 3,000 each to the Kannivadi Cattle-Breeding Co-operative Society for the purchase of bulls apart from the subsidy sanctioned by Government in this behalf. The Odugathur Cattle-breeding Co-operative Society in the North Arcot district started during the year purchased 6 bulls from the Hosur cattle farm at a cost of Rs. 3,600 out of the subsidy granted by Government.

(iii) *Fishermen co-operative societies in the East Coast.*—The staff of three Junior Inspectors sanctioned for the organization of Fishermen co-operative societies and for welfare work among fishermen continued to work under the Special Development Officers. They attended to the organization of fishermen societies in East Godavari, West Godavari, Madras and Chingleput. The working of these societies is dealt with in Chapter X.

(iv) *Other types of societies.*—In addition to the three labour contract societies working in the districts of Krishna and Nellore six labour contract societies were organized during the year in the districts of Cuddapah, Krishna, Kurnool and Nellore. There were 986 members in these societies with a paid-up share capital of Rs. 12,589. The societies employed 605 workers and paid wages to them amounting to Rs. 31,155.

A carpet weavers' co-operative society was organized at Vellaravalli in the Salem district for the benefit of the Harijans. The society was sanctioned a subsidy of Rs. 1,000 and a loan of Rs. 1,000 for purchase of looms and the free services of a Junior Inspector for a period of one year.

A health co-operative society was organized in Poddaturpet in the Chittoor district covering nine villages with a view to provide medical aid to the rural folk. The society is expected to serve 3,755 families most of whom are weavers. The Provincial Welfare Fund Committee (Chittoor Branch) sanctioned a grant of Rs. 1,000 towards the initial expenses connected with the maternity centre to be opened by the society. Government approved the proposals of the Poddaturpet Panchayat Board to pay an annual contribution of Rs. 1,500 and an initial subsidy of Rs. 1,000 to this society. The society proposes to run a pucca dispensary with a maternity and child welfare centre. The society has since commenced work. It has employed a qualified compounder and midwife and provided them with free quarters. Steps are being taken to appoint a qualified doctor soon.

Members of the society are treated in the hospital free of cost. Non-members are also given medical aid on payment of fees. The society is in its initial stages and its working will be watched with interest.

5. *Development of co-operatives in the select firkas and centres*—(i) *General.*—In addition to the 34 firkas and centres where the rural reconstruction scheme was being implemented 50 new additional firkas were selected in April 1950 for intensive development. A plan of co-operative development has been drawn up for each select firka and entrusted to the ameliorative staff. There were 644 rural credit societies and 547 other types of co-operative societies in the select firkas at the end of the year. Out of 2,382 revenue villages and 285 hamlets in all the selected areas 1,711 revenue villages and 222 hamlets were covered by co-operative societies. Steps are being taken to bring the remaining villages also within the co-operative fold. Twenty-two out of 84 firkas were fully covered by co-operatives. In pursuance of the orders of Government the special staff sanctioned for work connected with the firka development has been placed under the administrative control of the Collectors.

With a view to assist the village industries in the select firkas, I have submitted a scheme to Government under which the co-operatives will arrange to procure and supply the raw materials needed by the artisans at cost price and to distribute any equipment that may be supplied to them by Government free of cost.

His Excellency the Governors of Bombay and Madras visited Kakalur village in the Tiruvallur select firka in the Chingleput district and inspected the intensive rural development work carried on in the village. His Excellency the Governor of Bombay appreciated the work done and was pleased to donate a sum of Rs. 200 towards the expenses incurred.

(ii) *Distribution of agricultural implements at half the cost to the ryots in the select firkas.*—In G.O. Ms. No. 929, Food, dated 4th October 1949, Government sanctioned a scheme for distribution at half cost of agricultural implements to the ryots in the select firkas through co-operative societies subject to a maximum of Rs. 1,000 to each firka. Fifty-six societies in 17 districts undertook the work. In the remaining districts, the District Agricultural Officers or the Firka Development Officers arranged for the distribution.

(iii) *Multi-purpose societies in the select firkas.*—According to the orders of Government multi-purpose societies of the full-fledged type were formed in three of the select firkas, viz., Tirumangalam in the Madurai district, Dendalur in the West Godavari district and Kumbla in the South Kanara district. The progress made in the three firkas is indicated in the following :—

	Name of firka.	Number of multi-purpose societies.	Number of members.	Share capital.	Loans issued to members during the year.	Loans outstanding at the end of the year.
				RS.	RS.	RS.
1	Tirumangalam ..	41	3,738	69,454	3,86,126	5,14,537
2	Dendalur	24	3,579	57,828	5,10,110	4,15,357

Multi-purpose activities undertaken—

Supply of controlled commodities.

Distribution of agricultural implements and manure.

Execution of contract works.

Promotion of thrift.

Collection and sale of milk.

Social and Recreational activities.

Kumbla firka.—Two rural credit societies functioning in the Kumbla firka adopted multi-purpose by-laws. The villagers in this firka are generally opposed to the idea of forming multi-purpose societies on unlimited liability basis with the result that much progress could not be made.

While fair progress has been made by the multi-purpose societies in two firkas, much yet remains to be done; their activities have to be widened and systematized. I have recommended to Government assistance to these societies by way of subsidy to meet their establishment and other charges and staff for close supervision. I have suggested to Government extension of the scheme to two more districts.

(iv) *Recreational activities in the select firkas.*—Government ordered that the Chief Physical Instructor attached to the Amelioration branch should organize rural games and other recreational activities in the select firkas by utilizing the services of the Firka Development Officers and their assistants. A programme for the introduction of recreational activities was drawn up and the Rural Welfare Officers (Prohibition and Amelioration Department) were asked to carry it out. The propaganda vans supplied to the Special Development Officers toured in the firkas for a week every month. The Chief Physical Instructor and the Assistant Physical Instructor gave technical guidance and assistance to the Rural Welfare Officers, Firka Development Officers and others engaged in the work.

6. *Promotion of rural uplift*—(i) *Gramasangams.*—There were 14,359 gramasangams at the end of the year as against 12,649 at the beginning of the year. Four thousand and eighty-nine of them were active and undertook village uplift activities like sanitation, construction of roads, opening of libraries, conduct of adult schools, reading rooms, etc., 3,595 gramasangams provided counter-attractions to drink; and 500 gramasangams opened libraries. During the year they received library grants amounting to Rs. 15,560. During the year 22 gramasangams were registered under the Societies Registration Act XXI of 1860. Government have since approved my proposal to get the annual audit of the accounts of the registered gramasangams done free of cost by the co-operative staff. They have also accorded their general approval for granting subsidies to gramasangams to the extent of 50 per cent of the estimated cost of construction of community centres subject to a maximum of Rs. 3,000 in each case. Type-designs of community centres have been prepared. The Pallacheruvu gramasangam in Chittoor district which was sanctioned a subsidy of Rs. 2,000 by Government during the last year completed the construction of the community centre. During the year, Government sanctioned subsidies amounting to Rs. 13,500 to eight gramasangams in the districts of North Arcot, Bellary and South Kanara. The construction of the community centres is in progress.

(ii) *Rural credit societies.*—During the year, 4,509 rural credit societies adopted the special by-laws for undertaking social and recreational activities and 2,316 societies undertook rural uplift work such as construction of village halls-*cum*-godowns, opening of reading circles and libraries, conduct of games, bajanas and tournaments, etc. Government approved my proposal to grant subsidies to rural credit societies to the extent of 50 per cent of the estimated cost of construction of godowns-*cum*-village halls and 44 societies have been sanctioned a free grant of Rs. 2,85, 825 to enable them to put up godown-*cum*-village balls. The work is in various stages of progress.

(iii) *Rural housing.*—The Special Development Officers and the amelioration staff attended to the organization of societies for rural housing. The progress made in this direction is given elsewhere.

(iv) *District Amelioration Fund.*—A sum of Rs. 3,044 was utilized from the fund during the year towards rural uplift activities. There was a balance of Rs. 44,917 in the fund at the end of the year.

(v) *Distribution of quinine in rural areas.*—With a view to ensure efficient control Government empowered all the Special Development Officers to supervise the distribution of quinine in the rural areas and to bring to the notice of the Health Officers concerned the defects noticed. They attended to this work during their tours.

7. *Re-organization of rural credit societies and expansion of their activities.*—The two-year scheme of reorganization introduced in February 1949 continued to be worked during the year by the 30 co-operative central banks. There were at the end of the year 12,534 rural credit societies. The number of villages served by these societies increased from 17,020 at the beginning of the year to 19,813 at the end. The percentage of villages and the population served by them were 61·28 and 16·10, respectively, at the end of the year as against 45·17 and 14·8, respectively, at the end of the previous year. On 30th June 1950 there were 6,444 societies carrying out multi-purpose activities such as supply of agricultural, industrial and domestic requirements of members, construction of godowns, dairying, promotion of thrift and social and recreational activities, etc., etc. They also took part in the food production measures launched by Government by distributing chemical manure and iron and steel by arranging to get fallow lands on lease for cultivation and by encouraging members to dig pits for manufacturing rural compost. They did business to the extent of Rs. 262·96 lakhs in controlled commodities, agricultural implements, sale of cloth, manure, milk, etc., during the year as against Rs. 67·7 lakhs during the previous year.

The central banks employed in all 674 supervisors including 148 additional supervisors maintained out of Government subsidy. A subsidy of Rs. 1·14 lakhs was paid during the year to the central banks towards the cost of additional supervisors employed by them. Government ordered that all the village credit societies should be renamed as "multi-purpose rural credit societies" and this is being done. I have been impressing on the central banks the need to strengthen the existing societies and to increase their membership and business. The conversion of the remaining rural credit societies into multi-purpose societies will take some more time. The Provincial Co-operative Advisory Council recommended that the scheme should be continued for a further period of three years.

Construction of godowns.—In pursuance of the scheme for sanction of free grants to rural credit societies and marketing societies for the construction of godowns up to 50 per cent of the cost of construction Government provided a sum of Rs. 4 lakhs during the financial year 1950–51 for the purpose. During the year Government sanctioned free grants to 68 rural credit societies and 10 sale societies to the extent of Rs. 4,15,970. The loans sanctioned to them amounted to Rs. 1,43,035. Fourteen rural credit societies and two sale societies completed the construction of godowns and the construction in the remaining cases is in different stages of progress.

8. *Provision of counter-attraction to drink*—(i) ***Substitutes for drink.***—No separate arrangement was made during the year departmentally for opening refreshment and tea stalls. One thousand one hundred and fifty-six private coffee and tea stalls which were opened during the year continued to be popular.

(ii) *Recreational activities.*—During the year 344 firka, 53 taluk, 5 district and 2 divisional tournaments were held. Many villagers took part and many more witnessed the games. Government have since ordered that no expenditure on these activities should be incurred out of Government funds. Bajanas, Kathakalashepams, etc., were conducted in 4,302 villages and reading of epic lore was held in 1,960 villages.

(iii) *Dramatic troupes.*—Government provided a subsidy of Rs. 12,000 for the conduct of dramas by village dramatic troupes during 1949–50. Three hundred and sixty-three dramas were enacted and a sum of Rs. 10,750 was disbursed to the troupes as subsidy.

(iv) *Installation of Radios.*—During the year thirty-six radio-sets were installed in the villages, of which 13 sets belonged to the late Publicity Department. The remaining 23 sets were installed by raising local donations. There were at the end of the year 84 radio sets installed in the villages in various districts. The question of extending to the gramasangams and co-operative societies which have installed the radio sets, the concessions granted to the panchayat boards in the matter of payment of maintenance charges is still under the consideration of Government.

(v) *Exhibition of films, magic lantern slides, etc.*—Propaganda vans have been provided to sixteen districts in the State equipped with a set of cine projectors, magic lantern, public address system, radio and gramophone. The van in the South Arcot district was condemned as unfit for use and only fifteen vans were in use. The vans were used for propaganda in the countryside and whenever required were placed at the disposal of the Agricultural Department for propaganda in agricultural matters. They were also spared to the Collectors for propaganda work in connexion with intensive manuring and food production schemes.

The question of purchasing new vans for supply to the remaining districts in the State is under the consideration of Government. The Government of India (Films division, Bombay) by arrangement with the Government of Madras are supplying free of cost, one copy of each of the documentary and news reels produced by it in Tamil and Telugu. So far 29 documentary and 50 news reel films of 35 m.m. size and 79 films of 16 m.m. size were received, free of cost. Six flms of 16 m.m. size were also purchased at a cost of Rs. 1,000. Government sanctioned the purchase of six 16 m.m. projectors to replace the existing 35 m.m. projectors in the vans and the new projectors have been fixed in four vans. Loud speaker equipment has been fitted to all the vans.

Government sanctioned a sum of Rs. 10,500 for the production of film on " Prohibition " and the film is nearing completion.

Magic lantern slides.—During the year Government sanctioned Rs. 750 for the purchase of 3 sets of 108 slides each illustrating the incidents in Mahatma Gandhi's life and these were purchased and are now in circulation. The photographer attached to this department continued to take snaps of important activities connected with Prohibition and Co-operation. The two sets of 55 and 24 magic lantern slides already prepared by him are under circulation in the districts and another set of 38 slides has been prepared.

Gramophone records.—The gramophone records in Tamil, Telugu and Kannada on Prohibition, purchased during the previous year and distributed to the districts, were played on the gramophone attached to the propaganda vans.

9. *Promotion of thrift.*—At the end of the year there were 3,091 rural societes and 444 other societies which undertook thrift schemes and distributed 60,735 hundi boxes. A sum of Rs. 3·31 lakhs was accumulated as savings through hundi boxes in rural credit societies, besides 1·68 lakhs in the other societies. Besides a sum of Rs. 3·59 lakhs was saved through savings or thrift deposits by rural credit societies, while a sum of Rs. 2·52 lakhs was saved through other societies. With a view to inculcate the habit of thrift among the villagers, ' thrift days ' were celebrated when hundi boxes were distributed and members encouraged to save. Steps were also taken to link up savings with insurance policies by utilizing the savings for payment of insurance premia. In the South Arcot district, the Collector placed at the disposal of the Special Development Officer a sum of Rs. 1,000 from his discretionary grant to be utilized for the purchase and supply of hundi boxes free of cost to members of co-operative societies.

10. *Publicity and propaganda.*—The ameliorative staff conducted propaganda on Prohibition, Co-operation, thrift, food production measures launched by Government, etc., during their tours, making use of propaganda vans. Several pamphlets and songs on Prohibition. Palm Gur industry, etc., in different languages were

prepared and got printed and distributed to the people with the approval of the Director of Information and Publicity. A drama on Prohibition styled as " Never Again " was printed in English and other languages and copies supplied to the districts.

11. *Harijan welfare.*—Besides participating in the " Harijan day " celebration, the ameliorative staff organized special types of societies for Harijans such as house-site societies, leather workers societies, basket makers societies, field labourer societies, tenants societies, etc., wherever possible. House-site societies, four in the North Arcot district, two in Madras and one each in the districts of Chittoor, Tanjore, Tirunelvelli, Tiruchirappalli and Nellore were formed for the Harijans. The Potladurthy and Rajampet Leather Workers Co-operative Societies in the Cuddapah district and the Pannur Leather Workers Co-operative Society in the Chittoor district provided work to the Harijans. A society for manufacturing agricultural implement was organized at Kolavathi in the West Godavari district. A house-site society at Elakatoor in the Chittoor district was started on work during the year and 81 Harijans joined it. The Collector of Chittoor sanctioned a sum of Rs. 405 from Firka Development Fund towards the cost of acquiring the site. The Collector of Bellary sanctioned Rs. 1,000 from his discretionery grant for the Harijan members of Muddanagiri Co-operative Society for the construction of houses. The South Kanara Collector sanctioned Rs. 200 to the Nilathur Mat Weavers Co-operative Society for the benefit of Harijans. In the East Godavari district 26 Field Labourers Co-operative Societies were organized during the year and there were 11,500 Harijan members in all the societies. In the Guntur district about 21,500 acres of land were leased out to the Harijans through tenants societies. In Tanjore, 81 Harijans were selected for admission into land colonization societies proposed to be formed at Avarampatti, Chitrakudi, Siruvaviduthi and Koilpatti villages.

12. *Uplift of women.*—The ameliorative staff continued to attend to the work relating to the uplift of women, especially the womenfolk of ex-addicts. The Tadpatri Women Cottage Industries Co-operative Society (Anantapur district) was started during the year with 36 members and a paid up share capital of Rs. 249. A Women Cottage Industries Co-operative Society was organized at Hindupur in the same district. The propaganda vans with the Special Development Officers were made available to the Women Welfare Department in the districts whenever required, for carrying on propaganda among women.

STATEMENT A.—*Operations of Provincial and Central Banks (Central Credit Societies), 1949-50.*

State.	Number of Banks.	Number of offices including head office.	Number of members: Indivi-duals.	Number of members: Banks and societies.	Loans advanced during the year to Individuals: Number.	Individuals: Amount.	Banks and societies: Number.	Banks and societies: Amount.	Loans repaid during the year by Individuals: Number.	Individuals: Amount.	Banks and societies: Number.	Banks and societies: Amount.	Loans due at the end of the year by Individuals: Number.	Individuals: Amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
						A. Provincial Co-operative Banks (M).								
						RS.		RS.		RS.		RS.		RS.
Madras ..	1	6	167	33	208	7,06,098	416	8,44,[illegible],539	189	12,35,295	519	9,45,17,845	153	2,03,901
						B. Central Co-operative Banks (M).								
Madras ..	31	43	4,088	17,951	2,767	34,65,887	18,848	43,40,37,732	2,396	36,05,575	13,472	44,80,26,959	2,053	14,82,704

State.	Loans due at the end of the year by—*cont.* Individuals: Of which overdue: Num-ber.	Of which overdue: Amount.	Banks and societies: Num-ber.	Banks and societies: Amount.	Of which overdue: Num-ber.	Of which overdue: Amount.	Total bad and doubtful debts.	Cash in Hand.	Cash in Banks.	Investments: Govern-ment and other trustee securities.	Investments: Land and buildings.	Investments: Others.	Interest recei-vable.	Of which over-due.	Share capital paid up.
—	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
						A. Provincial Co-operative Banks (M)—cont.									
		RS.		RS.		RS.		RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
Madras ..	..	..	213	4,12,62,483	3	1,194	1,194	4,86,160	14,02,184	2,40,59,279	3,65,520	1,28,500	16,43,374	1,530	15,00,000
						B. Central Co-operative Banks (M)—cont.									
Madras ..	202	13,167	27,150	12,47,67,317	3,021	47,21,852	15,54,509	75,52,578	1,50,21,458	2,06,89,474	10,17,708	72,76,469	62,03,389	42,777	1,17,91,164

NOTE.—A—Provincial Bank. } Figures are given separately in the above statement. Letter (M) represents mixed type of institution where individuals are also
B—Central Co-operative Banks. } allowed to hold shares of the institutions.

State.	Reserve fund.	Bad debts reserve.	Other funds.	Loans from Commercial banks.	Loans from Co-operative banks.	Loans from Other sources.	Deposits from Co-operative banks.	Deposits from Primary societies.	Deposits from Individuals and other sources.	Working capital.	Cost of manage-ment.	Profit + or loss — for the year.	Usual dividend paid on shares.	Most usual rate of interest on Borrow-ings.	Most usual rate of interest on Lendings.
—	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	(43)	(44)	(45)
	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	PER	CENT.	
						A. Provincial Co-operative Banks (M)—cont.									
Madras ..	42,75,000	30,000	10,63,594	1,10,32,329	..	78,00,000 (R)	[illegible],30,64,549	55,82,890	2,33,88,529	6,77,36,891	2,94,389	+2,88,978	9	2	3½
						B. Central Co-operative Banks (M)—cont.									
Madras ..	57,37,160	15,65,219	23,56,947	1,39,496	4,04,33,490	74,713 (R)	8,24,373	5,40,82,646	5,67,61,005	17,37,66,213	24,31,098	+18,49,348	5	3½	4½

NOTE.—(i) Loans from Reserve Bank are shown separately by the letters 'R' within brackets.
(ii) For the purpose of this statement, the working capital is taken to be the total of colums 30 to 39.

STATEMENT A-I.—*Operations of Central Non-credit Societies,* 1949–50.

State.	Class or type. Marketing Unions or federations.	Wholesale stores and supply unions.	Industrial unions.	Milk unions.	Other types.	Total number of central societies.	Number of members. Individuals.	Societies.	Loans advanced during the year. Number.	Amount.	Loans repaid during the year. Number.	Amount.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
										RS.		RS.
					PROVINCIAL.							
					(i) *The Madras Provincial Co-operatie Marketing Society, Limited.*							
Madras	1	..	..	..	..	1	121	303	..	..	..	..
					(ii) *The Madras Handloom Weavers' Provincial Co-operative Society, Limited.*							
	..	..	..	..	1	1	1,784	956	..	..	..	..
Total ..	1	..	..	..	1	2	1,905	1,259	..	..	..	..
					CENTRAL.							
					(i) *Co-operative Wholesale Stores.*							
	..	24	..	..	..	24	7,942	4,673	..	..	..	..
					(ii) *District Marketing Federations.*							
	4	..	..	..	..	4	897	540	4	415	4	415
					(iii) *Milk Supply Unions.*							
	..	..	..	36	..	36	3,149	380	544	5,41,815	445	6,56,250
					(iv) *Central Women Cottage Industries Society, Limited.*							
	..	..	1	..	..	1	15	9	..	..	..	..
					(v) *Other Types.*							
	..	..	..	..	4	4	1,893	42	..	..	..	..
Total ..	4	24	1	36	4	69	13,896	5,644	548	5,42,230	449	6,56,665

State.	Loans due at the end of the year. Number.	Amount.	Cash on hand and in bank.	Investments in land and buildings.	Investments in plant and machinery.	Other assets.	Value of goods. Received. As owners.	As agents.	Sold. As owners.	As agents.	Stock held. At the beginning of the year. As owners.	As agents.
	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
		RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
						PROVINCIAL—*cont.*						
						(i) *The Madras Provincial Co-operative Marketing Society, Limited.*—cont.						
Madras	..	..	7,363	..	..	671	13,27,197	..	14,24,759	..	1,13,256	..
						(ii) *The Madras Handloom Weavers' Provincial Co-operative Society, Limited.*—cont.						
	..	..	7,14,846	..	..	13,09,550	2,51,97,071	..	3,43,33,144	..	1,32,43,432	..
Total ..	..	..	7,22,209		..	13,10,221	2,65,24,268	..	3,57,57,903	..	1,33,56,668	..
						CENTRAL—*cont.*						
						(i) *Co-operative Wholesale Stores*—cont.						
	..	..	59,49,659	5,00,023	4,02,123	1,49,87,851	18,42,36,423	11,04,969	23,33,11,944	10,60,572	4,35,01,318	10,577
						(ii) *District Marketing Federations*—cont.						
	2	109	55,620	24,698	33,021	3,96,005	37,03,227	8,490	39,37,579	82,908	3,59,329	85,623
						(iii) *Milk Supply Unions*—cont.						
	416	2,56,607	2,31,655	18,059	3,02,419	4,32,151	60,62,794	2,53,237	72,83,736	2,67,589	17,170	..
						(iv) *Central Women Cottage Industries Society, Limited.*—cont.						
	..	..	3,104	..	..	40	33,097	3,692	36,507	3,430	1,387	494
						(v) *Other Types*—cont.						
	..	..	93,120	90	278	35,851	7,75,799	..	11,98,332	..	70,952	..
Total ..	418	2,56,716	63,33,158	5,42,890	7,37,841	1,58,51,898	19,48,11,340	13,70,388	24,51,68,098	14,14,499	4,39,50,156	96,694

STATEMENT A-I.—*Operations of Central Non-credit Societies*—1949–50—cont.

State.	Stock held—cont. At the end of the year. As owners.	As agents.	Share capital paid up.	Reserve and other funds.	Deposits from. Individuals.	Others.	Loans held at the end of the year from Provincial or Central Banks.	Government.	Others.	Working capital.	Cost of management.	Profit (+) or Loss (—) for the year.
	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)
	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
					PROVINCIAL—*cont.*							
					(i) *The Madras Provincial Co-operative Marketing Society, Limited*—cont.							
Madras	73,097	..	50,020	18,561	3,057	..	1,79,853	..	..	2,51,491	24,931	(+) 488
					(ii) *The Madras Handloom Weavers' Provincial Co-operative Society, Limited*—cont.							
	55,17,574	..	3,81,960	40,69,465	3,68,764	..	3,50,400	10,02,500	2,04,392	63,77,481	5,78,168	(+) 84,424
Total ..	55,90,671	..	4,31,980	40,88,026	3,71,821	..	5,30,253	10,02,500	2,04,392	66,28,972	6,03,099	84,912
					CENTRAL—*cont.*							
					(i) *Co-operative Wholesale Stores*—cont.							
	1,86,32,106	59,423	36,64,142	1,01,35,798	6,39,686	2,52,791	1,79,09,956	1,31,563	93,863	3,28,27,799	55,07,364	(+) 20,38,010 (—) 4,321
					(ii) *District Marketing Federations*—cont.							
	4,95,604	11,965	1,82,250	1,70,752	28,067	900	4,53,008	..	1,92,670	10,27,647	1,00,148	(+) 26,100 (—) 1,54,850
					(iii) *Milk Supply Unions*—cont.							
	11,232	130	2,77,384	3,35,489	1,05,153	64,645	43,285	2,74,330	3,327	11,03,613	6,29,350	(+) 77,284 (—) 28,114
					(iv) *Central Women Cottage Industries Society, Limited*—cont.							
	1,976	494	635	..	..	..	100	..	..	735	682	(+) 2,853
					(v) *Other types*—cont.							
	8,106	..	85,626	444	826	200	..	..	..	87,096	55,938	(+) 25,744 (—) 805
Total ..	1,91,49,024	72,012	42,10,037	1,06,42,483	7,73,732	3,18,536	1,84,06,349	4,05,893	2,89,860	3,50,46,890	62,93,482	(+) 21,89,991 (—) 1,88,090

NOTE.—For the purpose of this statement, working Capital is taken to be the total of Columns 28 to 34.

STATEMENT B.—*Operations of Agricultural Credit Societies (excluding Land Mortgage Banks)*, 1949–50.

State.	Class of societies. Credit. Limited.	Unlimited.	Grain banks.	Total number of societies.	Number of members.	Loans made during the year to individuals.	Loans repaid during the year by individuals.	Loans due at the end of the year by individuals.	Of which overdue.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Madras.	NO.	NO.	NO.	NO.	NO.	RS.	RS.	RS.	RS.
Agricultural credit—Limited	120	..	..	120	23,326	16,30,072	11,31,315	16,46,479	1,74,324
Unlimited	..	15,216	..	15,216	11,67,086	6,27,69,445	4,54,77,746	8,15,08,737	1,40,92,890
Grain banks	..	..	12	12	615	304	283	6,339	6,339
Total ..	120	15,216	12	15,348	11,91,027	6,43,99,821	4,66,59,344	8,31,61,555	1,42,73,553

State.	Cash. In hand.	At banks.	Investments in Land and buildings.	Trustee securities other than land and buildings.	Deposits with banks.	Other assets.	Value of goods. Received.	Marketed.	Share capital paid up.	Reserve fund.	Other funds.
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
Madras.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
Agricultural credit—Limited	91,886	2,67,569	18,571	3,100	59,943	2,01,642	20,26,289	22,12,396	5,35,131	1,58,591	72,245
Unlimited	32,20,546	6,19,353	6,30,779	3,99,392	31,71,844	1,37,66,710	2,05,87,373	2,18,96,981	1,35,05,479	1,12,75,073	34,47,095
Grain Banks	6,507	1,067	24	878	12,912	4,713	..	..	4,459	29,554	4,996
Total ..	33,18,439	8,87,989	6,49,374	4,03,370	32,44,699	1,39,73,065	2,26,13,662	2,41,09,377	1,40,45,069	1,14,63,218	35,24,336

STATEMENT B.—*Operations of Agricultural Credit Societies (excluding Land Mortgage Banks)*, 1949–50—cont.

State.	Loans held at the end of the year from		Deposits held at the end of the year from			Working capital.	Cost of management.	Profit + or Loss — for the year.	Usual dividend paid on shares.	Most usual rate of interest.	
	Provincial or Central Banks.	Government.	Members.	Non-members.	Societies.					On borrowings.	On lendings.
	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	PER CENT.	PER CENT.	PER CENT.
Madras.											
Agricultural credit—											
Limited	4,11,691	3,530	3,40,043	4,23,468	..	19,44,699	33	+ 1,06,885 — 4,116	6½	4½	6½
Unlimited	6,44,40,411	3,47,693	21,63,131	27,77,463	32,861	9,79,89,206	13,66,695	+ 13,25,556 — 10,85,532	6½	4½	6½
Grain banks	..	..	543	..	..	39,552	106	+ 846 — 822	6½	4½	6½
Total ..	6,48,52,102	3,51,223	25,03,717	32,00,931	32,861	9,99,73,457	13,66,834	+ 14,33,287 — 10,90,540	..	..	..

NOTE.—For the purpose of this statement working capital is taken to be the total of columns 19 to 26.

STATEMENT B-I.—*Operations of Agricultural Non-credit Societies*, 1949–50.

State.	Class of societies. (a) Limited.			(b) Unlimited.			Number of Societies.	Number of members.	Loans made during the year to individuals.	Loans repaid during the year by individuals.	Loans due at the end of the year by individuals.
	Purchase and sale.	Production and sale.	Production.	Social Services.	Housing.	Insurance.					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Madras.	NO.	NO.	NO.	NO.	NO.	NO.	NO.	NO.	RS.	RS.	RS.
Class I, Purchase and Sale—											
Limited	1,130	..	..	..	..	..	1,130	274,869	1,84,878	1,29,827	1,46,434
Unlimited	..	..	..	..	..	..	..	..	..	..	..
Class II, Production and Sale—											
Limited	..	1,117	..	..	..	..	1,117	250,552	1,73,98,993	1,65,79,471	1,05,75,112
Unlimited	..	13	..	..	..	..	13	1,439	2,330	13,245	2,676
Class III, Production—											
Limited	..	..	167	..	..	..	167	17,800	2,08,415	1,16,216	3,68,696
Unlimited	..	..	686	..	..	..	686	62,794	4,02,300	1,47,585	6,93,857
Class IV, Social Services—											
Limited	..	..	..	5	..	..	5	753	18,860	16,130	33,854
Unlimited	..	..	..	..	..	..	..	..	..	..	..
Total ..	1,130	1,130	853	5	..	..	3,118	608,207	1,82,15,776	1,70,02,474	1,18,20,629

STATEMENT B-I.—*Operations of Agricultural Non-credit Societies*, 1949-50—cont.

State.	Cash on hand and in Bank.	Investments in land and buildings.	Investments in plant and machinery.	Other assets.	Value of goods. Received. As owners.	Value of goods. Received. As agents.	Value of goods. Sold. As owners.	Value of goods. Sold. As agents.	Stock held. At the beginning of the year. As owners.	Stock held. At the beginning of the year. As agents.	Stock held. At the close of the year. As owners.	Stock held. At the close of the year. As agents.
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Madras—cont.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
Class I, Purchase and Sale—												
Limited	45,82,058	92,941	59,398	56,68,094	7,49,40,699	43,611	8,19,84,805	21,352	66,27,730	4,014	52,28,721	13,025
Unlimited	..	..	..	..	..	..	..	..	..	..	..	..
Class II, Production and Sale—												
Limited	35,33,863	11,14,021	3,22,181	57,73,944	4,28,87,278	1,66,58,690	4,38,54,830	1,47,08,012	22,56,579	20,63,788	33,05,289	38,19,556
Unlimited	1,042	1,178	..	6,756	25,604	..	26,285	..	80	..	112	..
Class III, Production—												
Limited	4,48,003	2,14,572	1,51,365	3,47,847	19,35,333	..	19,51,112	..	2,73,245	..	4,11,581	..
Unlimited	3,41,365	1,14,305	1,16,929	3,66,779	75,707	24,243	85,834	22,701	12,259	1,390	10,415	4,791
Class IV, Social services—												
Limited	152	..	36	3,075	..	..	..	..	..	..	..	..
Unlimited	..	..	..	..	..	..	..	..	..	..	..	..
Total	89,06,488	15,37,517	6,49,909	1,21,66,495	11,98,64,626	1,67,26,544	12,79,02,866	1,47,52,065	91,69,893	20,69,192	89,56,118	38,37,372

State.	Share Capital paid up.	Reserve and other funds.	Deposits from Individuals.	Deposits from Others.	Loans held at the end of the year from Provincial or Central Banks.	Loans held at the end of the year from Government.	Loans held at the end of the year from Others.	Working capital.	Cost of management.	Profit (+) or loss (−) for the year.
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)
Madras—cont.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
Class I, Purchase and Sale—										
Limited	79,76,456	39,35,793	4,23,928	1,09,276	18,90,594	2,500	3,16,432	1,46,54,979	24,28,316	+ 13,19,829 − 9,82,150
Unlimited	..	..	..	..	..	..	..	..	..	..
Class II, Production and Sale—										
Limited	58,51,263	27,34,935	4,89,589	1,43,869	1,15,77,616	5,07,678	5,15,979	2,18,20,929	22,52,847	+ 9,93,749 − 6,68,507
Unlimited	11,359	3,059	788	950	1,041	..	..	17,197	3,728	+ 180 − 5,280
Class III, Production—										
Limited	6,92,667	4,29,438	29,280	2,098	3,47,630	1,27,687	65,389	16,94,189	55,254	+ 34,566 − 49,253
Unlimited	5,34,511	1,32,030	15,616	9,177	3,31,781	1,56,793	2,04,385	13,84,293	29,570	+ 13,461 − 58,421
Class IV, Social services—										
Limited	6,200	413	84	..	31,235	..	..	37,932	1,102	+ 406 − 27
Unlimited	..	..	..	..	..	..	..	..	..	..
Total	1,50,72,456	72,35,668	9,59,285	2,65,370	1,41,79,897	7,94,658	11,02,185	3,96,09,519	47,70,817	+ 23,62,191 − 17,63,638

NOTE.—For the purpose of this statement, Working capital is taken to be the total of columns (25) to (31).

STATEMENT B-II.—*Operations of Central Land Mortgage Bank, 1949–50.*

State.	Number of banks.	Number of members. Individuals.	Number of members. Banks.	Loans made during the year to banks and societies.	Loans repaid during the year by banks and societies.	Loans due at the end of the year by banks and societies.	Of which overdue.	Bad and doubtful debts.	Interest receivable.	Of which overdue.	Sinking Fund investments.	Other investments including cash and bank balances.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
The Madras Co-operative Central Land Mortgage Bank, Limited.												
	NO.	NO.	NO.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
Madras	1	499	124	72,23,965	29,63,486	3,88,32,224	1,19,344	83,462	16,63,273	10,783	83,48,530	42,14,349

State.	Share capital paid up.	Reserve fund.	Other funds.	Borrowings held at the end of the year. Loans from Government.	Loans and deposits from Banks and societies.	Loans and deposits from Individuals and other sources.	Debentures.	Working capital.	Cost of management.	Profit (+) or loss (—) for the year.	Usual rate of dividend paid on shares.	Most usual rate of interest on Borrowings.	Most usual rate of interest on Lendings.
(1)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)
The Madras Co-operative Central Land Mortgage Bank Limited.—cont.													
	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	PER CENT.	PER CENT.	PER CENT.
Madras	14,32,300	19,49,298	6,33,547	15,00,000	16,87,767	10,170	4,39,31,700	5,11,44,782	2,99,907	(+) 3,49,985	4	3	4½

NOTE.—For the purpose of this statement, Working capital is taken to be the total of columns (14) to (20).

STATEMENT B-III.—*Operations of Primary Land Mortgage Bank, 1949–50.*

State.	Number of banks.	Number of members.	Loans made during the year to individuals.	Loans repaid during the year by individuals.	Loans due at the end of the year by individuals.	Of which overdue.	Bad and doubtful debts.	Interest receivable.	Of which overdue.	Other assets including investments, cash and bank balances.	Share capital paid up.	Reserve Fund.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Primary Land Mortgage Banks.												
	NO.	NO.	RS.	RS.	RS.	RS.		RS.	RS.	RS.	RS.	RS.
Madras ..	126	1,22,874	73,82,401	28,60,551	3,93,05,633	98,828	..	18,29,766	41,454	39,85,729	30,77,519	7,34,507

State.	Sinking Fund.	Other funds.	Borrowings held at the end of the year. Borrowings from Central Land Mortgage Bank.	Loans from Government.	Loans and deposits from Banks and Societies.	Loans and deposits from Individuals and other sources.	Debentures.	Working capital.	Cost of management.	Profit (+) or loss (—) for the year.	Usual rate of dividend paid on shares.	Most usual rate of interest on Borrowings.	Most usual rate of interest on Lendings.
(1)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)
Primary Land Mortgage Banks—cont.													
	RS.	RS.	RS.	RS.	RS.	RS.		RS.	RS.	RS.	PER CENT.	PER CENT.	PER CENT.
Madras	..	1,14,489	3,88,32,224	..	1,03,355	..	..	4,28,62,094	4,08,190	(+) 1,32,183 (—) 23,580 (24)	5	4½	5½

NOTE.—(i) For the purpose of this statement, Working capital is taken to be the total of column (12) to (20).
(ii) Number of Banks incurring losses is shown in brackets in column (23).

STATEMENT C.—*Operations of Non-Agricultural Credit Societies, 1949–50.*

State. (1)	Number of societies. (2)	Number of members. (3)	Loans made during the year to individuals. (4)	Loans repaid during the year by individuals. (5)	Loans due at the end of the year by individuals. (6)	Of which overdue. (7)	Cash. In hand. (8)	Cash. At bank. (9)	Investments. Land and buildings. (10)	Investments. Trustee securities other than land and buildings. (11)	Investments. Other securities. (12)	Value of goods. Received. (13)	Value of goods. Marketed. (14)
Madras.			RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
(i) Limited—													
(a) Urban Banks ..	219	240,407	4,83,31,215	4,07,45,486	4,36,72,828	66,54,596	56,85,448	52,12,534	9,21,900	16,92,502	38,14,214	3,31,191	3,68,582
(b) Employees ..	633	190,607	3,49,93,833	3,28,45,405	2,91,13,983	20,50,549	1,95,164	3,82,738	38,169	1,02,998	3,83,672	14,56,338	16,20,882
(c) Others	244	43,431	28,64,836	25,67,661	31,60,942	7,17,228	2,71,099	1,52,784	6,617	38,811	1,48,038	10,84,489	11,36,483
(ii) Unlimited	95	8,773	4,85,469	3,74,517	4,82,753	1,25,800	11,165	31,082	7,670	231	1,992	11,59,216	12,24,766
Total ..	1,191	483,218	8,66,75,353	7,65,33,069	7,64,30,506	95,48,168	61,62,876	57,29,138	9,69,356	18,34,542	38,47,916	40,31,234	43,50,713

—	Share capital paid up. (15)	Reserve fund. (16)	Other Funds (17)	Loans held at the end of the year from Provincial or central Banks. (18)	Loans held at the end of the year from Government. (19)	Deposits held at the end of the year from Members. (20)	Deposits held at the end of the year from Non members. (21)	Deposits held at the end of the year from Societies. (22)	Working capital. (23)	Cost of management. (24)	Profit (+) or loss (—) for the year. (25)	Usual rate of dividend paid on shares. (26)	Most usual rate of interest on Borrowings. (27)	Most usual rate of interest on Lendings. (28)
Madras—cont.	RS.	RS.	RS.	RS.		RS.	RS.	RS.	RS.	RS.	RS.	PER CENT.	PER CENT.	PER CENT.
(i) Limited—														
(a) Urban Banks. ..	96,25,994	36,28,785	17,69,215	54,00,315	..	1,25,28,821	2,86,35,999	2,03,610	6,17,92,739	12,76,972	(+) 9,34,963 (—) 22,520	6½	4	6½
(b) Employees ..	78,74,061	28,37,499	5,49,223	35,14,821	..	1,64,11,348	42,87,128	600	3,49,74,680	6,67,022	(+) 4,80,312 (—) 51,229	6½	4	6½
(c) Others	13,50,469	3,86,394	1,39,937	13,22,825	..	5,79,005	3,84,770	2,532	41,65,932	1,06,315	(+) 71,253 (—) 46,754	6½	4	6½
(ii) Unlimited ..	71,092	49,892	22,546	97,022	..	16,769	5,542	..	2,62,863	22,776	(+) 15,698 (—) 20,473	6½	4	6½
Total ..	1,84,21,616	69,02,570	24,80,921	1,03,34,983		2,95,35,943	3,33,13,439	2,06,742	10,11,96,214	20,73,085	(+) 15,02,226 (—) 1,40,976			

STATEMENT C-I.—*Operations of Non-Agricultural Non-Credit Societies, 1949–50.*

State. (1)	Class of societies. (a) Limited. Purchase and Sale. (2)	(a) Limited. Production and Sale. (3)	(a) Limited. Production. (4)	(b) Unlimited. Social Service. (5)	(b) Unlimited. Housing. (6)	(b) Unlimited. Insurance. (7)	Number of Societies. (8)	Number of members. (9)	Loans made during the year to individuals. Number. (10)	Loans made during the year to individuals. Amount. (11)
Madras.										RS.
Class I Purchase and Sale, Limited	1,011	..	..	..	..	..	1,011	394,392	1	150
Class II Production and Sale, Limited	..	1,225	..	..	..	..	1,225	177,577	2,036	6,22,932
Class III Production, Limited	..	..	58	..	..	..	58	6,466	119	34,999
Class IV Social Service, Limited	..	..	..	53	..	..	53	5,485	273	26,730
Class V Housing, Limited	..	..	..	..	277	..	277	25,589	1,501	50,65,078
Class VI Insurance, Limited	..	..	..	..	..	4	4	48,083	..	..
Total ..	1,011	1,225	58	53	277	4	2,628	657,592	3,930	57,49,889

State.	Loans repaid during the year by individuals. Number. (12)	Loans repaid during the year by individuals. Amount. (13)	Loans due at the end of the year by individuals. (14)	Cash on hand and in bank (15)	Investments in land and buildings. (16)	Investments in plant and machinery. (17)	Other assets. (18)	Value of goods. Received. As owners. (19)	Value of goods. Received. As agents. (20)
Madras—cont.			RS.	RS.	RS.	RS.	RS.	RS.	RS.
Class I Purchase and Sale, Limited	..	..	1,434	34,79,602	4,21,755	4,33,603	72,75,350	17,43,37,896	23,92,799
Class II Production and Sale, Limited	1,427	6,54,705	4,09,074	33.65,787	8,27,993	4,75,976	42,97,561	4,16,41,298	1,44,790
Class III Production, Limited	102	24,267	28,304	2,54,415	1,81,592	17,88,499	9,06,833	6,09,406	2,59,525
Class IV Social Service, Limited	69	13,916	47,298	32,776	100	370	32,616	22,332	..
Class V Housing, Limited	220	5,80,620	1,27,99,444	31,36,667	1,21,09,320	99,144	47,48,773	2,27,759	98,910
Class VI Insurance, Limited	..	..	..	3,85,156	..	..	1,20,57,611	..	..
Total ..	1,818	12,73,508	1,32,85,554	1,06,54,403	1,35,40,760	27,97,592	2,93,18,744	21,68,38,691	28,96,024

STATEMENT C-I.—*Operations of Non-Agricultural Non-Credit Societies, 1949–50*—cont.

State.	Value of goods—*cont.* Sold. As owners. (21) RS.	As agents. (22) RS.	Stock held. At the beginning of the year. As owners. (23) RS.	As agents. (24) RS.	At the close of the year. As owners. (25) RS.	As agents. (26) RS.	Share capital paid up. (27) RS.	Reserve and other funds. (28) RS.	Deposits from Individuals. (29) RS.	Others. (30) RS.
Madras—cont.										
Class I Purchase and Sale, Limited	17,36,93,690	27,17,732	1,54,22,342	..	1,45,50,991	11,142	54,76,595	98,36,118	21,00,755	5,23,213
Class II Production and Sale, Limited	5,94,46,281	2,29,369	1,50,16,550	42,620	89,11,001	6,959	74,96,800	1,02,47,659	13,55,021	3,73,712
Class III Production, Limited	5,54,507	..	42,066	..	1,05,023	..	3,47,845	13,73,861	13,647	..
Class IV Social Service, Limited	26,762	..	5,958	..	3,114	..	52,264	6,087	43,863	6,764
Class V Housing, Limited	1,31,786	1,34,157	37,891	67,809	1,67,895	48,246	1,10,82,453	11,58,808	8,55,861	7,36,240
Class VI Insurance, Limited	..	..	..	..	..	..	4,45,041	69,54,531	12,225	..
Total ..	23,38,53,026	30,81,258	3,05,24,807	1,10,429	2,37,38,024	66,347	2,49,00,998	2,95,77,064	43,81,372	16,39,929

State.	Loans held at the end of the year from Provincial or Central Banks. (31) RS.	Government. (32) RS.	Others. (33) RS.	Working capital. (34) RS.	Cost of management. (35) RS.	Profit (+) or loss (—) for the year. (+) (36) RS.	(—) (37) RS.
Madras—cont.							
Class I Purchase and Sale, Limited	51,83,110	28,994	5,72,370	2,37,21,155	63,10,076	27,13,927	9,83,981
Class II Production and Sale, Limited	63,23,764	6,44,977	6,20,828	2,70,62,761	28,45,691	6,25,348	36,87,014
Class III Production, Limited	3,88,912	7,59,664	1,84,314	28,68,243	2,96,711	40,355	8,05,948
Class IV Social Service, Limited	7,131	..	1,107	1,17,216	7,495	2,572	2,959
Class V Housing, Limited	75,629	1,56,93,641	23,19,488	3,19,22,120	3,38,038	2,04,143	51,103
Class VI Insurance, Limited	46,360	..	..	74,58,157	7,18,671	98,630	..
Total ..	1,18,24,906	1,71,27,276	36,98,107	9,31,49,652	1,05,16,682	36,84,975	55,31,005

NOTE.—For the purpose of this statement, Working capital is taken to be the total of columns (27) to (33).

STATEMENT D.—*Operations of Supervising Unions, 1949–50.*

State.	Number of unions.	Number of societies affiliated to the unions.	Total number of individual members in societies affiliated.	Income. Subscriptions from affiliated societies.	Contributions by central institutions.	Government grants.	Other sources.	Total working capital of affiliated societies.	Expenditure in the year.	Percentage of column 10 to column 9.	Number of Supervising staff maintained by unions.	Remarks.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	NO.	NO.	NO.	RS.	RS.	RS.	RS.	RS.	RS.	PERCENT.	NO.	
Madras ..	259	10,861	1,008,541	19,630	1,98,568	150	9,712	9,00,75,167	2,44,885	0·272	798	

STATEMENT D-I.—*Operations of Provincial Unions and Provincial Institutes, 1949–50.*

State.	Number of Unions or Institutes.	Number of affiliated societies. Primary.	Central.	Number of individual members.	Income from Fees or subscriptions from affiliated societies.	Contributions by Central and Provincial Banks.	Government grants.	Other sources.	Total income.	Number of staff maintained for Audit.	Supervision.	Education.	Propaganda.	Total expenditure.	Remarks.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Madras.	NO.	NO.	NO.	NO.	RS.	RS.	RS.	RS.	RS.	NO.	NO.	NO.	NO.	RS.	
						Provincial Union (1).									
	1	491	222	15	9,535	10,000	15,568	2,735	37,838	..	..	..	..	30,796	..
						Language Federations (3).									
	3	2,457	24	99	9,622	2,450	100	9,713	21,885	..	..	..	..	3,512	..
						Audit Unions (2).									
	2	49	1	1	10,526	1,037	..	7,451	19,014	8	..	..	1	18,218	..
						Institutes (4).									
	4	7	35	11	18,150	6,222	2,300	11,238	36,910	..	..	7	12	25,336	..
Total ..	10	3,004	282	126	47,833	19,709	18,068	31,137	1,15,647	8	..	7	13	77,862	

STATEMENT E.—*Operations of Life Insurance Societies, 1949–50.*

State.		Name of the Society.	Number of members.	New Life Insurance business in respect of which a premium has been paid in the year. Number of policies.	Sum assured.	Single premium income.	Yearly premium income.	Total Life Insurance business in force at the end of the year. Number of policies.	Sum assured.	Premium income received during the year.	Supplementary contributions collected.
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
					RS.		RS.		RS.	RS.	RS.
Madras ..	1	The South India Co-operative Insurance Society, Limited.	43,253	5,910	85,88,025	..	4,33,890	27,375	3,58,32,006	19,19,825	2,08,522
	2	The Indian Posts and Telegraphs Insurance Co-operative Society, Limited.	3,393	370	4,52,500	..	18,905	3,488	35,00,826	1,32,292	62,173
		Total ..	46,646	6,280	90,40,525	..	4,52,795	30,863	3,93,32,832	20,52,117	2,70,695

State.		Name of the Society.	Claims. Number of lives lost by death.	Amount of claims by death.	Number of claims paid by maturity.	Amount of claims by maturity.	Total amount of claims by death and maturity.	Surrender of policies.	Life Insurance Fund at the end of the year.	Amount of risk re-insured.	Amount of premium paid for re-insurance.	Total assets at the end of the year.	Cost of management.	Remarks.
			(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)
				RS.		RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	
dras ..	1	The South India Co-operative Insurance Society, Limited.	126	1,55,160	127	1,03,153	2,58,313	17,249	64,35,533	59,500	21,372	69,19,478	6,27,028	
	2	The Indian Posts and Telegraphs Insurance Co-operative Society, Limited.	29	21,884	45	60,077	81,961	4,403	13,06,642	..	..	15,28,538	28,004	
		Total ..	155	1,77,044	172	1,63,230	3,40,274	21,652	77,42,175	59,500	21,372	84,48,016	6,55,032	

STATEMENT E-I.—*Operations of Fire and General Insurance Societies, 1949–50.*

State.		Name of the Society.	Number of "A" class members.	Number of "B" class members.	Fire Insurance Business. Number of policies issued.	Sum assured.	Type of risks insured. Godowns and buildings. Printing Press	Cotton mills.	Factories cotton Godowns.	Premium collected during the year.	Total premium income.
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
										RS.	RS.
dras ..	..	The Co-operative Fire and General Insurance Society, Limited.	351	1,071	4,172	..	402	1,497	25,415	4,55,900	4,30,926
		Total ..	351	1,071	4,172	..	402	1,497	25,415	4,55,900	4,30,926

State.		Name of the Society.	Claims. Number of claims by fire, etc.	Amount paid.	Number of claims by riot, etc.	Amount paid.	Total number of claims paid.	Total amount of claims paid	Fire Insurance Fund at the end of the year.	Amount of risk re-insured.	Amount of premium paid for re-insurance.	Total assets at the end of the year.	Cost of management.	Non-Hazardous goods.
			(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)
				RS.		RS.		RS.	RS.	RS.	RS.	RS.	RS.	RS.
dras ..	..	The Co-operative Fire and General Insurance Society, Limited.	36	8,687	..	..	36	8,687	1,62,839	4,92,68,582	1,48,739	10,65,880	71,182	4,03,612
		Total ..	36	8,687	..	..	36	8,687	1,62,839	4,92,68,582	1,48,739	10,65,880	71,182	4,03,612

Statement E-II.—*Operations of Motor Insurance Societies*, 1949–50.

State.	Name of society.	Number of "A" class members.	Number of "B" class members.	Number of motor policies issued.	Type of risks insured: Comprehensive.	Liability to public.	"Act" liability.	Workmen's compensation.	Premium collected during the year.	Total premium income.	Claims: Number of claims under comprehensive risk.	Amount paid.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
							RS.		RS.	RS.		
Madras	The Madras Co-operative Motor Vehicles Insurance Society, Limited.	15	..	350	..	..	1,929		68,491	76,176		

State.	Claims—cont.: Number of claims under liability to public risk.	Amount paid.	Number of claims under "Act" liability.	Amount paid.	Number of claims under Workmen's compensation act.	Amount paid.	Total number of claims paid.	Total amount of claims paid.	Motor Insurance Fund at the end of the year.	Number of risks re-insured.	Amount of premium paid for re-insurance.	Total assets at the end of the year.	Cost of management.	Remarks.
	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)
				RS.				RS.	RS.		RS.	RS.		
Madras	..	..	21	1,929	..	..	..	1,929	34,245	..	6,774	2,42,668	..	

Statement F.—*Statement of Societies under Liquidation*, 1949–50.

State.	Number of societies in liquidation at the beginning of the year.	Number of societies brought under liquidation during the year.	Number of societies whose accounts were finally wound up during the year.	Number of societies under liquidation at the end of the year: Central Banks (Institutions).	Agricultural Societies.	Non-Agricultural Societies.	Assets realized during the year.	Liabilities paid off during the year.	Cost of management.	Liabilities at the end of the year: Share capital and reserves.	Outside liabilities.	Assets at the end of the year: Cash and liquid assets.	Loans and others.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
							RS.	RS.	RS.	RS.	RS.	RS.	RS.
Madras	856	307	296	2	645	220	22,28,470	10,95,904	8,530	23,86,964	38,02,120	19,90,356	32,22,099

APPENDICES.

Appendix No. 1.—*General Summary of Progress of Co-operative Societies in* 1949–50.

SECTION I—WORKING CAPITAL OF SOCIETIES ON 30TH JUNE 1950 (MADRAS STATE).

Details of progress.	Madras Provincial Co-operative Bank.	Central Banks.	Central non-credit societies.	Central Land Mortgage Bank.	Agricultural credit societies.	Land mortgage banks.	Agricultural non-credit societies.	Total of agricultural societies.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1 Number of societies	1	31	71	1	15,348	126	3,118	18,592
2 Number of members	200	22,039	22,704	623	1,191,027	122,874	608,207	1,922,108
	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
3 Paid up share capital	15,00,000	1,17,91,164	4,642,017	14,32,300	1,40,45,069	30,77,519	1,50,72,456	3,21,95,044
4 Reserve Fund	42,75,000	57,37,160	1,47,30,509	19,49,298	1,14,63,218	7,34,507	72,35,668	1,94,38,393
5 Other Funds	10,93,594	39,22,166	..	6,33,547	35,24,336	1,14,489	..	86,38,825
6 Loans from Government	..	..	14,08,393	15,00,000	3,51,223	..	7,94,658	11,45,881
7 Other deposits and borrowings	6,08,68,297	15,23,15,723	2,08,94,943	16,97,937	7,05,89,611	3,89,35,579	1,65,06,737	12,60,31,927
Debentures	..	..	..	4,39,31,700	..	..	..	..
8 Working capital	6,77,36,891	17,37,66,213	4,16,75,862	5,11,44,782	9,99,73,457	4,28,62,094	3,96,09,519	18,24,45,070
9 Divisible profits	2,88,978	18,49,348	22,54,903	3,49,985	14,33,287	1,33,183	23,62,191	39,28,661
10 Net loss	..	..	1,88,090	..	10,90,540	26,380	17,63,638	28,80,558
11 Total loans issued during the year ..	8,51,40,637	43,75,03,619	5,42,230	72,23,965	6,43,99,821	73,82,401	1,82,15,776	8,99,97,998

Details of progres.	Non-agricultural credit societies.	Non-agricultural non-credit societies.	Total of non-agricultural societies.	Supervising Unions.	Provincial Unions.	Provincial Institutes.	Grand total for 1949–50.	Total of last year 1948–49.
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
1 Number of societies	1,191	2,628	3,819	259	6	4	22,784	20,528
2 Number of members	483,218	657,592	1,140,810	10,861	2,623	53	3,122,021	28,81,295
	RS.	RS.	RS.				RS.	RS.
3 Paid up share capital	1,84,21,616	2,49,00,998	4,33,22,614	..	..	..	9,48,83,139	9,26,34,182
4 Reserve fund	69,02,570	2,96,77,064	3,64,79,634	..	..	..	8,26,04,994	4,39,92,163
5 Other funds	24,80,921	..	24,80,921	..	..	..	1,17,69,053	4,22,79,271
6 Loans from Government	..	1,71,27,276	1,71,27,276	..	..	..	2,11,81,550	4,43,76,369
7 Other deposits and borrowings	7,33,91,107	2,15,44,314	9,49,35,421	..	..	..	45,67,44,248	44,49,42,252
Debentures	..	..	..	..	..	..	4,39,31,700	4,21,31,154
8 Working capital	10,11,96,214	9,31,49,652	19,43,45,866	..	..	..	71,11,14,684	71,03,55,382
9 Divisible profits	15,02,226	36,84,975	51,87,201	..	..	..	1,38,59,076	1,68,31,524
10 Net loss	1,40,976	55,31,005	56,71,981	..	..	..	87,40,629	63,52,000
11 Total loans issued during the year ..	8,66,75,353	57,49,889	9,24,25,242	..	..	..	71,28,33,691	71,89,14,080

Appendix No. 1—SECTION II—DEMAND, COLLECTION AND BALANCE OF PRINCIPAL AND INTEREST DUE TO SOCIETIES IN 1949–50.

1949–50.	Demand.				Collection.			
	Central Bank.	Agricultural.	Non-agricultural.	Total.	Central Bank.	Agricultural.	Non-agricultural.	Total.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
Principal including arrears	9,44,22,996	7,80,75,732	8,77,63,953	26,02,62,681	8,97,01,144	6,10,57,027	7,78,06,587	22,85,64,758
Interest due in previous years (arrear interest) ..	55,764	27,84,276	9,40,448	37,80,488	25,972	10,95,656	5,06,104	16,27,732
Interest due in 1949–50 (current interest) ..	61,47,625	68,94,126	50,80,340	1,81,22,091	61,34,640	57,46,829	45,54,152	1,64,35,621

1949–50.	Balance.				Percentage of balance to demand.		
	Central Bank.	Agricultural.	Non-agricultural.	Total.	Central Bank.	Agri-cultural.	Non-agri-cultural.
	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	RS.	RS.	RS.	RS.			
Principal including arrears	47,21,852	1,70,18,705	99,57,366	3,16,97,923	5	21·80	11·35
Interest due in previous years (arrear interest) ..	29,792	16,88,620	4,34,344	21,52,756	53·42	60·68	46·18
Interest due in 1949–50 (current interest) ..	12,985	11,47,297	5,26,188	16,86,470	0·21	16·63	10·36

Appendix No. 1.—SECTION III—DEMAND, COLLECTION AND BALANCE OF PRINCIPAL AND INTEREST DUE TO SOCIETIES IN 1948–49.

1948–49.	Demand.				Collection.			
	Central Bank.	Agri-cultural.	Non-agri-cultural.	Total.	Central Bank.	Agri-cultural.	Non-agri-cultural.	Total.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
Principal including arrears	9,34,67,490	7,21,86,025	7,51,82,379	24,08,35,894	8,85,34,379	5,74,78,674	6,65,00,408	21,25,13,461
Interest due in previous years (arrear interest) ..	61,297	26,77,298	8,91,777	36,30,372	17,383	10,87,752	4,38,680	15,43,815
Interest due in 1948–49 (current interest) ..	51,86,940	61,64,562	40,35,274	1,53,86,776	51,73,115	50,27,643	36,53,946	1,38,54,704

1948–49.	Balance.				Percentage of balance to demand.		
	Central Bank.	Agri-cultural.	Non-agricultural.	Total.	Central Bank.	Agri-cultural.	Non-agri-cultural.
	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	RS.	RS.	RS.	RS.			
Principal including arrears	49,33,111	1,47,07,351	86,81,971	2,83,22,433	5·27	20·36	11·54
Interest due in previous years (arrear interest) ..	43,914	15,89,546	4,53,097	20,86,557	71·64	59·37	50·80
Interest due in 1948–49 (current interest) ..	13,825	11,36,919	3,81,323	15,32,072	0·26	18·44	9·44

APPENDIX No. 2.—*Synopsis of Loans in Agricultural and Non-Agricultural Societies (other than Central Banks an Land Mortgage Banks) in 1949–50 and 1948–49.*

A.—LOANS ISSUED DURING THE YEAR CLASSIFIED ACCORDING TO (a) PURPOSE AND (b) VALUE.

Classification.	Agricultural, 1949–50. Amount.	Percentage.	Agricultural, 1948–49. Amount.	Percentage.	Non-agricultural, 1949–50. Amount.	Percentage.	Non-agricultural, 1948–49. Amount.	Percentage.
(a) Purpose.	RS.		RS.		RS.		RS.	
For cultivation expenses	4,40,62,251	53·33	3,30,13,599	49·75	38,20,146	4·13	23,75,630	3·52
For purchase of cattle	1,03,40,198	12·51	98,33,814	14·82	10,41,048	1·13	8,05,166	0·98
For payment of sarkar kist	13,10,852	1·59	11,33,702	1·83	1,87,338	0·20	1,85,246	0·22
For improvement to lands	27,23,956	3·30	33,35,521	5·02	9,65,845	1·05	9,85,490	1·21
For purchase of raw materials	6,58,246	0·80	3,41,585	0·51	11,39,182	1·23	10,44,842	1·28
For trade	69,15,363	8·37	45,35,683	6·82	1,65,35,233	17·89	1,83,14,692	22·36
For education	1,74,951	0·21	87,984	0·13	17,03,223	1·84	12,69,208	1·54
For building, buying or repairing houses	17,63,521	2·13	14,34,296	2·14	97,12,750	10·51	71,15,050	8·68
For manufacture and purchase of country carts	4,20,521	0·51	2,93,853	0·43	2,14,310	0·23	2,29,718	0·27
For purchase of land	18,11,668	2·19	12,77,833	1·91	19,00,341	2·06	14,55,995	1·78
For purchase of food and other necessaries of life	82,02,907	9·93	70,42,981	10·60	2,05,26,352	22·21	1,96,20,525	23·96
Total of loans for productive purposes	7,83,84,434	94·87	6,23,30,851	93·96	5,77,45,268	62·48	5,39,01,562	65·80
For paying off prior debts	32,17,601	3·90	36,63,622	5·53	2,42,57,751	26·25	1,77,72,849	21·70
For marriages	1,61,900	0·20	1,33,367	0·20	36,74,031	3·97	46,11,358	5·63
For other ceremonies	1,10,634	0·13	51,906	0·07	29,57,098	3·20	27,28,896	3·33
For litigation and other non-productive purposes	7,41,028	0·90	1,60,828	0·24	37,91,094	4·10	28,94,336	3·54
Total for non-productive purposes	10,13,562	1·23	3,46,101	0·51	1,04,22,223	11·27	84,47,602	12·50
Grand total	8,26,15,597	100·00	6,63,40,574	100·00	9,24,25,242	100·00	6,98,18,232	100·00
(b) Value.								
Loans not exceeding Rs. 50	69,34,405	8·39	53,03,394	7·99	65,27,406	7·07	74,43,796	9·09
Loans exceeding Rs. 50 but not exceeding Rs. 100	1,15,93,737	14·04	90,77,804	13·68	91,62,770	9·92	1,28,64,017	15·70
Loans exceeding Rs. 100 but not exceeding Rs. 250	2,25,32,991	27·28	1,74,65,676	26·33	1,62,90,906	17·63	1,71,92,152	20·99
Loans exceeding Rs. 250	4,15,54,464	50·29	3,44,93,700	52·00	6,04,44,160	65·38	4,44,09,036	54·22
Total	8,26,15,597	100·00	6,63,40,574	100·00	9,24,25,242	100·00	6,98,18,232	100·00

B.—LOANS OUTSTANDING AGAINST MEMBERS AT THE END OF THE YEAR CLASSIFIED ACCORDING TO (a) SECURITY AND (b) PERIOD.

Classification.	Agricultural, 1949–50. Amount.	Percentage.	Agricultural, 1948–49. Amount.	Percentage.	Non-agricultural, 1949–50. Amount.	Percentage.	Non-agricultural, 1948–49. Amount.	Percentage.
(a) Security.	RS.		RS.		RS.		RS.	
1 Loans on the security of deposits	2,09,465	0·22	2,70,906	0·35	23,46,702	2·62	35,29,663	4·64
2 Loans on the pledge of —								
(a) Jewels	5,20,419	0·55	5,12,143	0·66	59,83,531	6·67	52,76,433	6·93
(b) Standing crops	16,29,284	1·71	17,34,209	2·23	1,82,726	0·21	63,620	0·08
(c) Produce and finished goods	81,33,681	8·56	1,03,05,073	13·28	9,07,954	1·01	5,34,279	0·71
Total of movables (a) + (b) + (c)	1,02,83,384	11·04	1,25,51,425	16·52	70,74,211	10·51	58,74,332	12·36
3 Loans on mortgage of immovable properties	2,56,83,203	27·05	1,99,13,214	25·65	3,51,62,754	39·19	2,52,16,967	33·17
4 Loans on the joint security of one or more members	5,79,81,337	61·04	4,44,85,380	57·31	4,28,01,147	47·70	3,94,56,349	51·87
5 Loans on the simple bond of the borrowers	8,25,795	0·87	3,97,957	0·52	23,31,346	2·60	19,78,637	2·60
Total (1 to 5)	9,49,82,184	100·00	7,76,18,882	100·00	8,97,16,160	100·00	7,60,55,948	100·00
(b) Period.								
1 Loans not exceeding one year	6,60,28,143	69·50	5,11,77,427	65·93	3,04,28,657	33·91	2,74,30,021	36·06
2 Loans exceeding one year but not exceeding three years	1,91,80,359	20·20	1,52,10,961	15·59	1,96,69,857	21·93	1,53,96,895	20·25
3 Loans exceeding three years but not exceeding five years	83,61,953	8·81	1,02,89,564	13·25	2,57,99,673	28·76	2,36,71,691	31·13
4 Loans exceeding five years	14,11,729	1·49	9,40,930	1·23	1,38,17,973	15·40	95,57,341	12·56
Total (1 to 4)	9,49,82,184	100·00	7,76,18,882	100·00	8,97,16,160	100·00	7,60,55,948	100·00

APPENDIX No. 3.—*Percentage of overdues to individual Central Banks towards principal, arrear interest and current interest for* 1949–50.

Serial number and name of the Central Bank.	Percentage of principal overdue to demand.		Percentage of interest overdue to demand.	
	Long term.	Short term.	Long term.	Short term.
(1)	(2)	(3)	(4)	(5)
1 Anantapur Co-operative Central Bank	21·73	4·27	..	..
2 Vellore Co-operative Central Bank	22·82	1·58	..	..
3 South Arcot District Co-operative Central Bank ..	20·81	9·24	54·83	0·20
4 Hospet Co-operative Central Bank	3·87	4·95	..	1·50
5 Kancheepuram Co-operative Central Bank	18·64	9·56	..	..
6 Chittoor District Co-operative Central Bank	36·60	7·88	..	..
7 Coimbatore District Co-operative Central Bank ..	..	..	..	..
8 Cuddapah Co-operative Central Bank	25·57	9·18	98·79	2·51
9 Kakinada Co-operative Central Bank	..	6·14	61·94	0·47
10 Rajahmundry Co-operative Central Bank	31·99	6·95	..	..
11 Ramachandrapuram Co-operative Central Bank ..	1·93	3·15	..	..
12 Sreekonaseema Co-operative Central Bank	3·84	2·81	..	..
13 Eluru Co-operative Central Bank	17·60	5·84	..	..
14 Guntur District Co-operative Central Bank	8·16	4·76	..	..
15 South Kanara District Co-operative Central Bank ..	1·76	2·92	..	..
16 Krishna Co-operative Central Bank	14·24	8·13	..	..
17 Vijayavada Co-operative Central Bank	3·38	9·20	..	..
18 Kurnool District Co-operative Central Bank	36·96	3·21	..	..
19 Madras District Co-operative Central Bank	0·81	0·21	..	..
20 Madurai District Co-operative Central Bank	..	..	..	..
21 Malabar District Co-operative Central Bank	3·81	0·14	..	0·23
22 Nellore District Co-operative Central Bank	29·68	6·22	..	..
23 Ramanathapuram District Co-operative Central Bank.	21·14	13·20	..	..
24 Salem District Co-operative Central Bank	..	..	..	..
25 Tanjore District Co-operative Central Bank	10·13	4·72	..	..
26 Kumbakonam Co-operative Central Bank	15·92	4·91	..	..
27 Tirunelveli District Co-operative Central Bank ..	..	..	..	..
28 Tiruchirappalli District Co-operative Central Bank ..	..	..	..	..
29 Vizianagaram Co-operative Central Bank	3·45	1·67	30·01	0·52
30 Srikakulam Co-operative Central Bank	38·70	15·59	75·51	1·71
31 Pudukkottai Co-operative Central Bank	53·53	23·80	91·41	2·54
State average ..	11·59	4·08	53·42	0·21

APPENDIX No. 4—SECTION I (*a*).—*Demand, Balance and Percentage of loans due by members to Land Mortgage Banks*, 1949–50.

Districts.	Principal.			Interest. Arrear interest.			Interest. Current interest.		
	Demand.	Balance.	Percentage.	Demand.	Balance.	Percentage.	Demand.	Balance.	Percentage.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	RS.	RS.		RS.	RS.		RS.	RS.	
Anantapur	28,155	482	1·71	260	..	..	31,368	620	0·19
Arcot, North	1,03,513	8,398	8·11	1,752	..	..	1,08,878	1,945	1·78
Arcot, South	1,17,175	10,337	8.82	..	..	..	89,549	1,166	1·30
Bellary	5,846	..	..	..	..	..	7,223	193	2·67
Chingleput	84,345	1,754	2.07	177	107	60·45	96,049	980	1·02
Chittoor	41,621	929	2·23	673	..	..	46,061	687	1·49
Coimbatore	1,37,660	410	0·29	361	..	..	1,45,642	174	0·11
Erode	1,47,994	..	..	4,077	..	..	1,54,052	74	0·04
Cuddapah	30,831	687	2·22	417	128	..	29,327	980	3·34
Godavari, East ..	1,82,113	1,258	0·68	872	872	100·00	..	..	..
Godavari, West ..	98,858	5,284	5.34	1,207	..	..	1,12,576	2,712	2·40
Guntur	75,805	503	0·56	472	119	25·2	78,709	563	0·71
Kanara, South ..	19,689	..	..	77	..	..	18,076	..	..
Krishna	1,31,277	11,860	9·03	1,765	188	10·65	1,40,539	4,454	3·16
Kurnool	51,728	2,472	4·77	13,320	264	1·98	28,628	1,364	4·76
Madras	..	..	..	..	..	..	..	..	..
Madurai	1,99,440	1,710	0·85	20,769	1,835	8·83	1,13,420	..	..
Malabar	28,993	1,509	5·20	891	..	..	23,727	96	4·04
Nellore	78,854	371	0·47	810	810	100·00	51,828	6,088	11·74
Nilgiris, The	14,646	458	3·12	1,786	..	..	16,922	498	2·93
Ramanathapuram ..	1,45,252	21,860	15·03	2,137	1,081	8·83	11,857	1,467	12·37
Salem	1,03,773	763	0·73	1,490	76	5·10	1,16,446	931	0·79
Tanjore	46,700	3,105	6·64	2,231	283	12·68	32,815	1,481	4·51
Kumbakonam	1,02,119	5,879	5·75	129	48	37·20	1,10,236	601	0·54
Tirunelveli	46,001	316	0·68	188	7	3·72	36,462	675	1·85
Tiruchirappalli ..	47,212	155	0·32	..	..	..	50,959	254	0·47
Pudukkottai	..	..	..	..	..	..	..	..	..
Visakhapatnam ..	80,862	4,540	5·61	521	..	..	69,437	3,209	4·62
Srikakulam	58,796	13,788	23·45	3,531	1,226	34·72	49,066	3,201	6·54
Total ..	22,09,258	98,828	4·47	59,913	7,044	11·75	17,69,852	34,413	1·94

APPENDIX No. 4—SECTION I (*b*).—*Demand, Balance and Percentage of Loans due by members of Agricultural Credit Societies, (excluding Land Mortgage Banks)* 1948–49 *and* 1949–50.

Out of Principal.

Districts.	1948–49. Long term. Demand.	Long term. Balance.	Long term. Percentage.	1948–49. Short term. Demand.	Short term. Balance.	Short term. Percentage.	1949–50. Long term. Demand.	Long term. Balance.	Long term. Percentage.	1949–50. Short term. Demand.	Short term. Balance.	Short term. Percentage.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	RS.	RS.		RS.	RS.		RS.	RS.		RS.	RS.	
Anantapur ..	4,40,742	1,56,381	35·48	2,76,072	78,976	28·57	7,33,476	2,63,404	35.91	3,54,636	1,06,528	30·03
Arcot, North..	8,88,504	4,62,189	52·00	6,54,375	2,28,756	34·96	10,70,072	4,78,449	44·71	7,51,382	2,39,039	31·81
Arcot, South..	3,37,775	2,23,449	65·87	7,71,976	2,61,221	33·84	3,22,705	1,89,213	58.63	13,10,293	3,82,475	29·19
Bellary ..	2,90,050	1,95,724	67·49	5,07,879	1,94,778	38·35	3,59,324	2,26,765	63.10	7,68,171	4,07,313	53·02
Chingleput ..	8,44,089	4,68,427	55·50	4,38,415	1,17,466	26·58	13,15,732	6,84,377	52·01	4,97,072	1,28,553	25·86
Chittoor ..	2,51,953	1,32,815	52·72	3,06,702	1,09,902	35·84	2,34,932	68,004	28.94	2,77,785	18,409	6·64
Coimbatore ..	3,97,616	1,16,815	29·63	9,09,085	1,52,696	16·79	4,80,550	1,43,736	29.91	11,17,831	1,79,144	16·02
Erode ..	6,51,857	1,85,762	28·51	7,93,702	1,31,140	16·52	9,76,825	2,55,278	26·13	11,15,797	1,46,549	13·13
Cuddapah ..	36,175	32,056	88·79	3,03,379	1,99,173	65·67	68,734	52,891	76·95	4,48,614	2,01,848	44·99
Godavari, East.	3,41,257	1,26,739	34·33	45,35,085	7,67,501	16·92	4,18,944	1,60,102	38·21	26,02,852	4,82,315	18·53
Godavari, West.	86,973	27,473	31·62	30,64,648	2,58,860	8·45	77,717	31,933	41·08	36,53,743	6,56,534	17·93
Guntur ..	1,99,035	1,18,020	59·31	11,69,136	3,99,757	34·19	2,28,843	62,334	27·23	12,64,753	2,92,822	23·15
Kanara, South.	37,607	15,645	41·61	10,24,910	2,00,772	19·59	41,065	21,567	52·51	14,64,065	2,08,303	14·22
Krishna ..	63,353	24,747	38·57	51,32,393	7,93,161	13·51	94,638	56,266	59·45	50,95,626	12,41,434	24.36
Kurnool ..	1,22,223	92,565	75·75	2,26,340	1,39,673	61·72	1,11,470	73,585	66·01	2,53,269	1,15,611	44.77
Madras	6,981	6,375	94·19	7,833	5,631	72·19	10,229	9,362	91·52	6,689	5,352	80·01
Madurai ..	8,53,131	1,91,478	22·44	15,54,817	1,64,755	10·59	10,72,543	70,215	6·54	27,06,957	4,26,267	15.74
Malabar ..	3,38,201	1,51,120	44·68	3,87,936	1,53,751	31·90	3,56,244	1,30,923	36·75	5,15,104	1,85,747	36.06
Nellore ..	1,96,319	1,34,507	68·52	7,02,765	3,38,890	48·22	1,69,349	94,767	55·95	12,00,470	5,94,020	4·94
Nilgiris, The..	1,48,746	51,253	34·42	8,80,477	1,05,182	11·95	1,49,707	60,316	40·28	11,51,132	2,01,088	17·47
Ramanathapuram.	13,21,455	5,73,980	42·68	12,57,921	4,37,746	34·81	15,08,683	6,79,269	45·02	14,50,504	4,05,849	45·78
Salem ..	18,13,376	5,16,135	28·47	25,45,696	4,44,823	17·47	21,89,649	6,70,168	30·60	26,26,787	4,41,632	16·81
Tanjore ..	3,73,704	2,09,298	56·03	19,91,292	2,66,404	13·38	3,35,370	1,73,039	51·59	26,36,595	4,03,693	15·31
Kumbakonam.	6,55,409	3,90,407	58·04	3,10,786	1,31,640	42·37	6,20,587	3,16,181	50·95	2,66,746	91,570	34·32
Tiruchirappalli.	84,601	36,913	43·66	8,87,904	1,38,346	15·58	80,611	32,374	40·16	13,32,069	1,37,281	10·30
Tirunelveli ..	18,08,920	4,54,088	25·10	8,20,029	98,126	11·97	21,18,474	5,34,528	25·23	7,62,528	1,20,923	15·85
Pudukkottai.	4,20,087	1,93,595	46·09	..	..	..	19,544	8,769	44·86	4,89,424	2,24,067	45·78
Visakhapatnam.	4,846	4,546	93·81	30,92,088	2,83,598	9·17	3,964	3,764	94·95	35,04,130	3,39,656	9·68
Srikakulam ..	17,070	11,411	67·10	13,76,228	2,79,205	20·29	13,150	11,853	90·13	29,17,030	3,26,099	11·17
Total ..	1,30,32,145	53,03,915	40·69	3,59,30,069	68,81,729	19·15	1,51,83,131	55,63,432	36·64	4,25,42,054	87,10,121	20·47

APPENDIX No. 4—SECTION I (*b*).—*Demand, Balance and Percentage of Loans due by members of Non-Agricultural Credit Societies,* 1948–49 *and* 1949–50.

Out of Principal.

Districts.	1948–49. Long term. Demand.	Long term. Balance.	Long term. Percentage.	1948–49. Short term. Demand.	Short term. Balance.	Short term. Percentage.	1949–50. Long term. Demand.	Long term. Balance.	Long term. Percentage.	1949–50. Short term. Demand.	Short term. Balance.	Short term. Percentage.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	RS.	RS.		RS.	RS.		RS.	RS.		RS.	RS.	
Anantapur ..	5,60,742	1,05,481	18·81	11,71,601	28,149	2·43	7,11,137	1,09,505	15·45	12,41,751	66,744	5·37
Arcot, North ..	11,60,619	1,89,096	16·29	16,74,014	1,75,824	10·51	15,75,181	2,14,961	13·65	17,58,725	2,03,661	11·58
Arcot, South ..	5,95,655	81,159	13·63	15,43,387	3,02,771	19·62	9,42,620	1,44,832	15·36	15,59,371	3,35,988	21·55
Bellary	5,07,111	2,14,326	42·26	5,52,145	1,63,696	29·65	5,25,893	1,53,474	29·18	4,44,237	38,215	8·60
Chingleput ..	7,47,308	74,753	10·01	13,74,618	66,218	4·84	8,82,234	2,66,658	30·23	15,18,514	87,432	5·76
Chittoor ..	13,52,807	4,60,120	34·01	18,50,966	1,51,310	8·01	15,38,052	6,04,872	39·35	18,77,034	1,13,266	6·03
Coimbatore ..	8,55,717	1,81,219	20·93	5,32,623	33,037	6·20	9,29,695	1,69,549	18·26	14,72,834	47,880	32·51
Erode	4,88,776	29,569	6·05	9,18,882	12,235	1·33	5,69,091	33,867	5·95	11,06,615	8,694	0·81
Cuddapah ..	2,54,043	79,604	31·33	7,01,085	1,20,679	17·21	3,75,106	1,65,208	44·04	5,48,670	78,487	14·30
Godavari, East.	3,77,370	1,28,555	34·07	4,50,060	66,417	14·75	4,14,811	..	..	5,02,456	53,774	10·70
Godavari, West.	88,521	27,739	31·34	4,09,833	1,13,337	27·65	85,921	22,251	25·86	4,93,290	1,36,010	27·57
Guntur	4,37,810	2,23,137	50·95	5,97,239	81,571	13·66	4,59,077	1,41,070	30·67	7,95,693	1,11,335	13·99
Kanara, South ..	5,27,664	65,535	12.42	27,14,958	1,62,935	6·00	6,83,096	54,270	7·94	34,85,491	1,60,570	4·61
Krishna	5,30,956	1,39,162	26·21	7,34,047	1,16,182	15·83	5,72,090	1,96,681	34·38	8,41,894	1,45,444	17·28
Kurnool.. ..	3,05,437	1,54,731	50·06	1,17,012	26,910	22·99	2,82,407	..	..	99,992	23,187	23·19
Madras	1,40,62,573	6,57,814	46·78	18,83,866	24,395	12·95	1,72,66,823	8,04,477	4·66	28,10,569	36,583	1·30
Madurai ..	12,72,023	2,71,408	21·85	34,73,900	2,71,488	7·82	14,00,426	1,71,224	12·23	42,55,637	1,33,236	3·13
Malabar	8,70,982	2,53,524	29·11	25,98,329	3,36,270	12·99	13,38,883	2,27,569	17·00	30,79,297	3,64,967	11·85
Nellore	2,00,837	84,683	42·16	7,19,896	49,029	6·81	2,36,137	1,18,726	50·28	3,02,904	45,516	15·03
Nilgiris, The ..	2,14,521	27,873	12·99	11,26,913	3,328	0·29	2,71,374	32,672	12·04	12,30,454	19,770	1·61
Ramanathapuram ..	6,37,199	2,26,821	34·09	20,66,913	3,44,591	16·67	8,07,860	4,03,299	49·92	20,23,432	3,72,754	18·42
Salem	12,46,025	1,61,195	11·08	36,14,933	90,655	2·51	14,76,993	1,92,696	13·05	38,08,801	1,30,104	3·42
Tanjore	8,52,492	2,35,586	27·52	8,86,248	92,350	10·39	10,18,351	3,59,344	25·29	10,59,312 13,593	1,12,516	10·48
Kumbakonam ..	5,45,268	1,08,671	19·91	5,79,895	61,933	10·68	6,77,307	1,51,976	22·44	5,74,684	1,06,397	18·51
Tiruchirappalli.	6,36,991	1,09,561	17·19	48,74,482	50,536	1·04	13,83,391	2,44,358	17·45	10,02,204	88,047	8·79
Tirunelveli ..	12,38,467	1,98,606	16·11	8,75,528	78,898	9·10	7,41,365	1,23,865	16·71	58,74,139	2,29,741	3·91
Pudukkottai ..	13,60,375	3,37,389	24·81	..	..	..	5,15,230	3,38,268	64·49	5,77,065	89,984	15·59
Visakhapatnam.	7,97,168	1,44,221	18·14	24,74,482	2,48,415	10·14	12,85,279	2,09,660	16·31	20,00,882	1,77,317	8·86
Srikakulam ..	86,044	33,306	38·71	30,852	12,919	41·55	1,11,882	39,288	35·12	6,22,725	77,152	12·39
Total ..	3,29,21,537	50,10,904	15·22	4,05,48,448	32,86,078	8·10	3,90,78,612	59,53,127	15·18	4,69,82,625	35,95,041	7·65

APPENDIX No. 4 –SECTION I (b).—*Demand, Balance and Percentage of Interest due by members of Agricultural Credit Societies (excluding Land Mortgage Banks), 1948–49 and 1949–50.*

Districts.	Out of interest overdue at the end of the previous year (arrears). 1948–49.			1949–50.			Out of interest accrued and fallen due during the year (current). 1948–49.			1949–50.		
(1)	Demand. (2) RS.	Balance. (3) RS.	Percentage. (4)	Demand. (5) RS.	Balance. (6) RS.	Percentage. (7)	Demand. (8) RS.	Balance. (9) RS.	Percentage. (10)	Demand. (11) RS.	Balance. (12) RS.	Percentage. (13)
Anantapur	54,120	36,096	66·70	56,637	30,426	53·57	71,503	14,756	20·62	88,282	22,255	25·20
Arcot, North ..	1,02,008	74,016	72·56	1,89,749	1,67,029	88·36	1,20,105	35,808	25·65	1,39,131	51,609	37·09
Arcot, South ..	1,93,313	1,75,703	77·62	1,09,578	59,666	54·12	84,811	35,006	41·16	1,06,444	28,528	26·80
Bellary	93,733	60,682	64·73	86,683	62,946	72·09	50,133	24,836	49·23	66,513	9,621	14·46
Chingleput ..	1,62,790	1,30,167	79·03	1,81,433	1,18,547	65·19	1,23,811	46,013	51·70	1,40,555	52,026	37·01
Chittoor.. ..	71,434	53,249	74·54	51,872	29,366	56·86	51,325	17,945	34·97	70,424	19,177	27·08
Coimbatore ..	54,812	32,644	59·37	55,226	32,222	58·18	1,13,073	23,165	20·50	1,33,580	30,404	22·01
Erode ..	58,384	13,522	23·16	73,333	41,043	56·16	1,49,428	35,867	24·01	2,18,664	38,357	17.54
Cuddapah ..	58,727	49,933	85·02	64,683	45,380	70·31	21,691	12,716	58·87	36,018	16,218	45·02
Godavari, East.	1,10,201	51,361	46·61	1,05,136	35,920	32·37	3,23,004	57,453	14·69	3,96,315	76,795	11·80
Godavari, West.	16,097	..	..	43,615	18,583	41·86	2,56,162	53,288	20·81	2,19,069	33,089	10·54
Guntur	49,217	22,475	45·67	56,312	19,478	33·92	79,385	26,575	34·78	91,159	31,472	34·51
Kanara, South ..	52,228	34,898	66·82	53,111	35,068	66·03	63,540	18,346	28·88	69,645	12,594	17·50
Krishna ..	1,07,140	43,905	40·98	1,07,975	54,156	50·46	3,17,451	61,976	19·52	3,28,601	85,975	26.16
Kurnool ..	55,617	45,692	82·12	48,423	38,178	79·16	20,537	9,329	45·51	24,978	9,689	38·70
Madras	8,979	8,690	96·78	8,440	8,125	96·26	1,565	1,565	100·00	267	267	100·00
Madurai ..	64,252	30,404	47·48	77,845	39,632	50·65	2,01,683	30,483	15·12	2,84,157	53,986	18·99
Malabar ..	63,821	34,371	50·31	44,958	26,083	56·82	51,513	29,111	56·54	47,508	17,418	36·66
Nellore	57,611	41,308	71·71	74,065	52,547	70·27	54,108	25,891	47·85	60,220	20,954	34·79
Nilgiris, The ..	27,588	16,565	60·04	28,567	16,918	58·62	71,469	14,306	10·03	84,442	14,733	17·44
Ramanathapuram ..	1,14,329	53,599	46·99	1,43,960	56,087	38·88	2,23,295	54,115	14·24	2,37,444	64,319	27·07
Salem	58,217	16,074	27·62	97,614	21,709	22·45	3,99,325	83,482	20·91	4,23,923	94,092	22·19
Tanjore ..	2,32,617	1,95,686	84·12	1,68,423	1,39,118	81·54	1,41,420	33,476	23·66	2,18,834	64,501	29·47
Kumbakonam ..	2,03,127	1,74,065	70·59	2,01,533	1,64,187	80·69	74,866	28,530	38·01	75,910	30,102	39·65
Tirunelveli ..	51,255	40,951	79·88	56,080	45,205	80·36	77,415	10,407	13·44	1,06,799	7,840	0·73
Tiruchirappalli.	1,00,842	64,117	63·60	1,00,990	51,584	51·48	2,60,443	39,948	15·34	3,07,246	52,161	16·95
Pudukkottai ..	15,281	15,281	100·00	25,423	9,127	36·00	31,152	2,144	6·89	30,228	11,298	37·25
Visakhapatnam.	76,375	58,389	76·52	51,548	38,921	75·00	1,72,436	11,283	4·23	2,09,213	14,479	6·92
Srikakulam ..	48,932	30,575	62·52	67,892	44,070	64·71	1,10,099	12,535	11·23	2,07,340	18,985	9·15
Total ..	23,63,047	16,04,398	67·88	24,31,104	15,01,321	61·74	37,16,748	8,50,305	22·87	44,22,904	9,82,944	22·22

APPENDIX No. 4—SECTION I (b).—*Demand, Balance and Percentage of Interest due by members of Non-Agricultural Credit Societies, 1948–49 and 1949–50.*

Districts.	Out of the interest overdue at the end of the previous year (arrears). 1948–49.			1949–50.			Out of the interest accrued and fallen due during the year (current). 1948–49.			1949–50.		
(1)	Demand. (2) RS.	Balance. (3) RS.	Percentage. (4)	Demand. (5) RS.	Balance. (6) RS.	Percentage. (7)	Demand. (8) RS.	Balance. (9) RS.	Percentage. (10)	Demand. (11) RS.	Balance. (12) RS.	Percentage. (13)
Anantapur ..	15,857	5,049	31·84	16,966	3,453	20·35	81,611	6,776	8·30	1,03,775	14,713	14·17
Arcot, North ..	21,563	7,260	33·67	61,323	19,256	31·40	1,42,017	17,321	12·12	1,19,202	2,500	2·09
Arcot, South ..	13,872	8,245	59·51	19,596	6,856	34·98	1,00,899	11,158	11·05	1,22,441	12,309	10·05
Bellary ..	10,544	2,692	25·53	9,706	382	3·93	62,486	11,458	18·33	27,714	7,560	41.71
Chingleput ..	16,317	12,804	79·08	18,223	3,833	21·03	1,05,366	3,710	3·52	1,06,821	13,514	12·65
Chittoor ..	21,397	5,989	27·98	30,423	12,878	42·32	1,81,847	24,970	13·73	2,11,935	23,037	10·86
Coimbatore ..	14,045	4,597	32·73	15,387	4,404	28·62	1,01,111	4,683	4·63	1,21,995	11,519	9·44
Erode	4,859	2,980	61·33	4,366	2,782	63·74	91,922	1,496	1·62	1,05,739	1,816	1·71
Cuddapah ..	28,211	22,081	78·27	33,728	25,111	74·44	54,383	9,379	17·24	60,368	11,986	16·87
Godavari, East.	13,181	6,038	45·81	15,447	8,185	52·98	68,797	10,166	14·77	62,682	7,366	11·75
Godavari, West.	8,368	4,084	48·79	9,530	3,499	36·71	32,338	4,590	14·15	43,100	13,716	31·82
Guntur	16,036	5,484	34·19	14,468	6,830	47·20	72,198	10,622	14·71	84,624	11,020	13·02
Kanara, South ..	34,916	15,947	45·67	34,566	22,604	65·39	1,09,153	20,718	18·97	1,41,244	19,016	13·46
Krishna ..	17,990	7,877	43·35	15,552	5,566	35·78	75,824	12,156	16·03	91,114	18,927	20·77
Kurnool ..	12,394	10,483	76·51	12,118	3,007	24·81	34,601	4,662	13·47	36,224	10,050	27·74
Madras	1,39,587	63,968	45·82	1,80,910	58,345	32·25	6,69,048	67,929	10·15	10,47,372	90,084	8·60
Madurai ..	78,226	22,557	28·84	83,025	35,675	42·96	2,53,519	57,210	22·18	3,65,787	87,777	26·73
Malabar ..	51,994	15,342	29·51	41,494	10,763	25·93	1,74,387	20,844	11·92	2,02,825	21,814	10·75
Nellore	20,367	12,824	62·96	27,996	11,770	42·04	37,793	7,633	20·19	42,521	14,057	33·05
Nilgiris, The ..	7,579	4,241	55·96	794	528	66·09	30,243	1,626	5·38	27,021	817	3·02
Ramanathapuram.	50,943	24,997	49·06	63,843	32,146	50·35	1,33,762	37,748	28·22	1,45,478	38,877	26·72
Salem	11,722	4,120	35·57	17,042	4,566	26·75	2,26,074	13,778	6·09	2,38,421	14,263	59·70
Tanjore ..	36,866	17,887	48·35	39,303	26,496	67·07	1,08,080	22,850	21·14	1,22,930	14,017	11·40
Kumbakonam ..	23,374	6,446	27·58	24,567	16,755	68·20	82,343	14,164	17·20	95,395	8,630	9·04
Tirunelveli ..	26,588	9,286	34·92	31,584	18,954	60·01	1,35,752	20,130	14·82	1,48,304	15,121	10·19
Tiruchirappalli ..	26,555	12,037	45·32	32,849	13,487	41·05	3,81,928	13,619	3·56	4,54,705	18,130	3·98
Pudukkottai ..	..	..	..	14,361	12,690	88·36	59,173	..	..	66,386	3,045	4·58
Visakhapatnam..	23,114	14,598	62·72	23,202	14,824	63·89	1,59,408	12,429	7·84	1,73,513	15,189	8·74
Srikakulam ..	5,524	4,930	89·24	4,855	1,426	29·37	10,186	935	9·18	47,019	7,679	16·33
Total ..	8,51,989	3,34,333	39·24	8,97,024	3,87,071	43·14	37,75,609	4,44,767	11·77	46,16,715	5,28,549	11·48

APPENDIX No. 5—SECTION I.—*General Summary of Progress of Primary or Retail Co-operative Stores during 1949–50.*

Circle.	Number of primary or retail stores as on 30th June 1950.	Number of branches or depots.	Number of members as on 30th June 1950.	Paid-up share capital on 30th June 1950.	Reserve fund as on 30th June 1950.	Borrowings outstanding on the last day of the year. Central banks.	Others.	Total.	Credit purchases for Co-operative Wholesale Stores.	Working capital.	Value of purchases made during 1949–50. Co-operative wholesale stores.	Others.	Total.
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
			(IN THOUSANDS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).
Anantapur ..	48	..	8·79	1·13	2·01	1·29	0·24	1·53	..	4·68	42·84	6·53	49·37
Arcot, North ..	61	..	14·93	2·17	0·54	0·31	0·09	0·40	0.04	3·15	25·41	25·51	50·92
Arcot, South ..	52	..	16·05	2·00	2·71	0·41	0·30	0·71	0·38	5·80	17·43	28·41	45·84
Bellary ..	42	..	11·73	1·50	2·61	3·24	0·86	4·10	0·38	9·45	52·08	16·90	68·98
Chingleput ..	51	21	11·78	1·67	0·97	0·07	0·19	0·26	0·59	3·49	23·06	19·10	42·16
Chittoor ..	38	10	9·88	1·62	2·25	0·60	0·22	0·82	..	4·69	8·67	36·18	44·85
Coimbatore ..	51	162	43·11	6·46	6·68	3·47	5·27	8·74	0·92	22·80	78·38	116·50	194·88
Erode ..	15	45	7·11	2·11	1·57	3·18	0·56	3·74	..	7·43	12·45	72·50	84·95
Cuddapah ..	68	..	8·94	1·63	0·52	1·71	0·43	2·14	0·33	4·61	22·87	1·37	24·24
Godavari, East..	89	18	20·55	3·17	0·66	1·67	0·18	1·85	0·17	5·85	0·20	24·96	25·16
Godavari, West.	71	88	9·94	1·90	0·27	1·27	0·09	1·36	..	3·53	0·96	21·68	22·64
Guntur ..	100	6	18·28	3·74	0·92	1·44	0·37	1·81	..	9·78	8·98	..	8·98
Kanara, South ..	66	207	21·49	2·76	2·71	2·01	0·88	2·89	0·68	9·03	104·12	30·50	134·62
Krishna ..	51	..	11·35	3·59	0·38	1·50	0·02	1·52	0·01	6·01	18·11	27·86	45·97
Kurnool ..	66	43	12·00	1·63	1·10	0·36	0·45	0·81	4·25	7·80	29·83	5·11	34·94
Madras ..	9	77	21·09	2·26	2·34	2·15	5·85	8·00	0·08	12·68	2·66	140·61	143·27
Madurai ..	115	197	55·76	10·74	6·46	9·35	0·81	10·16	0·28	27·63	24·12	205·15	229·27
Malabar ..	62	50	20·44	2·57	2·32	1·77	1·12	2·89	0·13	7·92	15·09	61·20	76·29
Nellore ..	58	..	8·61	2·77	0·90	2·18	0·26	2·44	0·28	6·39	10·08	23·77	33·85
Nilgiris, The ..	23	19	10·93	2·24	2·91	2·20	0·92	3·12	..	8·26	4·07	71·09	75·16
Ramanathapuram.	113	269	45·41	9·06	8·66	16·99	20·72	37·71	..	55·42	26·11	272·83	298·94
Salem ..	95	144	41·70	5·76	2·54	1·78	1·67	3·45	..	11·76	44·26	70·51	114·77
Tanjore ..	28	45	8·90	1·35	1·13	0·96	0·20	1·16	0·07	3·70	7·17	25·98	33·15
Kumbakonam ..	64	49	17·60	3·31	1·35	1·10	1·37	2·49	0·24	7·39	11·31	50·18	61·49
Tirunelveli ..	148	275	68·50	12·54	7·22	0·30	1·98	2·28	0·21	22·25	52·36	182·07	234·43
Tiruchirappalli..	57	82	26·14	3·25	1·53	1·66	0·94	2·60	0·22	7·61	31·86	57·00	88·86
Pudukkottai ..	32	4	8·24	1·81	0·53	1·06	0·46	1·52	..	4·35	..	29·84	29·84
Visakhapatnam.	37	32	10·13	1·24	2·36	1·79	0·24	2·03	..	6·35	8·21	36·76	47·97
Srikakulam ..	36	..	9·38	1·04	0·54	2·09	0·11	2·20	..	3·79	9·49	7·97	17·46
Total ..	1,746	1,843	578·76	97·02	67·19	67·91	46·82	114·73	9·26	288·20	692·18	1,668·07	2,360·25

Circle.	Sales effected during 1949–50. Members.	Non-members.	Total.	Classification of sales according to commodities. Food-stuffs.	Cloths.	Others.	Total.	Trading results. Gross profit. Number of stores.	Amount.	Gross loss. Number of stores.	Amount.	Net results. Net profit. Number of stores.	Amount.	Net loss. Number of stores.	Amount.
	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)
	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).		RS. (IN LAKHS).		RS. (IN LAKHS).		RS. (IN LAKHS).		RS. (IN LAKHS).
Anantapur ..	18·90	34·79	53·69	39·51	3·14	11·04	53·69	43	2·57	4	0·01	24	0·75	23	0·22
Arcot, North ..	14·57	39·27	53·84	39·08	4·45	10·31	53·84	50	2·04	5	0·02	21	0·55	37	0·44
Arcot, South ..	12·23	36·10	48·33	18·31	6·79	23·23	48·33	44	1·80	6	0·01	21	0·45	30	0·50
Bellary ..	9·31	65·15	74·46	63·08	7·57	3·81	74·46	39	2·90	2	0·03	21	1·13	20	0·55
Chingleput ..	3·90	41·66	45·56	37·77	5·90	6·89	45·56	41	1·37	9	0·02	24	0·46	27	0·37
Chittoor ..	17·25	28·44	45·69	38·61	1·02	6·06	45·69	23	1·59	5	0·02	23	0·60	15	0·42
Coimbatore ..	134·88	79·59	214·47	156·51	18·69	39·27	214·47	50	9·61	1	0·01	42	2·46	9	0·20
Erode	13·65	83·34	96·99	72·34	5·92	18·73	96·99	15	3·60	..	..	13	1·00	2	0·02
Cuddapah ..	..	26·13	26·13	12·39	13·60	0·14	26·13	37	1·22	13	0·07	16	0·26	51	1·94
Godavari, East ..	6·30	22·69	28·99	14·57	9·63	4·79	28·99	68	1·55	14	0·09	30	0·38	59	0·89
Godavari, West ..	8·10	16·43	24·53	20·85	3·80	0·38	24·53	57	0·86	6	0·02	21	0·06	55	0·60
Guntur ..	4·05	30·01	34·06	10·60	11·03	12·43	34·06	27	0·35	73	0·99	21	0·16	76	0·98
Kanara, South ..	28·57	114·15	142·72	121·73	5·45	15·54	142·72	61	4·64	3	0·01	46	1·15	19	0·28
Krishna ..	11·29	28·29	39·58	20·61	11·58	7·39	39·58	35	2·30	5	0·02	17	0·63	26	0·31
Kurnool ..	6·02	30·80	36·82	28·09	4·68	4·05	36·82	21	3·78	44	2·52	16	0·08	49	1·30
Madras ..	70·07	97·39	167·46	65·95	17·57	83·94	167·46	8	9·37	1	..	4	3·57	5	0·16
Madurai ..	158·74	41·85	200·59	105·53	41·46	53·60	200·59	112	12·09	2	0·01	49	3·93	65	1·91
Malabar ..	37·59	44·64	82·23	42·70	13·18	26·35	82·23	62	5·52	..	..	35	0·72	25	0·35
Nellore ..	10·44	27·85	38·29	24·29	4·73	9·27	38·29	36	1·32	15	0·04	19	0·28	31	0·80
Nilgiris, The ..	34·67	50·72	85·39	53·31	2·74	29·34	85·39	22	3·79	1	0·07	18	1·32	5	0·26
Ramanathapuram.	47·95	283·99	331·94	261·64	21·16	49·14	331·94	97	13·38	4	0·08	57	2·20	48	1·73
Salem ..	42·28	81·73	124·01	94·72	10·93	18·36	124·01	74	4·65	15	0·07	39	1·12	56	0·97
Tanjore ..	5·79	29·59	35·38	18·23	5·56	11·59	35·38	26	1·43	2	0·01	15	0·50	13	0·29
Kumbakonam ..	19·30	48·12	67·42	20·61	11·74	35·07	67·42	61	2·77	3	0·02	39	0·85	17	0·28
Tirunelveli ..	95·60	108·80	264·40	201·75	31·84	30·81	264·40	136	11·67	9	0·18	92	4·56	54	1·28
Tiruchirappalli ..	24·19	69·45	93·64	56·98	10·69	25·97	93·64	54	4·42	3	0·05	42	1·03	15	0·40
Pudukkottai ..	22·84	10·97	33·81	20·89	2·21	10·71	33·81	31	1·03	..	..	23	0·24	8	0·15
Visakhapatnam ..	13·43	37·49	50·92	31·84	10·02	9·06	50·92	30	2·00	6	0·12	10	0·21	27	0·53
Srikakulam ..	12·46	5·36	17·82	8·27	4·77	4·78	17·82	29	3·60	6	0·54	3	0·05	33	1·02
Total ..	884·37	1,674·79	2,559·16	1,695·26	301·85	562·05	2,559·16	1,389	117·22	257	5·03	801	30·70	900	19·15

APPENDIX No. 5—SECTION II.—*General Summary of Progress of the District Co-operative Wholesale Stores during* 1949–50.

Name of District Co-operative Wholesale or Central Stores.	Number of members as on 30th June 1950.	Paid-up share capital on 30th June 1950.	Reserve fund on 30th June 1950.	Borrowings outstanding at the end of the year. Central Banks.	Others.	Total.	Working capital on 30th June 1950.	Annual purchases during 1949–50.	Sales effected during 1949–50. Food-stuffs.	Cloth.	Others.	Total.	Trading results. Gross profit.	Gross loss.	Net profit.	Net loss.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
		RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).	RS. (IN LAKHS).		RS. (IN LAKHS).	RS. (IN LAKHS).
Anantapur	663	1·21	0·90	4·07	0·26	4·33	6·44	58·70	66·77	3·91	0·10	71·78	1·70	..	0·21	..
Arcot, North ..	427	1·03	3·97	12·85	0·41	13·26	18·26	107·09	128·69	13·57	0·74	138·00	5·07	..	2·81	..
Arcot, South ..	1,146	1·77	1·92	21·45	0.09	21·54	25·23	84·95	80·07	14·22	10·79	105·08	4·01	..	1·55	..
Bellary	879	1·54	1·16	9·55	0·29	9·84	12·54	90·09	108·88	3·24	1·75	113·87	3·70	..	1·45	..
Chingleput	193	2·54	7·86	10·00	0·46	10·46	20·86	69·67	85·39	10·88	0·54	96·81	6·23	..	2·71	..
Chittoor	385	1·00	2·55	..	0·28	0·28	3·83	62·42	94·19	7·37	0·74	102·30	6·54	..	1·21	..
Coimbatore	242	2·24	4·74	..	0·50	0·50	7·48	174·92	181·03	10·82	1·35	193·20	5·93	..	4·28	..
Cuddapah	324	1·00	0·45	11·44	0·38	11·82	13·27	35·81	30·66	6·49	1·02	38·17	2·28	..	0·70	..
Godavari, East ..	516	0·97	0·33	4·80	6.55	11·35	12·65	21·59	14·74	8·54	3·06	26·34	0·18	..	0·05	..
Godavari, West .	81	0·18	..	..	..	..	0·18	..	..	..	..	..	..	..	..	..
Guntur	1,266	1·68	1·77	8·98	0·16	9·14	12·59	44·66	28·75	5·70	12·82	47·27	1·16	..	0·62	..
Kanara, South ..	742	2·78	1·88	3·20	1·64	4·84	9·50	187·52	284·26	9·29	3·61	297·16	5·78	..	..	0·04
Krishna	610	1·03	0·44	4·30	0·14	4·44	5·91	37·14	25·58	8·63	2·58	36·79	1·24	..	0·32	..
Kurnool	389	1·36	0·78	9·00	0·44	9·44	11·58	93·46	96·37	5·18	0·32	101·87	4·01	..	0·50	..
Mathurai-Ramnad ..	401	2·06	4·19	16·47	1·30	17·77	24·02	132·89	94·92	46·93	14·81	156·66	4·66	..	0·04	..
Malabar	941	2·85	1·12	6·50	0·35	6·85	10·82	45·63	32·81	16·60	6·34	55·75	1·65	..	0·23	..
Nellore	282	1·46	0·53	9·54	0·56	9·60	11·59	37·25	31·41	9·34	3·54	44·29	1·73	..	0·28	..
Nilgiris	122	0·65	0·38	3·00	0·07	3·07	4·10	21·00	24·57	2·06	0·50	27·13	1·14	..	0·41	..
Salem	729	2·58	1·58	0·11	0·41	0·52	4·62	231·19	256·12	11·23	6·23	273·58	2·70	..	0·77	..
Tanjore	386	1·08	0·61	8·45	0·09	8·54	10·23	27·43	5·12	18·81	9·42	33·35	0·98	..	0·15	..
Tirunelveli	292	2·34	2.12	14·84	0·52	15·36	9·82	103·32	142·30	10·08	7·27	159·65	4·97	..	0·82	..
Tiruchirappalli ..	449	1·68	1·84	9.28	0·53	9·81	13·33	128·22	126·91	9·34	8·70	144·95	2·37	..	0·77	..
Vizianagaram ..	450	1·36	1·38	7·51	0·45	7·96	10·70	20·79	17·75	16·80	5·13	39·68	2·12	..	0·39	..
Pudukkottai ..	700	0·31	0·25	2.62	0·49	3·11	3·67	26·62	23·82	0·33	5·28	29·43	0·54	..	0·11	..
Total ..	12,615	36·64	42.75	177.96	15·87	193·83	273·22	1,842·36	1,977·12	249·36	106·64	2,333·12	70·69	..	20·38	0·04
Total for the previous year.	12,442	36·70	30·56	322·07	22·51	344·58	411·84	2,528·90	1,693·27	545·65	274·17	2,513·09	77·55	..	31·79	..

APPENDIX No. 6.—*Statement showing the statistical particulars of land colonization co-operative societies.*

(i) For Civilians.

Serial number.	Name of the society.	District.	Number of colonists holding the land under the society. Up to but excluding the year under report.	In the year report.	Number of colonists who have been removed from the society. Uu to but excluding the year under report.	In the year report.	Number of colonists who have relinquished their holding to the society. Up to but excluding the year under report.	In the year report.	Number of colonists newly admitted to the society excluding those who have become members by inheritance or nomination. Up to but excluding the year under report.	In the year report.	Area held by the society including area allotted to members. Up to but excluding the year under report.	In the year report.	Area held by members. Uu to but excluding the year under report.	In the year report.	Area brought under cultivation including area reclaimed. Up to but excluding the year under report.	In the year report.
(1)	(2)	(3)	(4)		(5)		(6)		(7)		(8)		(9)		(10)	
	(a) Government lands.										ACS.	ACS.	ACS.	ACS.	ACS.	ACS.
1	Valakalanatham ..	North Arcot ..	53	53	23	2	..	..	23	2	278·72	278·72	266·66	266·66	265·50	265·50
2	Moranum . ..	Do. ..	..	29	..	..	..	..	..	29	..	450·00	..	145·00	..	450·00
3	Sendivakkam	Chingleput ..	37	38	..	..	..	..	..	1	71·13	71·13	70·14	71·13	40·47	71·13
4	Siruseri	Do. ..	62	63	..	..	..	..	..	1	120·90	120·90	112·99	112·99	110·00	112·99
5	Karanaipuducheri ..	Do. ..	32	37	..	..	..	..	..	5	80·27	80·27	66·35	66·35	57·35	66·35
6	Santhavelur	Do. ..	49	46	..	4	..	4	..	1	97·89	97·89	86·00	86·00	86·00	89·00
7	Nemalur	Do. ..	51	41	62	10	..	10	3	..	196·48	196.48	88·48	84.00	115·50	129·50
8	Andhiyur	Coimbatore ..	82	82	10	..	..	..	8	..	431·41	431·41	411·41	411·41	431·41	431·41
9	Gettisamudram ..	Do. ..	79	79	11	..	..	..	8	..	405·03	495·03	390·03	390·03	405·03	405·03
10	Athani	Do. ..	91	93	25	1	..	..	15	2	492·93	492.93	447·93	457·93	492·93	492·93
11	Kothapusalamuru ..	West Godavari.	284	284	..	1	..	..	..	..	867·96	867·96	867·96	867·96	805·10	805·10
12	Gutlapadu	Do.	265	265	..	..	..	8	..	8	816·81	816·81	816·81	816·81	748·14	748·14
13	Losarigutlapadu ..	Do.	374	393	..	11	..	..	..	19	1,133·65	1,188·72	1,133·65	1,168·46	1,085·00	1,116·26
14	Mutyalapalli	Do.	129	144	..	8	..	..	..	15	380·80	426·50	380·80	426·50	320·50	360·50
15	Malakapuram	Krishna ..	60	60	..	..	..	..	..	..	60·17	60·17	59·87	59·87	60·17	60·17
16	Allur	Do. ..	130	131	..	1	..	..	..	2	225·85	225·85	218·59	218·59	220·09	221·59
17	Chennaraopalem ..	Do. ..	69	70	..	1	..	..	2	2	134·20	134·20	123·98	123·98	125·48	127·48
18	Pedalanka	Do. ..	200	314	92	..	92	..	..	180	777·73	777·73	764·30	764·30	734·30	777·00
19	Ahobilam	Kurnool ..	37	46	..	..	..	8	..	..	520·12	520·12	169·00	177·00	169·00	177·00
20	Mettupatti	Salem ..	127	127	..	..	..	1	..	1	734·10	734·10	597·48	597·48	597·48	597·48
21	Kanavaipudur ..	Do. ..	28	65	..	..	..	..	..	37	577·37	577·37	132·48	143·94	132·48	143·94
22	Mohanurpatti	Do. ..	87	92	..	3	..	..	..	8	791·42	791·42	435·00	460·00	415·00	415·00
23	U. Oddapatti	Do. ..	18	18	..	..	..	..	..	..	190·06	190·06	86·13	86·13	86·13	86·13
24	Karuvakurichi ..	Tanjore ..	92	94	12	..	..	..	92	2	306·00	306·00	276·00	282·00	262·10	262·10
25	Thalliakottai	Do. ..	74	88	10	..	..	..	74	14	306·00	306·00	222·00	264·00	250·40	250·40
26	Kangayampatti ..	Do. ..	63	97	..	..	..	..	34	..	129·22	207·66	124·35	124·35	124·35	124·35
27	Paruthikottai	Do. ..	155	155	..	..	..	..	..	..	340·00	343·00	310·00	310·00	250·00	270·00
	(b) Private lands.															
1	Marudur	Tiruchirappalli.	..	19	..	..	..	..	—	36	..	381·44	..	35·78	..	350·00
2	Nelvoy	Chingleput ..	..	87	..	..	..	..	..	..	..	386·00	..	386·00	..	210·00

APPENDIX No. 6.—*Statement showing the statistical particulars of land colonization co-operative societies*—cont.

(i) For Civilians—*cont.*

Serial number. (1)	Name of the society.	District.	Area reverted to the society by the removal of members. Up to but excluding the year under report. (11) ACS.	In the year under report. ACS.	Area relinquished to the society by the members. Up to but excluding the year under report. (12) ACS.	In the year under report. ACS.	Area relinquished to the Government by the society. Up to but excluding the year under report. (13)	In the year under report.	Value of land granted to the society. Up to but excluding the year under report. (14) RS. A. P.	In the year under report. RS. A. P.	Land value payable by the society. Up to but excluding the year under report. (15) RS. A. P.	In the year under report. RS. A. P.	Land value collected from the society. Up to but excluding the year under report. (16) RS. A. P.	In the year under report. RS. A. P.
	(a) Government lands.													
1	Valakalanatham ..	North Arcot ..	..	..	..	..	..	..	..	..	..	..	..	..
2	Moranum ..	Do. ..	..	..	..	..	..	..	..	..	..	..	..	..
3	Sendivakkam ..	Chingleput ..	..	..	..	..	..	..	..	..	..	..	..	..
4	Siruseri ..	Do. ..	..	..	..	..	..	..	..	..	..	..	..	..
5	Karanaipuducheri ..	Do. ..	..	..	..	..	..	..	..	..	..	..	..	..
6	Santhavelur ..	Do. ..	..	6·00	..	..	..	..	2,387 4 0	2,387 4 0	2,268 7 0	1,991 4 0	118 13 0	396 0 0
7	Nemalur ..	Do. ..	108·00	4·48	..	..	..	..	..	..	..	..	..	..
8	Andhiyur ..	Coimbatore ..	20·00	20·00	..	..	..	..	5,392 10 0	5,392 10 0	4,251 1 9	1,071 0 3	4,251 1 9	343 0 0
9	Gettisamudram ..	Do. ..	15·00	15·00	..	..	..	..	5,062 14 0	5,062 14 0	4,050 11 0	1,012 3 0	4,050 11 0	778 8 0
10	Athani ..	Do. ..	45·00	35·00	..	..	..	..	6;161 10 0	6,161 10 0	4,930 4 0	1,331 15 0	4,829 11 0	1,118 2 0
11	Kothapusalamuru ..	West Godavari.	..	..	24·60	..	..	..	..	86,808 0 0	..	86,808 0 0	..	10,686 0 0
12	Gutlapadu ..	Do.	..	..	..	..	..	..	..	81,681 0 0	..	81,681 0 0	..	10,565 0 0
13	Losarigutlapadu ..	Do.	..	..	..	..	..	..	..	98,515 0 0	..	5,668 4 0	..	5,668 4 0
14	Mutyalapalli ..	Do.	..	..	..	..	..	..	..	7,610 0 0	..	1,522 0 0	..	..
15	Malakapuram ..	Krishna ..	..	..	..	..	..	..	3,034 0 0	3,034 0 0	2,131 6 0	1,980 15 0	2,131 6 0	150 7 0
16	Allur ..	Do. ..	..	..	..	..	..	..	36,136 0 0	36,136 0 0	28,205 6 0	26,333 10 0	7,930 10 0	1,871 13 0
17	Chennaraopalem ..	Do. ..	..	..	..	..	..	..	21,508 13 6	21,508 13 6	17,206 13 9	17,206 13 9	5,151 15 9	2,151 0 0
18	Pedalanka ..	Do. ..	182·00	..	182·00	..	..	..	38,886 8 0	38,886 8 0	13,609 8 0	5,009 8 0	10,085 0 0	4,116 10 0
19	Ahobilam ..	Kurnool ..	..	..	..	14·00	..	..	..	..	..	..	..	..
20	Mettupatti ..	Salem	..	..	..	..	..	..	..	..	..	..	..	..
21	Kanavaipudur ..	Do.	..	..	..	..	..	..	..	..	..	..	..	..
22	Mohanurpatti ..	Do.	..	15·00	..	..	..	..	..	..	..	..	..	..
23	U. Oddapatti ..	Do.	..	..	..	..	..	..	..	..	..	..	..	..
24	Karuvakurichi ..	Tanjore ..	36·00	..	..	6·00	..	..	11,475 0 0	11,475 0 0	10,575 0 0	10,575 0 0	729 12 0	..
25	Thalliakottai ..	Do. ..	30·00	..	..	42·00	..	..	11,475 0 0	11,475 0 0	9,900 0 0	9,900 0 0	605 9 0	..
26	Kangayampatti ..	Do. ..	..	..	..	..	..	..	7,459 5 0	7,459 5 0	729 0 0	729 0 0	1,124 11 2	..
27	Paruthikottai ..	Do. ..	..	..	..	..	..	..	10,544 13 0	10,544 13 0	2,484 0 0	2,484 0 0	679 14 0	..
	(b) Private lands,													
1	Marudur ..	Tiruchirappalli.	..	..	..	..	..	..	..	..	..	..	..	..
2	Nelvoy ..	Chingleput ..	..	..	..	..	..	..	..	..	..	..	..	..

Serial number. (1)	Name of the socity.	District.	Amount of implement advance granted to the society. Up to but excluding the year under report. (17) RS. A. P.	In the year under report. RS. A. P.	Amount of implement advance repaid by the society. Up to but excluding the year under report. (18) RS. A. P.	In the year under report. RS. A. P.	Amount of assessment payable of the whole area granted to the society. Up to but excluding the year under report. (19) RS. A. P.	In the year under report. RS. A. P.	Amount of assessment waived on account of reclamation of land. Up to but excluding the year under report. (20)	In the year under report.	Amount of assessment waived on account of land being left fallowed and not allotted to any member. Up to but excluding the year under report. (21)	In the year under report.	Amount of water-rate waived. Up to but excluding the year under report. (22)	In the year under report.	Profit and loss during the year. Profit. (23) RS. A. P.	Loss. RS. A. P.
	(a) Government lands.															
1	Valakalanatham ..	North Arcot ..	415 0 0	..	168 0 0	83 0 0	46 7 0	46 7 7	..	..	..	..	..	..	260 0 0	..
2	Moranum ..	Do. ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
3	Sendivakkam ..	Chingleput ..	..	..	..	..	..	..	..	..	..	..	..	..	13 0 0	..
4	Siriseri ..	Do. ..	..	..	..	..	..	..	..	..	..	..	..	..	17 0 0	..
5	Karanaipuducheri ..	Do. ..	..	..	..	..	..	..	..	..	..	..	..	..	9 0 0	..
6	Santhavelur ..	Do. ..	..	..	..	..	..	..	..	..	..	..	..	..	66 0 0	..
7	Nemalur ..	Do. ..	..	..	..	..	..	..	..	..	..	..	..	..	9 0 0	..
8	Andhiyur ..	Ciombatore ..	1,073 4 8	..	450 0 0	250 12 0	1,651 14 0	291 14 9	..	..	..	..	..	..	..	23 0 0
9	Gettisamudram ..	Do. ..	748 4 8	..	477 3 0	20 0 0	1,714 4 6	296 14 0	..	..	..	..	..	..	138 0 0	..
10	Athani ..	Do. ..	748 4 8	..	350 0 0	202 1 3	1,664 10 0	288 6 0	..	..	..	..	..	..	79 0 0	..
11	Kothapusalamuru ..	West Godavari.	..	..	..	..	..	5,174 15 0	..	..	..	..	..	..	575 0 0	..
12	Gutlapadu ..	Do.	..	..	..	..	..	4,536 2 0	..	..	..	..	..	..	522 0 0	..
13	Losarigulapadu ..	Do.	..	..	..	..	..	8,929 2 0	..	..	..	..	..	..	1,478 0 0	..
14	Mutyalapalli ..	Do.	..	..	..	..	..	1,545 11 0	..	..	..	..	..	..	127 0 0	..
15	Malakapuram ..	Kishna ..	..	..	..	..	174 1 0	174 1 0	..	..	..	..	..	..	..	1,084 0 0
16	Allur ..	Do. ..	1,141 10 0	1,141 10 0	570 15 0	114 3 0	955 2 0	955 2 0	..	..	..	..	..	..	..	..
17	Chennaraopalem ..	Do. ..	619 8 0	619 8 0	310 4 0	62 0 0	481 15 0	481 15 0	..	..	..	..	..	..	..	4,796 0 0
18	Pedalanka ..	Do. ..	850 0 0	..	625 0 0	..	5,917 6 0	1731 9 0	..	..	..	..	..	..	..	531 0 0
19	Ahobilam ..	Kurnool ..	2,828 0 0	..	660 3 8	131 6 6	..	99 13 11	..	..	..	..	..	..	760 0 0	..
20	Mettupatti ..	Salem	1,813 0 0	..	830 5 0	50 14 0	..	658 6 0	..	..	..	..	..	..	..	135 0 0
21	Kanavaipudur ..	Do.	232 0 0	..	83 7 0	17 0 0	..	..	..	..	..	..	..	..	29 0 0	..
22	Mohanurpatti ..	Do.	2,250 0 0	450 0 0	760 5 0	420 0 0	..	..	..	..	..	..	..	..	32 0 0	..
23	U. Oddapatti ..	Do.	540 0 0	..	75 0 0	64 0 0	..	..	..	..	..	..	..	..	..	..
24	Karuvakurichi ..	Tanjore	1,530 0 0	..	262 0 0	..	..	473 14 0	..	..	..	..	..	..	730 0 0	..
25	Thalliakottai ..	Do.	918 0 0	..	311 9 9	..	..	483 2 0	..	..	..	..	..	..	502 0 0	..
26	Kangayampatti ..	Do.	4,725 0 0	..	2,757 0 0	..	..	1,212 0 0	..	..	..	..	..	..	..	81 0 0
27	Paruthikottai ..	Do.	5,809 0 0	..	3,363 0 0	..	..	944 0 0	..	..	..	..	..	..	..	42 0 0
	(b) Private lands.															
1	Marudur ..	Tiruchirappalli.	..	..	..	1,034 8 0	..	..	..	..	..	..	..	..	..	2,070 0 0
2	Nelvoy ..	Chinglepet ..	..	3,750 0 0	..	..	..	99 13 11	..	..	..	..	..	..	..	488 0 0

APPENDIX No. 6—*Statement showing the statistical particulars of land colonization co-operative societies*—cont.

(ii) For ex-servicemen.

Serial number. (1)	Name of the society. (2)	District. (3)	Number of colonists holding the land under the society. Up to but excluding the year under report. (4)	Number of colonists holding the land under the society. In the year under report. (4)	Number of colonists who have been removed from the society. Up to but excluding the year under report. (5)	Number of colonists who have been removed from the society. In the year under report. (5)	Number of colonists who have relinquished their holding to the society. Up to but excluding the year under report. (6)	Number of colonists who have relinquished their holding to the society. In the year under report. (6)	Number of colonists newly admitted to the society including those who have become members by inheritance or nomination. Up to but excluding the year under report. (7)	Number of colonists newly admitted to the society including those who have become members by inheritance or nomination. In the year under report. (7)	Area held by the society including area allotted to members. Up to but excluding the year under report. (8) ACS.	Area held by the society including area allotted to members. In the year under report. (8) ACS.	Area held by members. Up to but excluding the year under report. (9) ACS.	Area held by members. In the year under report. (9) ACS.	Area brought under cultivation including area reclaimed. Up to but excluding the year under report. (10) ACS.	Area brought under cultivation including area reclaimed. In the year under report. (10) ACS.
1	Komaragiripatnam	East Godavari.	115	110	16	8	..	..	17	2	469·56	469·56	317	440	210	240
2	Kalavapudi ..	West Godavari.	289	316	19	85	..	..	..	12	2,292	2,292	1,460	1,580	1,440	1,440
3	Kalidindi	Krishna ..	218	313	..	..	..	..	..	95	1,899	1,899	1,292	1,632	1,292	1,632
4	Rudravaram ..	Kurnool ..	70	72	13	..	13	..	12	3	493·64	493·64	377·32	385·18	372·32	385·18
5	Piduguralla ..	Guntur ..	55	61	..	..	..	..	6	6	499·89	499·89	448	488	108·59	302·21
6	Meyyur Gudapakkam.	Chingleput ..	43	74	8	4	..	..	15	35	484·81	484·81	405	484·81	405	484·81
7	Thirumangalakottai.	Tanjore ..	285	285	..	..	..	..	..	..	1,578·77	1,578·77	..	..	778·75	778·75
8	Dr. Rajan Nagar ..	Tiruchirappalli.	32	32	..	..	..	..	..	..	355	355	328	328	287·15	287·15
9	Chennakalpalayam.	Coimbatore ..	16	16	21	..	..	..	21	..	204·47	204·47	110	110	110	110
10	Manivilandan ..	Salem ..	53	37	5	11	5	11	..	53	2,992	2,992	370	370	523	523

Serial number.	Name of the society.	District.	Area reverted to the society by removal of members. Up to but excluding the year under report. (11) ACS.	Area reverted to the society by removal of members. In the year under report. (11) ACS.	Area relinquished to the society by the members. Up to but excluding the year under report. (12) ACS.	Area relinquished to the society by the members. In the year under report. (12) ACS.	Area relinquished to the Government by the society. Up to but excluding the year under report. (13) ACS.	Area relinquished to the Government by the society. In the year under report. (13) ACS.	Value of land granted to the society. Up to but excluding the year under report. (14) RS.	Value of land granted to the society. In the year under report. (14) RS.	Land value payable by the society. Up to but excluding the year under report. (15)	Land value payable by the society. In the year under report. (15)	Land value collected from the society. Up to but excluding the year under report. (16)	Land value collected from the society. In the year under report. (16)	Amount of implement advance granted to the society. Up to but excluding the year under report. (17)	Amount of implement advance granted to the society. In the year under report. (17)
1.	Komaragiripatnam.	East Godavari.	48	24	..	..	..	..	1,15,000	1,15,000	..	..	..	..	..	..
2.	Kalavapudi ..	West Godavari.	..	..	..	..	..	..	4,56,250	4,56,250	..	..	..	..	..	..
3.	Kalidindi ..	Krishna ..	..	..	..	..	..	..	2,19,900	2,19,900	..	..	..	..	..	..
4.	Rudravaram ..	Kurnool ..	33·8	6·46	..	..	..	..	3,93,100	3,93,100	..	..	..	..	..	..
5.	Piduguralla ..	Guntur ..	..	..	33·8	6·46	..	..	..	..	..	..	..	..	..	..
6.	Meyyur Gudapakkam.	Chingleput ..	..	..	..	..	..	..	33,710	33,710	..	..	..	..	..	..
7.	Tirumangalakottai.	Tanjore ..	..	..	..	..	..	..	7,83,685	7,83,685	..	..	..	..	..	..
8.	Dr. Rajan Nagar.	Tiruchirappalli.	..	..	..	..	..	..	1,80,445	1,80,445	..	..	..	..	..	..
9.	Chennakalpalayam.	Coimbatore ..	50	..	..	..	..	..	10,178	10,178	..	..	..	..	..	..
10.	Manivilandan ..	Salem	..	10	50	100	..	..	40,800	40,800	..	..	..	..	..	..

APPENDIX No. 6—*Statement showing the statistical particulars of the land colonization co-operative societies*—cont.

(ii) For Ex-servicemen—*cont.*

Serial number.	Name of the Society.	District.	Amount of implement advance repaid by the society. (18) Up to but excluding the year under report.	(18) In the year under report.	Amount of assessment payable of the whole area granted to society. (19) Up to but excluding the year under report.	(19) In the year under report.	Amount of assessment waived on account of reclamation of land. (20) Up to but excluding the year under report.	(20) In the year under report.	Amount of assessment waived on account of land being left followed and not allotted to any member. (21) Up to but excluding the year under report.	(21) In the year under report.	Amount of water-rate waived. (22) Up to but excluding the year under report.	(22) In the year under report.	Profit earned during the year. (23) Up to but excluding the year under report.	(23) In the year under report.	Loss sustained. (24) Up to but excluding the year under report.	(24) In the year under report.
					RS.	RS.							RS.	RS.	RS.	RS.
1.	Komaragiripatnam	East Godavari.	..	..	..	..	..	..	..	..	..	..	..	..	3,642	6,605
2.	Kalavapudi ..	West Godavari.	..	..	..	..	..	..	..	..	..	..	..	179	..	..
3.	Kalidindi ..	Krishna ..	..	..	..	..	..	..	..	..	..	..	..	1,404	521	..
4.	Budravaram ..	Kurnool ..	..	..	..	..	..	..	..	..	..	..	1,503	7,278	..	..
5.	Piduguralla ..	Guntur ..	..	..	..	..	..	..	..	..	..	..	..	..	902	..
6.	Meyyur Gudapakkam.	Chingleput ..	..	..	..	..	..	..	..	..	..	..	1,370	2,937	..	..
7.	Thirumangalakottai.	Tanjore ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
8.	Dr. Rajan Nagar.	Tiruchirappalli.	..	..	5,862	5,862	..	..	..	..	..	..	..	..	440	440
9.	Chennakalpalayam.	Coimbatore ..	..	..	..	..	..	..	..	..	..	..	..	..	582	682
10.	Manivilandan ..	Salem ..	..	..	..	..	..	..	..	..	..	..	515	186	..	..

MISCELLANEOUS

DEVELOPMENT DEPARTMENT

G.O. No. 1109, 14th March 1951

Administration Report—Co-operative department—1949-50—Recorded with remarks.

READ—the following paper :—

Letter from the Registrar of Co-operative Societies, dated 14th December 1950, Rc. No. 69179/50-Q.

Order—No. 1109, Development, dated 14th March 1951.

Recorded.

2. The Co-operative movement in the State continued to make progress in various directions. The Government also continued to utilize the services of the movement for food production as well as for its distribution. During the year co-operative institutions were entrusted with the Grow More Food Campaign in seven selected districts, the Deputy Registrars' charges in these districts being divided into two circles in order to facilitate intensive supervision of the special work. Many more rural credit societies have taken up multi-purpose activities such as distribution of manure, agricultural implements, foodstuffs, clothing and other essential requirements. It is reported that on 30th June 1950 there were 6,444 rural credit societies which had undertaken one or other of multi-purpose activity. Two thousand and thirty-nine societies distributed controlled commodities to a value of Rs. 200·69 lakhs. The two-year scheme of reorganization and development of rural credit societies also saw its full development during the year.

3. Agricultural credit societies rose from 13,740 at the beginning of the year to 15,348 at the end and their membership increased by 1·43 lakhs, paid-up share capital by Rs. 12·40 lakhs and their borrowings from financing banks by Rs. 114 lakhs. Their loan transactions also increased to Rs. 644 lakhs. It is refreshing to note that there was an increase in the amount of loans disbursed for productive purposes and an increase in the percentage of loans issued on personal security. Rural societies in the districts selected for the intensive food production scheme took up not only the promotion of intensive cultivation in lands already under cultivation but also the extension of cultivation to new lands. It is reported that 107 societies have applied to the Revenue Department for leasing out nearly 8,000 acres of Government waste

land and in several districts extensive areas of Government land have been brought under cultivation. Four hundred and fifty-four societies distributed about 9,000 tons of chemical manure and 84 societies distributed about 260 tons of agricultural implements. Deputy Registrars have also been instructed to relax the usual credit limits of borrowings in rural societies so that increased facilities might be available to members to go in for costly agricultural implements like oil engines and pumping sets for irrigation.

Furtherance of the Grow More Food Campaign was also contributed by agricultural land colonization societies. It is the object of these societies to help the agriculturist not only to secure land for cultivation but also to secure for him such of the agricultural facilities which a poor cultivator cannot afford individually. Twenty-seven land colonization societies which have been in working during the year were assigned over 11,000 acres of Government land. Nearly 9,000 acres were reclaimed by these societies and made fit for cultivation. There are also 55 agricultural improvement societies at the end of the year with a membership of over 6,000 which undertook distribution of manure, agricultural implements, seeds and cattle-feed to its members.

The scheme sanctioned by Government for the grant of subsidies for godowns put up by co-operative sale societies has attracted a large number of applications from rural societies. During the year, free grants were sanctioned to 68 rural credit societies and 10 sale societies to an amount of Rs. 4,16,000. Loans were also sanctioned to these societies to an amount of Rs. 1,43,000.

The scheme of reorganization and development of rural credit societies which was introduced in February 1949 continued to be worked during the year by all the 30 central banks. The scheme aims at not only an expansion of societies to cover at least 30 per cent of the rural population but also a reorganization of their activities so that they may take up a multitude of functions other than credit, such as supply of agricultural, industrial and domestic requirements of the members, construction of godowns, promotion of thrift and also social and recreational activities, etc. At the end of the year there were 12,534 rural credit societies under the scheme and the number of villages served by them increased from 17,020 to 19,813. The percentage of villages and the population served by them were 61·28 and 16·10 respectively at the end of the year as against 45·17 and 14·8 respectively at the end of the previous year. Of these societies, 6,444 have been converted into multi-purpose societies. A subsidy of Rs. 1·14 lakhs was paid during the year to central banks and out of the subsidy given for this scheme central banks employed in all 674 supervisors.

5. Numerous other concessions were sanctioned by Government to meet the special needs of societies in backward tracts such as Rayalaseema and the Agency areas and also to certain types of societies to meet special purposes. Of them, a lion's share may be said to have fallen to Rayalaseema. A subsidy of Rs. 1,61,700 was granted to the five district central banks in order to enable them to wipe out their bad and doubtful debts. A subsidy of Rs. 71,700 was granted to them to enable them to advance loans at a rate not exceeding 5 per cent. Another subsidy of Rs. 21,900 per annum was granted to them for a period of five years for employment of additional supervisors. A special subsidy was granted to the central land mortgage bank to enable it