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Editorial Notes.

The XXI Madras Provincial Co-operative Conference.

Following the practice of previous years we have made this issue of the *Journal* a special number of the 21st Madras Provincial Co-operative Conference, which took place at the P. S. High School, Madras, on the 28th and 29th September last. The Conference is now being held in alternate years, the last one having been held in June 1933. Delegates from all important co-operative institutions of different types were there, numbering about 300. Greetings and messages were received from a number of important institutions in foreign countries and in the several provinces of India, while the Registrars of Baroda and Travancore delivered theirs in person. The presidential chair was occupied by Mr. V. L. Mehta, Managing Director of the Bombay Provincial Co-operative Bank, and son of Sir Lallubhai Samaldas, the oldest and the most distinguished leader of the co-operative movement in India. Bombay being so rich in stalwarts, in the field of co-operation as well as in other fields of public activity, we have indented upon it on several occasions for presidents of our provincial co-operative conferences; but it has given us peculiar pleasure to have had both the father and the son among such

presidents. When Mr. Ramadas Pantulu described Mr. Mehta as "a worthy son of a worthy father" in proposing him to the chair, he did not employ a mere conventional phrase. The very soul of modesty, Mr. Mehta considered himself unworthy of the great honour conferred on him, but those who were responsible for choosing him as president of this conference knew that none was better qualified than he by ability, study and a practical knowledge of co-operative matters. He fully justified their selection and the session of the conference under his presidentship was a very successful one.

Welcome Address.

The address of Mr. Ramadas Pantulu, who as President of the Madras Provincial Co-operative Union which organises this conference, welcomed the delegates, was characterised by brevity and pointedness. What he considered to deserve the greatest emphasis in his address was the loss of faith in themselves on the part of non-official co-operators in whom the tendency was observed "to rely less and less on themselves and to throw up their responsibility and to depend more and more on the official agency and to shift the burden on to it to put matters right and to resuscitate the movement.....The first and foremost reform therefore that is now called for is a mental reconstruction among our official and non-official co-operators and a resurrection of faith in the fundamental doctrines of Co-operation which is part of a larger movement of national reconstruction." Without regaining confidence in ourselves, he rightly pointed out, no attempt at reforming the movement will bear fruit. These remarks are not intended to apply to those members of societies who by lack of knowledge and ability are unable to set right their societies, but to those others who could do so but prefer the easier course of leaving to officials the task of taking unpleasant steps to set societies right. By doing so not only do they lose self-respect and the respect of the officials, but also weaken the foundations of the entire edifice of co-operation. Mr. Ramadas Pantulu did well to emphasise the point, and we hope it will be borne in mind by both officials and non-officials.

He then deplored the lack of cohesion in the units of the co-operative structure owing to which the institutions are only too conscious of what they consider to be their inviolable rights but have not been acting as the integral parts of a single machine. As such integral units of a single organisation, the Central Banks and the Provincial Bank should be ready to assume greater responsibility for

the development of marketing and purchasing societies. Pursuing this line of thought, he strongly disapproved the formation of a separate provincial society for handloom weavers for providing credit to the industry and the proposal—now, however, dropped—to form another provincial credit society for building societies. “If, for instance, the existing co-operative credit facilities were availed of” said he, “for the development of handloom weaving, I feel that the grant made by the Government of India for this purpose might have been put to much better and more effective use and much needless expenditure avoided.” This argument acquires additional force by the fact that the Central Banks and the Provincial Bank are greatly embarrassed by unemployed surplus funds. Lastly, having expressed the hearty support of co-operators to Dewan Bahadur Ramalingam Chettiar’s Debt Conciliation Bill and their satisfaction at the favourable attitude of Government towards it, he called upon the conference to formulate a scheme whereby co-operators may take their full share in promoting the objects of the Bill. He also pleaded strongly for an all-round reduction in the rates of interest in co-operative institutions. On these subjects the conference adopted suitable resolutions—as was only to be expected, since the increased burden of debt has made its relief the most urgent problem of the movement.

Presidential Address.

At the outset Mr. Mehta confessed that recently a feeling had come over him that “the discussions of our domestic problems and the introduction of changes in our internal mechanism can really make little difference in the re-ordering of the movement, overwhelmed as we are by an economic crisis, the worst sufferer from which has been the primary producer, for whom the co-operative movement in India is primarily intended.” This economic crisis cannot be tided over except by State action and because that action has not been taken by the Government in India in the manner it has been taken in other countries, Mr. Mehta devoted a large part of his address to a strong but not undeserved criticism of the Government. The keeping of the exchange ratio at 1s, 6d., the present Finance Member’s contemptuous opposition to all economic planning, his adherence to out-of-date doctrines of *laissez faire*, the manner in which the grant for rural development is allowed to be spent in the provinces, particularly in Madras, the failure to invite non-official co-operation in

spending the special grant for co-operative education, the appointment of a person having no previous acquaintance with India or its agriculture or its marketing conditions as the special all-India marketing officer—these and some other actions of Government drew Mr. Mehta's trenchant criticism. Regarding the decision of the Government of Madras to spend the sum of Rs. 14 lakhs, its share in the Government of India's grant for rural development, on water supply, communications, sanitation etc., Mr. Mehta observed, "One of the conditions which the Government of India have laid down is that grants should be devoted only to schemes which the Local Government would not otherwise have been able to undertake in the near future. The four items mentioned above are, however, such as should ordinarily be met out of the resources of the province etc." He also drew attention to the fact that the Finance Member had stated in his speech that preference should be given to schemes which were intended to bring additional income to the rural population by the improvement of agriculture and the development of local industries but that the Government of Madras appeared to be blissfully ignorant of his intention. One is not surprised that for saying this Mr. Mehta has been strongly criticised by the Ministerial organ 'Justice'. It has however not diminished the force of Mr. Mehta's criticism in any measure.

Mr. Mehta then described briefly the steps taken by his province for helping the agriculturist during the present economic depression. The first step taken was to give an assurance to members of co-operative societies that fresh finance would be forthcoming against repayments, however small these might be. We are afraid our province cannot claim to have done so. Rates of interest have been reduced generally, "the system of charging penal interest has been abandoned, and where the burden of the existing liabilities is very onerous, reductions are allowed even in the accumulated simple interest that is to be recovered." These steps are similar to what have been taken in our province and perhaps elsewhere also. Mr. Mehta then dealt briefly with the question of supervision, over which a controversy even greater than here has taken place in Bombay. Supervising unions of the kind existing here were introduced in Bombay only some ten years ago, but their scrapping was recommended about two years ago by a Reorganisation Committee appointed by Government. As there was a unanimous protest against that recommendation, another Committee was appointed to examine the recommendation. The latter Committee favoured unanimously the continuance

of the unions and recommended further the formation of district boards to guide the unions and the train, appoint and control the supervisors. These boards correspond to our federations. A point of difference between Madras and Bombay shown by Mr. Mehta was "that in Madras until recently it was the generally accepted view that central banks should not have their own inspecting staff and should utilise the agency of unions for the assessment of credit of affiliated societies and the recovery of loans. In Bombay, the central financing agencies were called upon to shoulder the responsibility for the performance of these functions at a very early stage in their career, and the supervising unions do not displace their agency." The practice prevailing at present and also the opinions regarding the unions are, we believe, now very much alike in Madras and Bombay

Resolutions.

The first two resolutions were put from the Chair. One of them requested the Government of India to consult the Provincial Co-operative Banks while establishing the Rural Credit Section of the Reserve Bank of India and to make Mr. Darling's report available to them. The other related to co-operative education and regretted that the Government of India in making the special grant for that purpose had not made it obligatory for Local Governments to consult the provincial co-operative institutes in regard to the manner of utilisation of the grant and further urged the Government of Madras to consult the Madras Provincial Co-operative Union in framing their scheme of co-operative education. These subjects were adequately dealt with by Mr. Mehta in his presidential address and there was absolutely no difference of opinion about them among the delegates. Hence they were put from the Chair. We do hope that not only in Madras but in every province the services of institutions which exist for carrying out co-operative propaganda and education will be fully utilised in framing schemes for spending the special grant given by the Government of India. A considerable portion of this grant is ear-marked for the education of the member of the rural society. This object cannot be achieved unless the non-official co-operators and the Department work together heartily. There has existed all along very close co-operation between the Department and the Madras Provincial Co-operative Union in respect of the training of supervisors. There is therefore no reason to

suppose that the resolutions of the conference will not be respected by the Government.

The next five resolutions form a group having for their object the relief of the indebted agriculturist. One of them urged the Central Land Mortgage Bank to so lower its rate of interest that the ultimate borrower may obtain money at 5 per cent, to extend the period of repayment from 20 to 40 years and to raise the maximum amount of loan to individuals from Rs. 5,000 to Rs. 10,000. Another requested the Government to give these facilities of 5 per cent interest and 40 years period to the cultivators seeking relief under the Agricultural Loans Act for discharging their conciliated debts. A third resolution recommended the organisation of a Trustee Bank, while the next two urged respectively the reduction in the rates of interest and the extension of the period of repayment in co-operative societies in respect of both outstanding and future loans. It is noteworthy that both the Joint Registrar of Co-operative Societies and the President of the Provincial Bank declared in the clearest manner that the societies were in a position to reduce their rates of interest to their members and that they ought to do so without delay.

In this connection we are glad to understand that at the last meeting of the Executive committee of the Madras Central Co-operative Land Mortgage Bank, which was held after the conference, the rate of interest to societies was reduced to 5 per cent on condition that the societies in their turn reduced the lending rate to their members to 6 per cent and that the Government approved of the raising of the maximum borrowing power of individual members to Rs. 10,000 from Rs. 5,000, as proposed by the Bank, in areas approved by the Registrar. The resolution addressed to the Central Land Mortgage Bank has thus been largely, though not fully, complied with.

The resolution on the trustee bank requires some elucidation. It was moved by Dr. B. Pattabhi Sitaramayya of Masulipatam, who, while narrating before the conference his experience as 'trustee' for a friend for the purpose of clearing his debts, however, left the details of the scheme for a trustee bank to be gathered from an article contributed by him on the subject to the April number of the *Indian Co-operative Review*. Therein he says :

"The object of the bank should be to finance a series of trusts each of which is managed by a trustee. The trustee should be empowered to settle the liabilities of the trust. He can borrow money at easy rates from the trust bank and repay the creditors

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on favourable terms. He can sell the property of the trust at leisure, and repay the bank in full. All this may not take longer than two or three years, so that theoretically a four years' fixed deposit may serve the needs of the trust. But as the bank is intended to help in the operation of the affairs of a series of trusts, it may be reasonable to say that the bank should receive fixed deposits for a term of ten years or float debentures to be redeemed after a period of ten years or earlier at the pleasure of the bank, and the rest of the operations will but closely follow the steps and stages that are met with in respect of the usual Land Mortgage Banks of the day. The debentures will be supported by indentures and the latter will be transferred to a trustee and the trustee holds the indentures as the guarantee for the debentures."

Dr. Pattabhi Sitaramayya said that it was quite possible to organise the trustee bank as a joint stock company, but its organisation under the Co-operative Societies Act would make it a useful handmaid for debt conciliation in which co-operators were very keenly interested. It was not as though the delegates readily saw the feasibility of this idea of a trustee bank. One of them declared that nobody would come forward to take over as trustee the debts of another and discharge them. Only on Mr. Ramadas Pantulu pointing out that if the conference passed the resolution the Executive Committee of the Provincial Co-operative Union would examine the question to see how far it is practicable and to formulate a scheme for further consideration of co-operators, did the delegates pass the resolution by a majority—more, we should think, with a view to give the idea a trial than being fully convinced of its feasibility.

Of the other resolutions, two were concerned with the co-operative marketing of agricultural produce. One of them requested the Registrar and the Provincial Co-operative Union to prepare a scheme for starting Purchase and Sale societies with suitable godowns, at least one for each taluk, and it further requested the Government to finance the construction of the godowns out of the Village Development Fund. If by the latter is meant the special grant made by the Government of India, the disposal of which was so trenchantly and deservedly criticised by Mr. Mehta in his presidential address, we fear there is little likelihood of its being made available for this purpose. But the construction of godowns need not depend on the Fund. If a suitable scheme be forthcoming, the apex bank and the central banks, embarrassed as they are with unemployed

money, would be willing enough to finance the construction of godowns. The other resolution recommended special financial facilities for societies which followed the advice of the Agricultural Department in the raising of crops and the sale of produce. It is an unfortunate fact that the Agricultural Department and the co-operative societies are not utilising each other's services to anything like the extent to which they ought to. We hope this resolution will lead to the establishment of a closer relationship between them.

Of very great practical importance was the resolution which requested the Government to reduce at least by 50 per cent the audit fees levied on co-operative credit societies of limited liability. The present scale is unconscionably high and is felt as great hardship by the societies concerned. The point has been urged on the Government at several other conferences, who, we hope, will recognise that it is never too late to do justice.

A Warning to Village Societies.

Below are given the particulars of a typical transaction of a village society, in which uninformed enthusiasm has landed it in very serious loss. The particulars are supplied by the Joint Registrar with a view that they may serve as a warning to other societies :

'A co-operative credit society purchased a motor plough in 1929 by raising a loan of Rs. 3,000 from the District Co-operative Central Bank. The purchase was made without consulting the Agricultural Department or without even considering how far the plough would be used by the members. During the first three years of its purchase, viz., from 1929 to 1932, the members hired the plough and used it. But the venture continued to result in loss to the society, except in 1930-31, when a small profit was made. From 1932 no use was made of the plough. It has allowed to deteriorate for nearly 3 years and was sold in July 1935 at a price much lower than its estimated value. This has resulted in a heavy loss to the society and its realisable assets have fallen far short of the liabilities.'

XXI Madras Provincial Co-operative Conference

(Held on the 28th and 29th September 1935.)

The XXI Madras Provincial Co-operative Conference assembled at the P.S. High School, Mylapore, Madras, on Saturday the 28th September 1935 at 4 p. m. under the presidentship of Mr. V. L. Mehta, Managing Director of the Bombay Provincial Co-operative Bank. Among those present were Sir Vepa Ramesam, Mr. T. R. Venkatarama Sastriar, C.I.E., Dr. B. Pattabhi Sitaramayya, Dewan Bahadur T. Raghaviah Garu, C.S.I., Dewan Bahadur V. Bhashyam Ayyangar, Rao Bahadur C. Gopala Menon, Rao Bahadur T.M. Narayanaswami Pillai, M.L.C., Mr. C.V. Krishnaswami Iyer, Retired District Judge, Mr. S. S. Saukara Mudaliyar, Dr. P. S. Lokanathan, Prof. S. K. Yegnanarayana Aiyar, Mr. K. C. Ramakrishnan, Mr. K. Bhashyam Ayyangar, Mr. V. C. Rangaswami, the Registrar of Co-operative Societies, Baroda, the Registrar of Co-operative Societies, Travancore, and many other prominent co-operators of the presidency.

WELCOME ADDRESS

Mr. V. Ramadas Pantulu, President of the Madras Provincial Co-operative Union, welcomed the delegates and in doing so he delivered the following address :—

BROTHER DELEGATES AND FRIENDS :

I beg to extend to you on behalf of the Madras Provincial Co-operative Union a most hearty welcome to the XXI Session of the Madras Provincial Co-operative Conference. This Conference meets at a time when the Co-operative Movement in this Province is passing through a serious crisis, and the situation has become more critical than it was two years ago when you last met; and I have no doubt that all those who are interested in the Movement will watch our deliberations with keen interest, in the hope of getting some useful and definite lead from us to extricate the Movement from the difficult position in which it is to-day. We may well congratulate ourselves on our being able to secure the services, at the present juncture, of so well informed an enthusiast in the cause of Co operation as my esteemed friend, Mr. Vaikunth Mehta, to guide us in our deliberations with his intimate and profound knowledge of the problems with which the Movement is confronted to-day. I hope and trust that the short time at our disposal to-day and

to-morrow will be profitably utilised to find some practical solutions to our most pressing problems, keeping controversies on non-essential matters in the background.

The most distressing feature of the Movement to-day in my opinion, is the loss of faith in themselves on the part of non-official co-operators. That all is not well with the Movement, or to be more candid, that it is suffering from serious ailments may be conceded. But what is the remedy? There is an increasing tendency on the part of non-official co-operators to rely less and less on themselves and to throw up their responsibility and to depend more and more on the official agency and to shift the burden on to it to put matters right and to resuscitate the Movement. As for the official agency itself, with its traditional and pathetic faith in spoon-feeding, it of course never had any other prescription for non-officials maladies except an extra-strong dose of official control, with a corresponding dilution of non-official direction. In my humble opinion, this mental depression in non-official co-operators is fraught with greater danger to the Movement than even the economic depression. A development of such psychology will lead to the eventual extinction of all that is good and worth striving for in Co-operation, whose essential attributes are freedom of initiative and democratic control and whose cardinal virtues are self-help and self-reliance. The first and foremost reform therefore that is now called for is a mental reconstruction among our official and non-official co-operators and a resurrection of faith in the fundamental doctrines of "Co-operation" which is part of a larger movement of national reconstruction and whose definite aim is to bring about the economic emancipation of the masses. Without confidence in themselves and courage to shoulder full responsibility for the management of their affairs on the part of non-official co-operators, no attempt at reforming the Movement will bear fruit.

Another regrettable feature to which, in my opinion, the present weakness of the Movement is largely attributable, is the absence of cohesion in the several units of the co-operative structure. They are to-day so many isolated bodies each claiming its own autonomy and are not the integral parts of a single organisation, which is capable of giving a drive from the centre. It is not the power or strength that is derived from combination that appeals but the consciousness that each unit has its exclusive inviolable rights and an assured fractional share in the common inheritance. Any attempt at centralisation of policies or effort in any particular sphere is resented as offending against the autonomy of the individual institutions. This notion is, in my opinion, radically wrong, for in a federal structure the power in the centre can be fully harmonised with autonomy which is broadbased on the ultimate democratic control by the units which voluntarily federate and cede such power, which they may take back if misused. I feel that unless and until we effect radical alterations

in the structure of our organisation so as to integrate it and make its various units function as dependant parts of a single machinery, there can be no tangible improvement in the present position.

I take it that the aim of Agricultural Co-operation is to improve the economic condition of the farmer, through co-operative credit, which frees him from exploitation by outside capital; co-operative marketing, which increases his income; and co-operative purchasing, which increases the buying power of that income. If so, it is a plan and a programme which can only succeed by the closest co-ordination of the activities of the several parts of the co-operative organisation. Is there any evidence of such co-ordination in each of these branches of Co-operation and between the several branches *inter se*? I find none. We must make definite plan at once for putting our credit structure on a more sound and satisfactory basis so as to make the primary credit societies, the central banks and the provincial bank function as integral units of a single organisation and to connect it with our marketing and purchasing organisations.

While our credit organisation is thus in need of being welded together and linked up with other branches of co-operative endeavour, our Provincial Government has developed an extraordinary craze for the multiplication of new provincial credit societies and for decentralisation or departmentilistation of finance in a way. They started a provincial society to finance (among other objects) handloom weavers through 'weavers' co-operative societies, and threaten to start another to finance urban house-builders through co-operative house-building societies, as if the existing co-operative credit institutions, which have been laboriously built up during the last three decades, cannot find the funds needed for the purpose. In my opinion, the non-utilisation of the existing credit machinery, with suitable and necessary readjustments, for the development of industrial co-operation, co-operative marketing and co-operative trade, is a very short-sighted policy and will involve duplication, overlapping and waste for which there is absolutely no justification. If, for instance, the existing co-operative credit facilities were availed of for the development of handloom weaving, I feel that the grant made by the Government of India for this purpose might have been put to much better and more effective use and much needless expenditure avoided. I, therefore beg leave to extend to the Provincial Government also my humble appeal for centralisation of policy, concentration of effort and co-ordination of the activities of the different parts of the co-operative organisation.

There is one other topic to which I desire to refer before I conclude. It is the question of rural indebtedness about which so much is said but very little is done, and the relation of co-operation to it. The Debt

Conciliation Bill introduced into the Provincial Legislative Council by my esteemed friend, Dewan Bahadur T. A. Ramalingam Chettiar, is in the Select Committee stage and I understand that the attitude of the Government towards it is sympathetic, and that it will find its way to the Statute Book in a couple of months. The Special Officer appointed by the Local Government to report on the problem of rural indebtedness and to suggest remedial measures has, in his very valuable and well-considered report, which is semi-officially published recently, blessed the scheme of Debt Conciliation embodied in the Bill. It is true that most creditors will agree to take 60 per cent or even less of the total debt in entire satisfaction of their claim, if that is paid in cash. But what is the agency to pay it is the real question. The Local Government has therefore come forward with a scheme to finance the agriculturist to help him to liquidate his prior debt; the Agricultural Loans Act is amended for this purpose and with the active co-operation of the Board of Revenue arrangements are being made to put the scheme into operation at once. But State aid must be largely supplemented by other agencies even to touch the fringe of the problem of rural indebtedness. We co-operators must take our full share in this scheme of debt conciliation. As the legislature and the Government have created facilities for reducing the size of the debt by conciliation, we must evolve schemes to help the agriculturist to find the amount of the reduced debt to satisfy his creditors. I hope this Conference will formulate such a scheme. In this connection, I must say that I am unable to agree with the view expressed by my esteemed friend, Dewan Bahadur Sir M. Ramachandira Rao, that co-operative societies (land mortgage banks and credit societies) must be exempted from the operation of the Debt Conciliation Act. I think that there is a good, if not an unanswerable, case for conciliating co-operative debt as well and for considerable reduction of rates of interest charged on co-operative loans. I appeal to the President of the Madras Co-operative Central Land Mortgage Bank to take steps to reduce the lending rate to the ultimate borrowers to 5 per cent having regard to the fact that he is able to get his debenture money at $3\frac{1}{2}$ per cent. The Madras Provincial Co-operative Bank and the Central Banks must also help the rural credit societies to reduce their lending rates so as to make money available to agriculturists at about 5 per cent. In the drive to help the agriculturist to buy his finance cheap and sell his produce dear and to conciliate his debts, the Madras Provincial Co-operative Bank must take the lead and give a new orientation to the Movement.

There are other important problems as well which will engage your attention and call for suitable solutions during the deliberations of the Conference. I shall not, however, take up any more of your time in discussing those problems. I now request you to instal your President elect in the chair and proceed with your agenda.

Then Mr. V. L. Mehta took the chair amidst applause.

Mr. V. Venkatasubbaiya, one of the Secretaries of the Madras Provincial Co-operative Union, read greetings and messages from a large number of prominent co-operative institutions and co-operators from foreign countries and from various provinces in India. (*Vide* Appendix A).

PRESIDENTIAL ADDRESS

Mr. Mehta then delivered the following Presidential Address:—

I am afraid my command over language is too poor to enable me to find words appropriate enough to convey to you, the co-operators of the Madras Presidency, my deep sense of gratitude for the honour you have done to me by asking me to preside over the deliberations of your Provincial Conference. You have been particularly partial, I am aware, to your confreres in the Bombay Presidency, distinguished co-operators from which province you have often called upon, in the past, to grace this chair. But that partiality is really carried too far when you compel an humble worker to leave his desk and assume a role for which he is scarcely fitted.

It is over two years, I find, since you met last in a Provincial Conference; but this passage of time has not seen the dissolving of the clouds that overhang the co-operative movement, both in your Presidency and elsewhere in India. This period is, however, important for the vigorous attempts made everywhere to grapple with the difficulties facing the movement; and, as in other respects, your Presidency is to the fore in analysing the complexities of the situation and in trying to seek a solution. It will be one of the main duties of this Conference, I imagine, to survey what has been achieved in this direction and to indicate the lines along which these attempts at rehabilitation and reconstruction should proceed in the future. As a practical working co-operator, these problems do indeed interest me, and any experience that I may have gathered in the course of my work in your sister province will be at your disposal in the consideration of these problems. Recently, however, the feeling has been uppermost in my mind that the discussions of our domestic problems and the introduction of changes in our internal mechanism can really make little difference in the re-ordering of the movement, overwhelmed as we are by an economic crisis, the worst sufferer from which has been the primary producer, for whom the co-operative movement in India is principally intended.

Even as it was, the agriculturist's burden of debt was notoriously heavy, but the depression has added to the burden to an extent that has made relief from it a social problem of the gravest magnitude. No solution of this problem of agrarian distress is feasible except on the initiative of the State, and that is the reason why in all countries we find

governments embarking on schemes of economic planning intended to avert the threatened disaster by rebuilding the rural economic structure on a well-ordered plan. In his invaluable work, "Planned Economy for India," Sir M. Visvesvaraya thus describes the outstanding defects of rural life: "the excessive pressure of the population on land, the small size of holdings and their progressive fragmentation, the primitive methods of cultivation followed, the waste of farm manure, irregular hours of labour, insufficient and uneconomical utilization of women's services, the lack of finance for farm work, the old-fashioned character of the subsidiary occupations pursued, the crushing indebtedness of the ryot, short employment, universal illiteracy and phenomenal poverty." If a change in this position is to be secured, observed the Royal Commission on Agriculture in India, "it is essential that all the resources at the disposal of the State should be brought to bear on the problem of rural uplift," and that there should be "an organised and sustained effort by all those departments, whose activities touch the lives and the surroundings of the rural population." It is now eight years since Lord Linlithgow and his colleagues summed up in these terms their recommendations to the Government of India. While not denying that stray attempts have been made to carry out some of the individual recommendations of the Commission, I doubt very much whether in the councils of Governments there have been "a conscious will, a completed design and a capacity to circumvent seeming difficulties" that are expected of those who are "charged with the high duty of furthering national well-being for national ends."

The immensity of the task has been enhanced by the plight to which the primary producer has been reduced by a fall of about 45 per cent. in the value that he derives for the output of his fields. I propose briefly to examine how the State in India has responded to the call of the primary producer for succour in his hour of distress. But before examining the contribution made by Government to the alleviation of distress—it is pertinent to make a reference to what Government have failed to do or have refused to do. In the first place, Government have made no attempt whatsoever to secure any increase in the level of agricultural prices, and the improvement that has taken place in the outlook before the cotton cultivators is primarily due to measures inaugurated in the United States of America. There are various devices by which the agriculturist can be enabled to secure a better return for his products, and all or several of these are in operation in various parts of the world, including Great Britain. But the Finance Member of the Government of India refuses even to look at—much less examine—any of those devices, and he uses the elegant phrase "monkeying" for the most well-supported of these devices, namely, the devaluation of the Rupee. From the point of view of the

Government of India, the demand for a lower ratio has probably passed into the stage of a futile academic controversy, but according to an experienced British businessman, Sir Montagu de P. Webb of Karachi, "the only way in which India can meet the danger of dumping from all quarters is to concentrate an attack on the noxious overvalued Rupee". India's life, according to him, is steadily ebbing away under the strangling influence of the Rupee linked to sterling at 1 '6, and "the stubbornness of the Government of India in clinging to it as though India's life depended on the maintenance of this ratio is the despair of the well-informed." The Reserve Bank of India Act has, however, accorded statutory recognition to the present monetary standard and has postponed reconsideration until such time as the international monetary position has become sufficiently clear and normal, as if there can ever be a state of stability in the world of finance so liable to be upset by even a passing gust of wind.

One can understand that a particular line of action is unsuited to particular circumstances, but no responsible authority can afford to sit still and do nothing, allowing economic forces to have unfettered sway. The task of the statesman is to utilize these forces for the good of the nation committed to his care by a system of well-ordered planning. But to the Finance Member of the Government of India the term "economic planning" is anathema, standing invariably for cheap nostrums and quack remedies. Proposals for the development of public works, for the floatation of a reconstruction fund to finance such development, for the modification where necessary of the country's fiscal policy, for the grant of subsidies and bounties are all unceremoniously rejected as economic heresies and as savouring of socialism. Sir James Grigg's notions of economic progress are nearly half a century too old, because to-day all over the world most thinking men and women admit that "if by socialism we are to understand the jettisoning of *laissez faire*, it is certainly true that none, however deeply steeped in the traditions of the nineteenth century, can examine the present state of affairs and construct a policy which is not socialistic."

Even the Government of India before Sir James Grigg came on the scene, recognized the need for the formulation of a policy of economic development to meet the situation caused by "the fall in the prices of and demand for agricultural commodities and the effect of the fall on the condition of the agricultural classes." It was to consider, after mutual consultation, the action that could be taken to deal with the situation that they called in April last year a Conference consisting of the Ministers, Members, and other representatives of Provincial Governments, the conclusions of which Conference are described in a communique issued

on the occasion as initiating a co-ordinated policy for economic improvement. The programme formulated at the Provincial Economic Conference contained mostly an extension of the activities already in hand in various provinces and represented no departure in policy. So that, at best, the sole contribution of the Government of India towards the relief of a grave distress may be described in the words of the Finance Member himself "as praying in the first place for a disposition in the world to return to the doctrine of cheapness and free exchange and the abandonment of the cursed doctrine of scarcity, and, in the meantime doing what we can, in innumerable small ways to improve the condition and increase the efficiency of the producer, particularly the primary producer." The method by which the Finance Member wishes to secure this improvement in the economic condition of primary producers is by starting from individual villages and then working upwards. The sum of a crore and thirteen lakhs set aside from last year's surplus of the Government of India is intended to promote development along these lines. The grant is made to Provincial Governments for schemes in rural areas intended to promote the economic development or improvement of such areas. These terms are explained as covering all measures which conduce to the amelioration of the conditions of the cultivators and other sections of the rural community, particularly the introduction of improved methods of agriculture, the establishment of industries to give employment to and increase the income of the cultivators, and measures designed to effect a general improvement in the condition of village life. Out of the total grant made, a sum of Rs. 15 lakhs was earmarked for expenditure on the co-operative movement; and the whole of this amount, it has now been announced, is to be devoted to giving effect to educational schemes worked out in consultation with the Registrars of Co-operative Societies in various provinces. I shall revert to this topic later, and shall, for the present, confine my remarks to the manner in which the special grant is proposed to be spent for purposes other than co-operative education.

The amount falling to the share of the Madras Presidency is Rs. 14 lakhs, of which Rs. 5.50 lakhs are to be utilized for the provision of rural water supply, Rs. 4.50 lakhs for the development of village communications, Rs. 3 lakhs for the improvement of village sanitation, and Rs. 50,000 for anti-malarial measures, the remaining sum of Rs. 50,000 being placed at the disposal of district officers for discretionary grants. One of the conditions which the Government of India have laid down is that the grants should be devoted only to schemes which the Local Government would not otherwise have been able to undertake in the near future. The four items mentioned above are, however, such as should ordinarily be met out of the resources of the province, though no one will grudge expenditure on essential services which should have been the

primary concern of the State, but which—for reasons into which it is needless to enter here—have been hitherto neglected. But the Finance Member also indicated in his Budget speech his preference for schemes which brought additional income to the rural population by the promotion of schemes of improved agriculture and of industries likely to provide local employment. It is a matter for regret that out of the large grant made available to this Presidency no portion is proposed to be spent on the building up of the economic strength of the people. The Finance Member wishes to see the efficiency and the productive capacity of the primary producer improved by efforts starting from the individual village upwards, but those responsible in Madras for the framing of schemes for the allocation of the Government of India grant appear to have been blissfully ignorant of his intentions.

When it was originally decided to earmark a sum of Rs. 10 to Rs. 15 lakhs out of the grant for expenditure on the co-operative movement, the Finance Member expressed the hope that this contribution might assist the Provincial Governments to develop the movement on sound financial foundations. Details of the measures for which and the conditions on which the grants were to be allowed would, he added, be settled after Government had considered the report of Mr. M. L. Darling who was placed on special duty in connection with the creation of the Agricultural Credit Department of the Reserve Bank of India. It is now over half a year since this pronouncement was made, and yet, so far as I am aware, no further announcement has been made on behalf of Government about the manner in which the grant is to be spent, except the bare mention of the fact that the entire amount is to be devoted to schemes of education. Important as is the place of education in the evolution of a sound co-operative commonwealth, I hold that a portion at least of the grant should have been utilised for purposes other than education. Without wasting money on experiments or on hazardous ventures, various useful co-operative activities could have been promoted and stimulated by the grant of judicious State help, either direct or indirect; and in my province, at any rate, several valuable suggestions were made to the Co-operative Department including,—I may cite as an illustration—propaganda for the consolidation of holdings on lines so well developed in the Punjab by the education of rural public opinion in favour of the measure. Co-operative education to be effective as the basis of co-operative progress must itself have as its foundation the diffusion of a knowledge of letters and the creation of a desire for knowledge among the mass of rural co-operators. It is now a quarter of a century since an insistent demand was first made by the leaders of the nation that the State should embark on a campaign for the liquidation of illiteracy. What miserable progress we have achieved in that direction is evident from a glance at the statistics compiled at each successive

census. For an illiterate proletariat there can be no talk of progress, and just as we must fail in organizing economically a hungry half-starved proletariat purely on the basis of self-help and thrift, so also shall we fail in rousing the unlettered peasant to combined action for common good.

Now that it is definitely settled that the grant is to be used for co-operative education it is our duty to put forward suggestions to ensure its being spent to the best purpose. The Government of India are not unaware of the fact that there are in existence in the provinces institutions, one of the main objects of which is the promotion of co-operative education; and yet, to my knowledge, no attempt has been made by them officially to ascertain the views of these bodies in all the provinces and of the All India Institutes' Association at the apex about the manner in which facilities for co-operative education can best be developed. Not that our leaders have not bestowed any thought on the subject. That the question has already engaged the serious attention of the All-India Institutes' Association is evident from the valuable symposium on the subject published in the last issue of its official organ, *The Indian Co-operative Review*. Mr. V. Ramadas Pantulu has reviewed the position and put forward a programme of work which represents an improvement on the proposals adumbrated by the Indian Central Banking Inquiry Committee. One factor that he has emphasised is of paramount importance. In all co-operatively advanced countries, the direction of co-operative education is the special privilege of the movement itself, and the regional unions as well as the provincial or national federations or organization societies in other countries exist primarily for that purpose. In several Indian provinces the function of education has been transferred to the provincial unions and institutes, and the Indian Central Banking Inquiry Committee agreed that educational institutions should be run by non-official co-operators themselves. It will be a step backwards, therefore, if when the grant for co-operative education is placed at the disposal of the provinces the Provincial Governments decide to organize the work of co-operative education through a purely official agency, ignoring, as it were, the claims of the popular institutions to be entrusted with the work. I observed at the outset of my remarks on this subject that provincial organizations had not been consulted about the development of arrangements for co-operative education, but I note with satisfaction that this has not been the case in Madras. It is essential that in all provinces there should be similar joint deliberations between the Co-operative Department and the provincial unions or institutes in order that the services of non-official co-operators can be fully utilized in building up a sound system of co-operative education for all grades of co-operative workers.

XXI MADRAS PROVINCIAL CO-OPERATIVE CONFERENCE

Before I leave the subject of co-operative education, I should like to emphasise the need for spending some part of the money that is to be made available on the publication of simple literature in the various provincial languages. The more we have of such literature the more is our work of diffusing education facilitated. At the same time, we should spend some money on the production of posters, the preparation of lantern slides, and the adoption of other methods of visual instruction necessary for securing the spread of education among an unlettered community. Lastly, I should like to observe that while facilities may be made available for the training of what we call the superior grades of co-operative officers, it should also be our aim to educate the secretaries and office-bearers of primary societies in villages and hold educative rallies where simple talks and discussions on matters of common interest can be arranged for the benefit of the ordinary members of the societies.

Among the subjects that must first engage our attention in the consideration of any programme of economic planning in India is the relief of agricultural indebtedness. The Provincial Economic Conference, to which I have already alluded, recognized that the problem had acquired a new intensity and significance as a result of the fall in prices. The line of treatment discussed at the Conference was twofold: the adoption of legislation to deal with usury in all its aspects and to afford protection to agriculturists in the abnormal situation that had arisen, and, simultaneously, the introduction of a machinery for a long term credit. The Conference decided to leave it to the Provincial Governments to take action in both the directions. In the Madras Presidency, it is some years now since you created a system of land mortgage banks, with a central land mortgage bank at the top. Under the aegis of the Madras Central Land Mortgage Bank you have now a well-knit, efficient and financially sound organization for this purpose, and you have gone ahead of the rest of India by enacting special legislation to regulate the working of the system. These facilities for credit for the relief of indebtedness have recently been supplemented in your Presidency by the amendment of the Agriculturists' Loans Act. The other method of approach to the problem has, however, not been tried in this Presidency. Presiding at a Conference for Relief of Rural Indebtedness held at Bezwada in May last, Mr. Ramadas Pantulu made a number of valuable suggestions bearing on this aspect of the treatment of the problem of debt, following, in the main, the recommendations in that behalf made by the Indian Central Banking Enquiry Committee. Some time earlier, a Special Officer was appointed by the Government of Madras to inquire into the question of agricultural indebtedness in the Presidency and a report of this inquiry appears to have been published recently. I have not had an opportunity of studying this report, but I am astounded to find it disclosing that since the Madras Provincial Banking Enquiry Committee framed five years

ago an estimate of the extent of agricultural indebtedness, the aggregate volume of debt has gone up by over 50 crores to the figure of Rs. 204 crores. The agricultural income, according to this Officer's report, is falling while the population is increasing, crowding on to the land more persons than it can possibly sustain. Mr. Sathianathan, the Special Officer, proposes the enactment of legislation, as in some other provinces, for the creation of debt conciliation boards; and these boards in collaboration with land mortgage banks may be helpful in providing some relief. The evil, however, has gone too deep to yield any simple solution like that proposed, and a vigorous nationwide campaign is necessary, I agree with the Special Officer in holding, to find out for the surplus population means of livelihood other than agriculture.

At the Provincial Economic Conference convened last year by the Government of India the conclusion was reached that of all the practical measures necessary for improving the economic condition of agriculturists an intensive programme of develop marketing facilities for agricultural products offered the best *immediate* prospects of successful results. While subscribing to this view whole-heartedly, I am not convinced that the steps taken by the Government of India to implement this decision are the proper ones. The principal among these steps was the appointment of a special all-India marketing officer and the selection for that post of a person who had a previously no acquaintance either with India or its agriculture or its marketing conditions. And this officer has had a large staff of marketing officers placed under him, so that for the time being the amount sanctioned by the Government of India for the development of marketing has all been consumed on the creation and maintenance of a new official hierarchy. The main duty of this staff is supposed to be the investigation of marketing practice and the study of marketing problems, as if ample material were not already available from the recommendations of the Royal Commission on Agriculture and of the Provincial and Central Banking Enquiry Committees and the volume of evidence submitted to them. Instead of proceeding to work on the basis of the considered recommendations of the Royal Commission and the Banking Enquiries, the Government of India have embarked upon costly surveys which will scarcely be helpful in providing *immediate* prospects of successful results. An ounce of practical action—such as that proposed by Mr. T. Adinarayana Chettiar in his Note on the Present Condition of Co-operative Marketing of Agricultural Produce in South India—is worth more than a ton of academic surveys that lead nowhere and are not followed up by action. With a little encouragement and help, co-operators can develop in most parts of the country—that, at any rate, is our experience in Bombay—co-operative sale organizations without waiting for any further surveys, provided facilities in the shape of warehouses, petty grants for meeting expenditure in the initial stages, and

some assistance in the work of preliminary propaganda are made available. Otherwise, in our search for a scientific system of marketing years may be wasted in surveys without any attempt being made to build up a marketing system on the only basis that will stand, namely, the organization of the producers co-operatively.

It has been a charge levelled against us, co-operators, that we have not interested ourselves sufficiently in problems of agricultural improvement. There is a substratum of truth in this criticism, in as much as we have treated the problem of improved agriculture as a technical one, to be handled by experts. I hesitate to rush in where angels fear to tread, especially as conditions differ widely from province to province; but there are certain activities which can and should be organized on a co-operative basis and to which we must divert our attention in the attempt to invigorate the work of our primary societies. The encouragement of cattle-breeding and the supply of premium bulls, the consolidation of holdings on a voluntary basis, the organization of the supply of approved varieties of seed through village credit or better farming societies or their unions or associations, the financing of a programme of minor works of land improvement with the aid of taquavi loans or loans from land mortgage banks, the fencing and protection of crops on co-operative lines—these are all activities in which co-operators should interest themselves. A portion of the grant made by the Government of India could justifiably have been devoted to some of these objects, in as much as the Finance Member had observed in his Budget Speech that one of the main objects of the special assistance given was to increase the income of the agriculturists.

The Finance Member also referred to the need for subsidising schemes for giving employment to cultivators. It is a matter for regret that the programme drawn up by the Government of Madras appears to ignore this aspect of the work that lies before them. It is now over fifteen years since Mahatma Gandhi first directed the attention of the nation to the paramount need for utilising in a creative manner the spare time that the agriculturist has at his disposal and of finding remunerative work for the increasing numbers of the rural population who are, for a large part of the year, compulsorily unemployed. He placed before the country a programme for the development of the one industry, namely the manufacture of cloth, which until recent times was the universal cottage industry. In their report on "A Scheme for an Economic Census of India," Dr. Bowley and Prof. Robertson have also expressed the view that the pursuit of a spare-time occupation, such as hand-spinning, is not an economically unsound proposition, in as much as the remuneration that the part-time spinner earns has not to include the cost of maintenance, merely supplementing, as it does, his other means of

livelihood. Hitherto, Government have, however, continued to pour ridicule on the organization of the industry of hand-spinning and all the other processes connected with the production of cloth in villages, and it has been left to the All India Spinners' Association to revive this basic national industry of the country-side with the scanty resources it has at its disposal. If Government did not neglect this activity but actively encouraged it, co-operative societies in villages could do much to promote the local utilization of cotton in cotton-growing areas for the production of cloth locally. Then alone shall we be able to impart stability and strength to the weaving industry which Provincial Governments now propose to subsidise out of the grants received by them from the Government of India.

With some critics it was a matter for reproach against this movement for the revival of an ancient industry that it failed to envisage the problem of rural industries as a whole and sought a solution in the development of a single industry which might not be suited to rural conditions all over the country. After food and shelter, cloth is, however, the prime necessity of mankind, and, moreover, our country is eminently suited for growing cotton and manufacturing cloth as is clearly evident from the fame that India's textiles had acquired in the worlds' markets. Nevertheless, any comprehensive attempt to solve the problem of rural employment must embrace all the aspects of production, and appreciating the force of this contention, Mahatma Gandhi has now brought into being a new body, the All India Village Industries Association, whose task it is to promote the improvement of the moral and material condition of the rural population by encouraging the revival of the dead or dying industries of the country and by organizing public opinion to patronize the products of such industries. As co-operators, we are intensely interested in this new national activity, and we have a distinct contribution to make in promoting it in the sphere both of production and distribution. The services of co-operative societies in villages can be utilized, with much benefit to their members, in securing the local processing of agricultural commodities, in reviving old industries and in introducing new ones, while producers' organisations can be started for the specialized cottage industries. Similarly, consumers in towns and cities through their existing organizations or new ones to be started, can be induced to patronize hand-made goods and village products in preference to other articles, and thus we may assist in building up an ever-widening market for the industrial products of our villages which are being displaced by imported goods or goods turned out in India by large-scale capitalist organizations. The need for organized effort in these directions is amply borne out by the recommendations of the Special Officer appointed by the Government of Madras to inquire into the problem of indebtedness. One of his main recommendations, I find, is the

pursuit of an active and progressive policy of State aid to industries and the exploration of outlets for the absorption of articles made in India, particularly the products of cottage industries.

I shall now turn to another of the important matters discussed at the Provincial Economic Conference, namely, the creation of the Reserve Bank of India and the part it can play in improving credit facilities for agriculture and small industries. The Conference held that before the Reserve Bank of India undertook this task it was necessary for it to have at its disposal information about the present position of agricultural finance and of the co-operative movement in various provinces. Much of the information required was already available in the reports of the Banking Enquiry Committees, but in pursuance, presumably, of discussions at the Conference, Government appointed Mr. M. L. Darling on special duty to examine and report on the most suitable basis for the organization of the Agricultural Credit Department of the Reserve Bank of India and on the manner in which it could most effectively co-ordinate the work of co-operative banks and other local credit agencies so as to secure an improvement in the rural credit machinery of the country. It is over a year since Mr. Darling was appointed on special duty and went round various provinces, holding valuable consultations with co-operators and others interested in the question of agricultural finance. It is also nearly six months since the Reserve Bank of India was brought into existence and three months since it started its banking operations. It is curious, however, that the authorities of the Reserve Bank have not yet deemed it necessary to establish contact with provincial co-operative banks, and that no information has so far been vouchsafed to the public or to these banks about the organization of the Agricultural Credit Department of the Reserve Bank. Nor have Government taken the provincial co-operative banks into confidence with regard to the contents of Mr. Darling's report and the nature of his recommendations. Provincial co-operative banks constitute an important arm of the co-operative movement in every province and they have an all-India organization to represent and promote their common interests. Even if this Association and its constituent units were ignored in making nominations to the Central Board of the Reserve Bank of India, these banks and the All India Institutes Association may well claim that they should be consulted before any decisions are taken regarding the reorganization or improvement of the credit side of the movement and also that no changes in policy should be ordered by Government through the Co-operative Departments without giving an opportunity in the provinces to co-operators to express their opinions on the proposed changes.

It is obvious that some changes are necessary in the present system and methods of working in various provinces, not only from the point of

view of the development of the relations of the movement with the Reserve Bank of India, but also with the object of making the rural credit movement more helpful to the cultivators in the present depressed condition of the agricultural industry. Each province is trying to introduce improvements, to impart elasticity and to embark on developments best suited to its peculiar conditions. The experience of one province is not necessarily applicable to another and if I rapidly survey what we have attempted in Bombay, I do so not with the aim of suggesting any ready-made solutions but only with the intention that fresh points of view may be of help to both the provinces. In Bombay, the first step that we have taken in the process of rehabilitation is to give to members of co-operative societies an assurance of fresh finance against repayments, howsoever small these may be. Care is taken to see that the repayments are in accordance with the outturn of crops in a particular locality, but even otherwise the assurance of fresh finance leads to a resumption of business relations very essential for the revival of working. Members are expected to make repayments from their gross produce and then get their current demands met by resort to fresh finance. An attempt is made to reduce the old outstanding liabilities, but even though no such reduction can be secured for every individual member, the liabilities of societies to outside creditors are gradually brought down. The demand from members is fixed at the beginning of the harvest season on the basis of the state of the crops and of the load of existing debt; and if this demand is generally satisfied the outstandings of members to their societies and of societies to their central financing agencies are treated as authorised arrears until the subsequent season. The value of personal security as the basis of co-operative credit is emphasised, but where loans are allowed to members in excess of the ordinary limit prescribed in the bye-laws or where alienations are common owing to local agrarian conditions, or where no attempt is made to reduce the burden of debt appreciably, the collateral security of mortgage of land is demanded. And to make the personal security effective registers have been introduced in societies showing the liabilities of members as principal borrowers and as sureties and the changes in the values of their assets in land from year to year. The central financing agencies have almost all reduced their rates of interest on loans and a scheme has been introduced empowering societies to reduce the rates of interest charged to members. This is permitted where due and overdue interest is recovered from all members, a minimum fixed proportion of the principal is recovered by the societies as a whole, and all liabilities to creditors by way of interest and all the expenses of management can be met out of the income earned during the year. If these three conditions are fulfilled, the societies are allowed to forego the additional margin provided for building up the reserve fund

and they can then reduce their lending rate. In some areas, the reductions effected have been very substantial, and the central financing agencies have co-operated in making this experiment successful by sanctioning a special rebate to societies which come under the scheme. In addition to a general reduction in the rates of interest charged in most areas, the system of charging penal interest has been abandoned; and where the burden of the existing liabilities is very onerous reductions are allowed even in the accumulated simple interest that is to be recovered. These measures have afforded a gleam of hope to members of societies and the response to the new policy has so far been very satisfactory.

The other prominent plank in our programme of reorganization is the adoption of means to secure an improvement in the machinery for supervision and an extension of the facilities for co-operative education. A Reorganization Committee appointed by the Government of Bombay, some three years back, to explore the avenues for retrenchment recommended the scrapping of the system of supervising unions which was introduced in Bombay only ten years ago. There was a united protest against the proposal, and to meet the criticism levelled against the system of unions a Committee was appointed to examine the question. This latter committee unanimously favoured the continuance of the system, but suggested certain modifications in its working. The most important of these suggestions were the formation of boards in all districts to guide the unions and to control the supervisors and the provision of adequate funds, with the help of financing agencies to secure the appointment of qualified, trained supervisors. I am aware that there is a school of thought in Madras Presidency which believes emphatically that this agency of local unions has outlived its utility. The main distinction between the position in the two provinces, to my mind, is the fact that in Madras until recently it was the generally accepted view that central banks should not have their own inspecting staff and should utilize the agency of unions for the assessment of the credit of affiliated societies and the recovery of loans. In Bombay, the central financing agencies were called upon to shoulder the responsibility for the performance of these functions at a very early stage in their career, and the supervising unions do not displace this agency. To a certain extent, they supplement the work of the inspecting staff of banks and the auditing staff of the Co-operative Department, but in addition they have to supply the mutual control that, owing to the weak personnel available in individual villages, is lacking in our agricultural primary credit societies and to provide an agency, in the person of the supervisor, for the day to day training and education of the members of co-operative societies in the principles and practice of co-operation. Unless we have such local mutual control and can provide some training in the principles of co-operation and guidance in its practice the whole of our structure will subsist on very shaky foundations; and I plead for the retention of the system of supervising unions mainly because I hold that it supplies, in our existing conditions, the only conceivable agency that can be entrusted with the performance of this important twofold service.

That leads me to my last point, that what we require to make the movement a success even in the present troubled times is, first, men inspired by high ideals and, next, an adherence to those ideals. As a

writer on co-operation puts it, "whether the movement can lead a stubborn world decisively along this co-operative road, probably will depend more and more, not only on its numbers but also on its power to enlist intelligence, and develop in all its ranks a leadership capable both of creating enthusiasm and producing every day conviction among the masses of mankind." In India, the co-operative movement may have had its origin in the limited desire to provide a credit system for the cultivator—simple, elastic, self-controlled, and free from the element of profiteering inherent in any individualistic economic organization. But it has gradually come to stand for aims extending beyond the provision of credit, and while attempting to embrace all the aspects of the economic life of the peasantry—as well as the petty artisan—it also seeks to promote among the peasantry a higher outlook on life, on citizenship, and on fellowship with their neighbours. If we have failed so far to impart to the masses of our members a passion for our gospel of "better farming" "better business" or "better living", may it not be due to the fact that we have no clear conception ourselves of the social order for which we are striving? As the Irish mystic co-operator, "A.E.," wrote fifteen years ago, without an imaginative conception of what kind of civilization we wish to create, the best government, either national or foreign, will never avail to lift us beyond national mediocrity. In a world rent into divisions by the conflict of diverse creeds, we have no desire to introduce an additional element of discord, but as co-operators we must declare once for all that we stand for an equalitarian state of society "free from meaningless privilege and capricious divisions based on the possession of wealth." We must so plan the lines of our economic structure that "authority is associated not with property, but with function, and that such authority rests on conscious consent, not on the power of wealth." We must stand for a society which, in the words of Tawney, "so distributes its resources that an ever larger proportion of the surplus, which, thanks to science and invention, modern industry yields is employed not for private gratification but for the common advantage." Let us take our stand on this great idea and we may soon find that the world will come round to us.

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The Conference then adjourned for the day to enable the delegates to meet in Subjects Committee and decide the resolutions to be placed before the open Conference next day at noon.

The Subjects Committee met soon after and finished its business in one sitting.

A short co-operative drama in Tamil was staged later in the night by a group of amateurs who came here specially for the occasion from Tanjore, led by Mr. O. A. Narayanaswami Iyer, B.A., B.L., Secretary of the Hood Co-operative Institute, Tanjore, and the author of the play. The actors acquitted themselves exceedingly well and provided as much amusement as instruction.

The boarding and lodging arrangements were made as in previous years in the P S. High School itself with the kind co-operation of its authorities.

In connection with the Conference an exhibition was arranged in which the Agricultural and Industries Departments of the Government of Madras, the Triplicane Urban Co-operative Society, the Kerala Soap Factory and A. I. Solomon & Sons, Slide-makers, participated.

On the 29th September, the Conference began at 12 noon, when the discussion of the resolutions approved by the Subjects Committee was taken up.

Rural Credit and Reserve Bank.

1. The following resolution was put from the Chair and carried unanimously:—

“ This Conference urges on the Government of India and the authorities of the Reserve Bank of India to consult the Indian Provincial Co-operative Banks’ Association and the Provincial Co-operative Banks before formulating the scheme for the establishment of the Rural Credit Section of the Reserve Bank of India and requests the Government to make Mr. Darling’s report on the subject available to them.”

Co-operative Education Grant.

2. The following resolution was also put from the Chair:—

“ This Conference regrets that the Government of India, in making a grant for the promotion of Co-operative Education, did not provide for the Local Governments consulting the Provincial Co-operative Institutes in regard to the schemes and urges on the Provincial Government of Madras to frame their scheme of Co-operative Education in consultation with the Madras Provincial Co-operative Union.”

Dewan Bahadur K. Deivasikhamani Mudaliar, Joint Registrar of Co-operative Societies, made a statement that in Madras the Co-operative Department was consulting the Madras Provincial Co-operative Union in the matter of Co-operative Education and that the training classes were being conducted by the Department and the Union jointly. Dewan Bahadur T. A. Ramalingam Chettiar observed that while in the matter of training classes what the Joint Registrar had stated was perfectly true, the Madras Provincial Co-operative Union had not been consulted formally or even informally regarding the expenditure of the special grant received from the Government of India for Co-operative Education and that they had not been asked to help in the framing of the scheme for the expenditure of that grant.

The resolution was carried unanimously.

Loans by Central Mortgage Banks.

3. Mr. N. Satyanarayana of Alamuru next moved the following resolution:—

“ This Conference resolves that the Madras Co-operative Central Land Mortgage Bank should make arrangements to relieve rural indebtedness by,

- (i) reducing the rate of interest to 5 per cent to the ultimate borrowers ;
- (ii) extending the period of repayment from 20 to 40 years ;
- (iii) making speedy arrangements for investigation and sanction of the loans ; and
- (iv) increasing the maximum borrowing power from Rs. 5,000 to Rs. 10,000."

In doing so he said that it was not an impracticable proposal ; that the income from agricultural investments was now only from 2 to 5 per cent. and that the present rate of interest was too high and the present period too short. Mr. V. Viyanna Pantulu seconded the resolution in a Telugu speech and Mr. Achar Raghavachariar of Coujeevaram supported it in Tamil. Mr. Kala Venkata Rao of Amalapuram proposed an amendment to substitute '60' years for '40' years in clause (ii). After some discussion in which Messrs. V. Ramamurty Pantulu, K. G. Sivaswamy and P. Vasudeva Menon participated, the amendment was withdrawn and the original resolution was passed.

The Agricultural Loans Act.

4. Rao Bahadur T.M. Narayanaswami Pillai, President of the Trichinopoly District Co-operative Central Bank, moved the following resolution :—

"This Conference while welcoming the proposals of the Government to finance the agriculturists under the amended provisions of the Agricultural Loans Act, for the liquidation of prior debt and to help debt conciliation schemes, urges upon the Government not to charge more than 5 per cent on the loans, that the period of such loans be extended up to 40 years and that the maximum of the loan be fixed at least at Rs. 3,000."

He said that this resolution, if given effect to, would help the agriculturists very much. The loans given to them by Government should not be smaller than those given by Marwadies, if they should be redeemed from their indebtedness to the Marwadies.

Mr. K. V. Raghavachariar of Nellore in seconding the resolution observed that it was the duty of co-operators to see that the offer of help made by Government was properly taken advantage of by the ryots. Mr. K.L. Narasimha Rao opposed the resolution on the ground that the working of the Agricultural Loans Act was the concern of the Government and that the assistance of co-operators had not been sought. Mr. V. Ramadas Pantulu observed that the indebtedness of the agriculturist was so vast and the extent to which the land mortgage banks could give long term loans to them was so limited that they should welcome the scheme of the Government to spend one crore for the relief of the agriculturists.

As for the agency for the distribution and collection of loans, he thought that co-operative societies and their panchayats were at present not in a position to undertake the task and that it should be left to the Government agency. Messrs. Chengalroya Iyer of Krishnagiri, T. V. S. Prakasa Rao of Narasapur, T. Fakruddin Saheb of Kadiri and E. S. Sunda of Madura spoke further on the resolution. Mr. S. Nagaswami Iyer of Sivaganga proposed an amendment to add the words 'and that the Act be worked in consultation with co-operative societies'; but on Mr. Ramadas Pautulu pointing out that the amendment would lead to difficulties regarding the rate of interest, collection, supervision etc., he withdrew it. After Rao Saheb V. I. Muniswami Pillai, M.L.C., of Ootacamund had furthered supported the resolution and Mr. T. M. Narayanaswami Pillai replied to the debate, the resolution was passed by a large majority.

A Trustee Bank.

5. Dr. B. Pattabhi Sitaramayya of Masulipatam moved the next resolution which ran as follows:—

“This Conference resolves that steps be taken to organise a Trustee Bank either independently or as a branch of the Madras Provincial Co-operative Bank or the Madras Co-operative Central Land Mortgage Bank, in order to help in the relief of rural indebtedness.”

Speaking in Telugu he related his own experience how by becoming a Trustee for a friend he was able, by offering immediate payment, to compound debts amounting to Rs. 12,000 for Rs. 10,000. A great many were in need of similar surveys and a Trustee Bank was therefore badly needed.

Mr. K. V. Raghavachariar of Nellore seconded the proposition in a Tamil speech, while Mr. T. Adinarayana Chettiar supported it in English. Mr. V. Viyanna Pantulu opposed the resolution saying that it was an impracticable proposal and nobody would come forward to shoulder the responsibilities of discharging the debts of others. Mr. Nagaswami Iyer was of opinion that the proposal was vague and not even a skeleton of the scheme was put before them. The President observed that a complete scheme had been outlined in an article written by Dr. Pattabhi Sitaramayya in the latest issue of 'The Indian Co-operative Review'. Mr. V. Ramadas Pantulu said that if the proposition was adopted it would be the duty of the Executive Committee of the Provincial Co-operative Union to take up the question and work out the details.

The resolution was then put to vote and carried by a large majority.

Reduction in Interest.

6. Mr. N. Satyanarayana moved:

“This Conference urges on the Provincial Co-operative Bank to reduce its lending rate to central banks to four per cent, on the central

banks to reduce their lending rate to primary societies and loan and sale societies to 5 per cent and on the primary societies to reduce their lending rate to members to six per cent.

“This Conference resolves that the reduction of the lending rate as stated above, should be both on outstanding loans and future loans.”

Mr. Satyanarayana stated that they had been urging the reduction for the last so many years and he believed that the time had come for such reduction.

Mr. K. Satyanarayanamurthi seconded the resolution. Mr. V. Ramamurthi said that it would be greatly beneficial to the ryots if the rate of interest was reduced. Mr. V. Ramadas Pantulu stated that there would be no difficulty to carry out the resolution.

Dewan Bahadur K. Deivasikhamani Mudaliar, Joint Registrar of Co-operative Societies, said that from a study of the finances of the central banks he could say that they need not be afraid to reduce their rate and he had in his tours always urged on them to do so. The Provincial Bank was willing to reduce the rate and the primary societies could also do this, provided the central banks reduced their rates. The Department would always be willing to help the societies in the matter of amending by-laws and registration. The speaker also observed that there would be no difficulty in applying the rule to outstanding loans also and extending the period of repayment.

The resolution was then carried unanimously.

Extension of Time for Repayment.

7. Mr. Kala Venkata Rao of Amalapuram moved :

“This Conference is of opinion that extension of time for the repayment of loans be given to members of societies who give proper security as cover, for periods extending up to ten years; and to facilitate the clearance of the outside debt of such member by the co-operative society in all deserving cases, the Registrar be requested to register liberally amendment to bye-law No. 42 of a society, so as to increase the individual borrowing capacity to the level of a member's debt.”

The resolution was seconded by Mr. N. Satyanarayana. Rao Saheb M. S. Seshachalam Iyer of Tiruvannamalai opposed the resolution, saying that it would be demoralising to give an extension to existing loans, though he had no objection to fresh loans being given for 10 year periods. Mr. V.C. Rangaswami, Secretary, Madras Provincial Co-operative Bank, supported the resolution trusting that it would bring about a co-ordination, which is lacking at present, between borrowing and repaying capacity. Mr. E. S. Sunda opposed the resolution. Mr. C. S. Ranganatha Iyengar proposed an amendment to drop the second

part of the resolution beginning with 'and to facilitate'. He was supported by Messrs. N. Ramaswami Iyer and A. Ramachandram Pillai of Madura-Ramnad Bank. Dewan Bahadur Sir M. Ramachandra Rao, President of the Central Land Mortgage Bank, and Messrs. V. Ramamurthy Pantulu, K. G. Sivaswami Iyer and V. Ramadas Pantulu spoke in favour of the resolution. The amendment was lost and the resolution was passed by a large majority.

Directors in Land Mortgage.

8. Mr. V. Ramamurthy Pantulu proposed and Mr. N. Satyanarayana seconded the following resolution :

"This Conference is of opinion that the appointment of directors by nomination in Primary Land Mortgage Banks, as suggested in the model by-laws circulated, is opposed to the spirit and democratic character of the movement and requests the Department and the Government to delete the provision relating thereto."

The Conference accepted the resolution without much discussion.

Warehouses and Godowns.

9. "This Conference requests the Provincial Co-operative Union and the Registrar of Co-operative Societies to prepare a scheme for the starting of Purchase and Sale Societies together with warehouses at least one for each taluk, and the Government are requested to finance the construction of godowns out of the Village Development Fund."

Mr. K. V. Ragavachariar in moving the above resolution hoped that a portion of the crore of rupees which the Government was going to spend on village improvement would be spent in building warehouses. Large consumers' societies like the Triplicane Urban Co-operative Society could also do a great deal in this direction. Mr. Gangadhara Sastry of Hindupur seconded the resolution and Mr. Siddanna Gowd of Madakasira supported it. Prof. S. K. Vengnarayana Aiyar said that the Triplicane Urban Co-operative Society did get its supplies of rice for some time from the Nellore Paddy Sale Society but it was found difficult in practice to adjust the difference in outlook between the producers' society and the consumers' society, and therefore the Triplicane Urban Co-operative Society made its own arrangements for buying paddy from the area of production. After some discussion the resolution was passed.

Crop Loans.

10. Mr. K. L. Narasimha Rao moved the following resolution :—

"This Conference recommends that crop loans be advanced through co-operative primary societies or other suitable special types of

societies wherever the Agricultural Department is willing to co-operate with technical advice and recommendations, and that the produce from such crops be sold through co-operative agencies."

Mr. G. Sriram Babu Naidu seconded the resolution and Rao Saheb M. S. Seshachalam Iyer supported it. Mr. Unni Krishna Menon, Deputy Director of Agriculture, was invited by the President to speak on this resolution.

The resolution was passed unanimously.

Audit Fees.

11. Mr. B. A. Padmanabha Iyer moved the following resolution:—

"This Conference resolves to request the Government to reduce the audit fees now levied on co-operative credit societies at least by fifty per cent."

Rao Saheb M. S. Seshachalam Iyer seconded the same. The resolution was passed without much discussion.

Temples and Stores.

12. Mr. R. M. Doraiswami Pillai of Rameswaram moved and Mr. E. S. Sunda seconded the following resolution:—

"This Conference requests the Trustees of temples governed by the Hindu Religious Endowments Board and the authorities in charge of hospitals and educational institutions to make purchases in co-operative stores in order to encourage the co-operative movement."

It was carried unanimously.

President's Concluding Speech.

The President, in bringing the proceedings to a close, thanked the delegates for having assisted him in successfully conducting the proceedings of the Conference and stated that he did not wish to dilate at length on the important resolutions adopted by the Conference. Most of them, quite naturally, dealt with the problem of removing the indebtedness of the agriculturists. The number of persons who had joined the co-operative movement was small compared with the number of persons who still resorted to sowcars for financial help. The members working in this movement should avail themselves of every opportunity to relieve the indebtedness of those people. The time had come when co-operators should have renewed faith in the movement and each co-operator should do his duty. They had a wealth of talents and many devoted workers, and he wished them every success in their work.

Vote of Thanks.

Mr. Ramadas Pantulu proposed a hearty vote of thanks to the President for having so kindly accepted the invitation and for having given them good guidance during the Conference. He also tendered thanks on behalf of the Conference to the authorities of the P. S. High School, to the Agricultural and Industries Departments and others for having taken part in the exhibition at the request of the Madras Provincial Co-operative Union and to the volunteers who had helped in the arrangements. The vote of thanks was carried with acclamation.

The Conference then came to an end.

Appendix (A).

GREETINGS.

The Divisional Co-operative Federation Board, Bhagalpur.
Bihar & Orissa Provincial Co-operative Bank, Bankipur, Patna.
The Indore Premier Co-operative Bank, Bhikangaon Branch, Bhikangaon.

Bengal Co-operative Insurance Society, Calcutta.

Central Co-operative Bank, Trivandrum.

The Central Provinces & Berar Provincial Co-operative Bank, Nagpur.

Cochin Central Co-operative Institute, Trichur.

Mysore Co-operative Institute, Bangalore City.

The Hyderabad Co-operative Dominion Bank, Hyderabad (Dn.)

The Bengal Co-operative Organisation Society, Calcutta.

United Provinces Co-operative Union, Lucknow.

Bihar & Orissa Co-operative Federation, Patna.

The Cochin Central Co-operative Bank, Trichur.

Shri Sayaji Sahakar Sewak Sangh, Baroda.

Bengal Provincial Co-operative Bank, Calcutta.

The Bombay Provincial Co-operative Bank.

International Co-operative Alliance, Brussels.

Federation Nationale des Co-operatives de Consommation, Paris.

Director of Co-operation, F. M. S., & S. S., Kuala Lumpur.

The Registrar of Co-operative Societies, Coorg, Mercara.

Registrar of Co-operative Societies, Cochin State.

Director of Agriculture, Madras.

Registrar of Co-operative Societies, Punjab, N. W. F. Province and Delhi.

The Registrar of Co-operative Societies, Assam.

„ „ Ajmer-Merwara.

„ „ Burma.

„ „ Mysore.

„ „ Central Provinces and Berar.

„ „ United Provinces.

„ „ Ceylon.

MESSAGES.

International Co-operative Alliance, London.

“We follow as closely as possible the progress of Co-operation in Madras, as in the other Provinces of India. It was a very great pleasure to have your President, Mr. V. Ramadas Pantulu, at the Congress of the

Alliance in London last year, where he represented the All-India Co-operative Institutes' Association. The personal relations which he was able to make have brought the Co-operative Movement in India into much closer contact with the International Co-operative Alliance, and we are sure that his collaboration in the work of the Central Committee, of which he is now a member, will be of great benefit both to the International Organisation and to the Movement in India.

The International Co-operative Alliance is at present faced with many difficulties arising from the changing economic order, but we are convinced that, whatever form the new economic order may take, the voluntary associations of co-operators can and must find their place in its framework and, at the same time, preserve intact the economic and constitutional basis of Co-operation as set out in the Principles of Rochdale."

International Co-operative Women's Guild, London.

"One day, perhaps an official of the International Guild may be able to visit India and see something of the many interesting developments of the Indian Co-operative Movement, but at present so long a journey is quite beyond the financial resources of this organisation.

We send you, however, our most cordial good wishes for successful and inspiring meetings that may be the prelude to a year full of progress and development for the Movement in Madras, and would ask you also to convey our greetings to all those of our Indian sisters who are striving to organise women's co-operative activities, of whatever form these may be. We wish them all success and look forward to the day when a national Indian women's organisation will be presented on our Committee."

The Co-operative Union, Ltd., Holyoake House, Manchester. 4.

"The Movement in this country continues to progress and the most recent figures as to British capital and trade are most encouraging. With the passing of the world depression and increasing prices the figure of co-operative trade is going up so that now we are in the position of enjoying as we have done through the depression an increase in commodity turnover as well as an increase in the cash value of the goods handled. Just now we are at the beginning of a Ten Year Plan of Co-operative Development which will culminate in the Centenary year of the Rochdale Pioneers. It is felt that a stronger and more complete Co-operative Movement is the best memorial which the present generation of co-operators could erect to the Pioneers of Rochdale and it is expected that the Ten Year Plan will give a strong stimulus to Co-operative activity in this country.

APPENDIX (A)

Whilst we are laying down plan of our own future development we hope that the Movement in other parts of the world will continue to prosper for the benefit of the working men and women which the Movement is primarily designed to help. In this hope I greet your Conference and wish every possible success to your proceedings."

Co-operative Wholesale Society, Ltd., Manchester.

"As fellow-subjects of two great Commonwealths the British Commonwealth of Nations and the even more wide-spread and ever-growing Commonwealth of Co-operators—it is with the greatest pleasure that we send you on behalf of the English Co-operative Wholesale Society, Limited and six million English Co-operators, our most cordial greetings and good wishes for the success of your deliberations, and the continued progress of Co-operation in India.

We hope that in the days ahead the Co-operative Movement, which has developed so successfully in your province, will become in all India as extensive and as powerful as it is to-day in England.

We rejoice at your continued progress and are happy to be able to report that our Society is progressing satisfactorily. Our Sales have almost reached £ 100,000,000, a fact which we think will assure you of the solidarity of the Movement here in the Mother Country."

All-India Co-operative Institutes' Association, Lahore.

"The Co-operative Movement in the Madras Presidency has achieved considerable success in some directions, which is not found in any other Province in India. The Triplicane Co-operative Stores has no parallel in this country and it offers a lie direct to the assertion often made in authoritative quarters, which should know better, that the store movement cannot prosper in India.

The Madras Central Co-operative Land Mortgage Bank, with the Primary Mortgage Societies, suggest a way for the solution of the difficult problem of providing long term credit to the agriculturists. Madras has set an example in this matter and it is for the other Provinces and States to follow its footsteps.

The South India Co-operative Insurance Society has made very rapid progress and is now easily the most advanced Co-operative Insurance Society in this country.

Last but not the least, Madras has been very fortunate in having non-official co-operators who would do credit to any province and country. They have played very important part in making the movement successful.

I think the Co-operative Movement in Madras should now extend its activities in three directions.

The one great drawback of the Co-operative Movement in Madras as in any other province, is that it has confined its activities to men alone and has so far practically ignored the fair sex. But no movement for the uplift of the masses can be successful unless women take an active part in it. The time has now arrived when women should be brought under the co-operative fold. That this can be achieved is shown by the attempt recently made in some Provinces and States.

Madras should now seriously try to start Co-operative Societies among women, because co-operation cannot win a final victory without women.

Another direction for extending the activities of the Co-operative Movement is the establishment of Co-operative Marketing Societies.

The Royal Commission on Agriculture in its report suggested the organisation of co-operative sale societies as the best method calculated to help. 'These societies,' it said, will educate the cultivator in the production and preparation of his produce for the market, will provide a sufficient value of produce to make efficient grading possible, and will bring the Indian producer into direct touch with the export market and with the large consumers in this contry, such as cotton and jute mills."

Madras has number of sale societies, but as far as I have been able to ascertain, they have not made much progress. The time is now opportunate for encouraging the formation of co-operative marketing societies.

The third line of advance is the organisation of the better living societies.

These societies aim at the reformation of bad customs prevalent amongst the members, the improvement of the physical, moral and spiritual condition of the members and the teaching of the rules of hygiene. A good deal of work has already been done in Madras on these lines. The necessity now is to extend this work as far as possible.

If I am allowed, before I close, I would like to utter a word of caution. Of late the co-operative societies in India in general and in Madras in particular have developed a tendency to meddle in local factions and politics. Those who are familiar with the working of co-operative institutes in many parts of the country know well the grave danger which besets such institutions when they are dragged into the whirlpool of local factions and politics or when local factions and politics cause a cleavage inside them. No one would suggest that co-operators in their private capacity are not to join political activities, but it is of vital importance for the health of the movement that co-operative institutions should not be dragged at the heels of political parties."

The Registrar of Co-operative Societies, Bengal and Calcutta.

"The Registrar of Co-operative Societies, Bengal, has great pleasure in sending his warmest greetings to the co-operators of Madras on the

occasion of their Twenty-first session of the Madras Provincial Co-operative Conference. No country is more in need than India of light to dispel the gloom which envelops the whole world to-day and no light is steadier and brighter than that of co-operation. The co-operators of Madras have given ample proof their steadfast faith in the abiding principles of co-operation. May their deliberations on this occasion be helpful to co-operators of other Provinces. God be with them in their noble pursuit."

Provincial Co-operative Institute, Bombay.

"The prevailing economic depression which has thrown a severe strain on the rural population of our country, the events of the last year such as the Government of India's grants to the provinces for rural reconstruction and co-operative development, the creation of the Rural Credit Department of the Reserve Bank of India and the starting of the All India Village Industries Association have saddled co-operators with additional responsibilities. No one is better qualified to give guidance on these questions than Mr. Mehta who by his long association with the Bombay Provincial Co-operative Bank, the Bombay Provincial Co-operative Institute and with the co-operative movement in general, will authoritatively represent non-official co-operative opinion in this Presidency and I have no doubt, under his able presidentship, the Conference will prove a great success."

*Y A. Godbole Esq., I.C.S., Registrar of Co-operative Societies,
Bihar and Orissa.*

"In the midst of an all pervading gloom that has overcome the movement in various Indian provinces, many a co-operator has taken heart from the success achieved by Madras and applied himself to the task before him with renewed hope. The robust faith underlying all their activities and the confidence born of achievement, which marked the utterances of the delegates from Madras who attended the joint meeting of the Standing Committee of the Bihar and Orissa Provincial Co-operative Banks' Association and the All India Co-operative Institutes' Association recently held at Patna, was an inspiration to brother-delegates from Bihar and Orissa and the advice given by veterans like Mr. Ramadas Pantulu will certainly prove invaluable to this province in finding a solution of the formidable difficulties confronting it. It is confidently hoped that the celebrations that will take place at the XXI Madras Provincial Co-operative Conference under the able guidance of Mr. V. L. Mehta will give lead, not only to Bihar and Orissa but to other provinces also on all pressing problems like (1) ways and means of revivifying credit co-operation (2) agency for providing co-operative training and education; (3) provision of long term credit and redemption of the old debts of agriculturists; and (4) extension of Rural Reconstruction."

*Diwan Bahadur S. Aravamutha Aiyangar, M.B.E., Advocate, and
President, Hyderabad Co-operative Dominion Bank.*

"You have as your President a worthy son of a worthy father in Mr. Vaikunt L. Mehta who has done yeomen service to the cause of Co-operation in the Bombay Presidency. I wish the conference every success under his able and experienced guidance."

Appendix (B).

LIST OF DELEGATES TO THE CONFERENCE.

I. PROVINCIAL SOCIETIES.

Names of the Institutions.	Names of Delegates.
1. The Madras Provincial Co-op. Bank, Mylapore, Madras.	1. Mr. K. V. Raghavachari, B.A., B.L.
	2. „ R. Venkoba Rao.
	3. „ T. Audinarayana Chettiar.
	4. Rao Bahadur R. V. Ramasundaram Pillai Avl.
	5. Rao Saheb K. M. Singaravelu Mudaliar Avl.
2. The Madras Co-op. Central Land Mortgage Bank, Madras.	6. Sir M. Ramachandra Rao, Kt.
	7. Rao Bahadur C. Gopala Menon.
	8. Diwan Bahadur T. Raghaviah Pantulu Garu, c.s.j.
	9. Diwan Bahadur A. Appadurai Pillai Avl., i.s.o.
3. The South India Co-op. Insurance Society, Madras.	10. Mr. P. S. G. Ganga Naidu Avl.
	11. „ R. B. Shah.
	12. Rao Bahadur C. Gopala Menon.
	13. Mr. V. Viyanna.
4. The Triplicane Urban Co-op. Society, Madras.	14. „ K. C. Ramakrishnan.
	15. „ S. Desikachariar.
	16. „ T. Balasundara Mudaliar.
	17. „ R. V. Subramania Iyer.
	18. „ P. N. Martandam Pillai.

II. LANGUAGE FEDERATION.

The Tamil Nad Co-op. Federation, Coimbatore.	19. Mr. K. G. Sivaswami Iyer.
	20. „ Narasimha Reddiar.
	21. „ M. V. Meenakshisundara Mudaliar.
	22. „ D. Kuppurama Mudaliar.
	23. „ K. S. Rajagopala Mudaliar.
	24. „ K. Rangayya Gounder.

III. FEDERATIONS.

1. Chingleput District Co-op. Federation, Conjeevaram.	25. Mr. K. Venugopala Mudaliar.
	26. „ M. Balasundara Mudaliar.
2. The Madura Ramnad District Co-op. Federation, Madura.	27. „ Janab A. P. Mohamad Sultan.

IV. TRAINING INSTITUTES.

1. Hood Co-op. Institute, Tanjore.	28. Mr. O. A. Narayanaswami Iyer.
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APPENDIX (B).

V. CENTRAL BANKS.

Names of the Institutions.	Names of Delegates.
1. Anantapur District Co-op. Central Bank.	29. Mr. Y. Hanumantha Rao.
2. The Co-op. Central Bank, Vellore.	30. Rao Bahadur V. A. Arunachala Mudaliar.
3. The South Arcot District Co-operative Central Bank, Cuddalore.	31. Rai Bahadur V. Murugesu Mudr.
4. Co-op. Central Bank, Conjeevaram.	32. Rao Saheb K. M. Singaravelu Mudaliar.
5. The Chittoor District Co-op. Central Bank, Chittoor.	33. Mr. R. A. Sivananda Mudaliar.
6. The Coimbatore District Urban Bank, Coimbatore.	34. „ C.V. Srinivasachari, B.A., B.L.
7. Cuddapah District Co-op. Central Bank, Cuddappah.	35. „ M. G. Parthasarathy Mudr.
8. Ganjam District Co-operative Banking Union, Berhampur.	36. Rao Bahadur C. Sambasiva Chettiar.
9. District Co-op. Central Bank, Cocanada.	37. Mr. K. R. Viswanatha Ayyar.
10. Sree Koonaseema Co-op. Central Bank, Anjalapuram.	38. „ K. Rangaswamy Ayyangar.
11. Rajahmundry Co-op. Central Bank, Rajahmundry.	39. „ C. P. Sarathi Mudaliar.
12. Ramachandrapuram Co-op. Central Bank, Ramachandrapuram.	40. „ M. Singarachariar.
13. The West Godavari District Co-op. Central Bank, Ellore.	41. „ N. Narayana Reddi.
14. The Guntur Dt. Co-op. Central Bank, Tenali.	42. „ S. K. Krishnaswami.
15. South Kanara Dt. Co-op. Central Bank, Mangalore.	43. „ S. K. Ramaswami Mudaliar.
16. The Krishna Co-op. Bank, Masulipatam.	44. „ S. Thirunavukkarasu Mudr.
	45. „ V. Pichaiya.
	46. „ R. Venkataramiah.
	47. „ N. Ramakrishna Rao Pantulu.
	„ P. Somasundara Rao.
	49. „ G. Dharma Rao.
	50. „ S. Satyanarayana Raju.
	51. „ K. Chalapati Rao.
	52. „ N. Achutaramachandramurthy.
	53. „ Kala Venkatarao.
	54. „ N. Venkataratnam.
	55. „ P. Suryaprakasa Rao.
	56. „ M. Sivaramakrishnaiah.
	57. „ N. Surya Rao.
	58. „ B. V. Krishna Rao.
	59. „ M. Sitaramiah.
	60. „ D. Narayanaraju.
	61. „ T. Veeranna.
	62. „ K. K. Suryanarayana.
	63. „ K. Sreeramulu.
	64. „ V. Lakshiminarayana.
	65. „ R. Surayya Choudary.
	66. „ Ullai Mangesh Rao.
	67. „ K. Venkata Ramanayya Naidu.
	68. „ K. Lakshmayya Naidu.

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Names of the Institutions.	Names of Delegates.
17. Vizivada Co-op. Bank, Bez-wada.	69. Mr. P. Venkata Subbayya.
18. Kurnool Dt. Co-op. Central Bank, Kurnool.	70. „ R. Rama Rao. 71. „ G. Nagi Reddi. 72. „ V. B. Chenchi Reddi.
19. The Madras Dt. Co-op. Central Bank, Ltd., Madras.	73. „ S. S. Sankara Mudaliar. 74. „ M. S. Sabhesa Iyer. 75. „ V. Krishna Mohan.
20. Madura-Ramnad Dt. Co-op. Central Bank, Madura.	76. „ E. S. Sunda. 77. „ N. Ramaswami Iyer. 78. „ A. Ramachandram Pillai.
21. Malabar District Co-op. Central Bank, Chalapuram.	79. „ P. Vasu Menon.
22. Nellore Dt. Co-op. Banking Union, Nellore.	80. „ B. Dasaratharama Reddi. 81. „ V. Kodandarama Reddi. 82. „ K. Sundararama Reddi.
23. Srivilliputtur Co-op. Banking Union, Srivilliputtur.	83. „ G. Alagiriswami Naidu. 84. „ P. S. Chenna Venkata Raja. 85. „ R. Krishnaswami Naidu.
24. Salem District Urban Bank, Salem.	86. „ T. Audinarayana Chettiar. 87. „ S. Krishnaswamy Iyer. 88. „ S. C. Venkatappa Chettiar.
25. Kumbakonam Co-op. Central Bank, Kumbakonam.	89. Rao Saheb C.R. Lakshmirahara Ayyangar. 90. Mr. V. R. Srinivasan.
26. Tanjore Dt. Co-op. Central Bank, Tanjore.	91. „ D. Mahalingam Pillai. 92. „ A. Veeravu Odayar.
27. Tinnevely Dt. Co-op. Central Bank, Tinnevely.	93. „ Sundarappa Naidu.
28. Trichinopoly Co-op. Central Bank, Trichinopoly.	94. „ E. V. Gopaldaswami Iyer.
29. Co-op. Central Bank, Viziana-garam.	95. „ K. Kalidas.

VI. URBAN BANKS.

Anantapur District.

- | | |
|-------------------------------|------------------------------------|
| 1. Hindupur Co-op. Town Bank. | 96. Mr. L. Gangadhara Sastri. |
| 2. Kadiri Co-op. Society. | 97. „ Janab T. Phakeeruddin Saheb. |

North Arcot District.

- | | |
|--------------------------------|---------------------------------|
| 3. Tiruppattur Town Co-op. Bk. | 98. Mr. C. M. Subramania Naidu. |
|--------------------------------|---------------------------------|

South Arcot District.

- | | |
|----------------------------------|--------------------------------|
| 4. Villupuram Co-op. Urban Bank. | 99. Mr. V. S. Kuppuswami Mudr. |
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APPENDIX (B).

Chingleput District.

Names of the Institutions.	Names of Delegates.
5. Little Conjeevaram Co-op. Urban Bank.	100. Mr. K. Krishnaswami Iyengar.
6. Big Conjeevaram Co-op. Town Bank.	101. „ S. M. Varadarajulu Naidu.
7. Uttiramerur Co-op. Bank.	102. „ O.M. Venkatanatha Iyengar.
8. Madurantakam Co-op. Bank.	103. „ M. B. Lakshminarasimhachariar.

Chittoor District.

9. Madanapalle Co-op. Town Bank.	104. Mr. R. Venkatappa.
10. Tirupati Co-op. Town Bank.	105. „ P. Radhapati
11. Co-op. Town Bank, Chittoor.	106. „ V. Krishnamachariar.
12. Punganur Co-op. Town Bank.	107. „ P. Venkataratnam Chetti.

Coimbatore District.

13. Erode Co-op. Urban Bank.	108. Mr. E. S. Govindasamy Naidu.
14. Coimbatore Co-op. Town Bank.	109. „ A. Palanisamy Gounder.
15. Satyamangalam Co-op. Urban Bank.	110. „ S. K. Krishnasamy Gouda.
16. Perundurai Co-op. Credit Society.	111. „ A. K. Subramania Chettiar.
17. Tiruppur Urban Bank.	112. „ C. S. Narayanaswami.
18. Gobichettipalayam Co-op. Urban Bank.	113. „ K. T. Vetrivelu Mudaliar.

Cuddapah District.

19. Cuddapah Co-op. Town Bank.	114. Mr. Syed Abdur Rahiman Sahib.
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Ganjam District.

20. Berhampur Co-op. Urban Bank.	115. Mr. A. Simhachalam.
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Godavari East.

21. Co-op. Society, Palivela ...	116. Mr. T. Purushottam.
22. Kadali Co-op. Credit Society,	117. N. Sambhamoorti.
23. Pithapuram Co-op. Bank ...	118. Mutyala Sri Madhava Rao.
24. Ramachendrapuram Co-op. Urban Bank.	119. M. Narasimha Rao.
25. Cocanada Co-op. Bank ...	120. Darbha Venkayya.
26. Alamuru Co-op. Credit Society.	121. Y. Dorayya.

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Godavari West.

Names of the Institutions.	Names of Delegates.
27. Ellore Co-op. Urban Bank.	122. Mr. Rampalli Subba Rao.
28. Bhimavaram Co-op. Urban Bank.	123. „ A. Suryanarayanamurty.

Guntur District.

29. Bapatla Co-op. Urban Bank.	124. Mr. P. Adishesayya.
30. Ongole Co-op. Bank	... 125. „, C. Venkata. Rao
31. Tenali Urban Bank	... 126. „, K. Krishna Rao.

Kurnool District.

32. Kurnool Urban Co-op. Credit Bank.	127. Mr. S. Narasimhulu.
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Madura District.

33. Periakulam Co-op. Urban Bank.	128. Mr. R. Srikrishna Naidu.
34. Madura Urban Co-op. Bank.	129. V. Chinnikrishna Naidu.
35. Kalayambattur Agraharam Co-op. Credit Society, Palani P. O.	130. K. S. Sundaraswami Iyer.

Nellore District.

36. Nellore Town Co-op. Society.	131. Mr. M. S. Narasimha Rao.
	132. „ C. V. Narasimha Rao.
37. Nellore Government Servants' Co-op. Society.	133. „ T. G. Rangaswami Pillai.

Nilgiris District.

38. Ootacamund Will's Society.	134. Mr. R. A. Nathan, Rao Sahib T. R. Masilamony Nadar.
39. Nilgiris Public Servants' Co-op. Society, Ootacamund.	135. „ M. Padmanabha Nayakar.

Rannad District.

40. Manamadura Co-op. Urban Bank.	136. Mr. Visvanatha Iyer.
41. Vachakarapatti Co-op. Society.	137. „ S. Venkatachala Mudaliar.
42. Karaikudi Co-op. Urban Bank.	138. „ N. S. Venkatarama Iyer.
43. Bhupati Raja Co-op. Credit Bank. Raipalaya	139. „ P. S. Kumaraswami Raja.
44. Paramakudi Co-op. Society.	140. „ G. Sundaram Iyengar.
45. Sivaganga Co-op. Urban Bank.	141. „ S. Nagaswami Iyer.
46. Kaveripatnam Co-op. Town Bank.	142. „ P. N. Kuppaswami Naidu.

APPENDIX (B).

Salem District.

Names of the Institutions.	Names of Delegates.
47. Tiruchengode Co-op. Urban Bank.	143. Mr. V. T. Ramaswami. Iyer.
48. Krishnagiri Urban Co-op. Credit Society.	144. „ P. Krishnamurthy.
49. Thottappalayam Urban Bank, Velur.	145. „ T. P. Govindaraja Mudr.

Tanjore District.

50. Co-op. Urban Bank, Tirutturai-puudi.	146. Mr. N. R. Swamiappa Mudr.
51. Pattukottai Co-op. Urban Bank.	147. „ P. S. Swaminatha Iyer.
52. Nicholson Co-op. Town Bank, Tanjore.	148. „ S. Ramachandra Iyer.
53. Mayavaram Co-op. Urban Bank.	149. „ V. Krishnamurthi Iyer.
54. Shiyali Co-op. Urban Bank...	150. „ N. Ratnasabhapati Pillai.
55. Tranquebar Co-op. Urban Bank.	151. „ V. Kanakasabai Nadar.

Tinnevelly District.

56. Prakasapuram Co-op. Bank, Nazareth, P.O.	152. Mr. T. V. Samuel.
57. Alwartirunagari Co-op. Bank.	153. „ N. P. Authan Iyengar.

Trichinopoly District.

58. Lalgudi Co-op. Urban Bank.	154. Mr. V. S. Ramachandra Iyer.
59. Lalgudi Rural Bank ...	155. „ L. D. Ramachandra Iyer.

Vizagapatam District.

60. Vizagapatam Co op. Bank ...	156. Rao Sahib T. Madhava Rao.
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VII. NON-CREDIT SOCIETIES.

1. London Mission High School Students' Co-op. Stores, Gooty.	157. Mr. C. Ranganatha Aiyangar.
2. Pudupalayam Co-op. Stores, Cuddalore.	158. „ R. Krishnaswami Aiyangar.
3. Madanapalli Urban Co-op. Stores.	159. „ G. Venkataswamy Naidu.
4. Andhra Co-op. Ayurvedic Stores and Pharmacy, Amalapuram.	160. „ S. Satyanarayanamurthy.
5. Madura City Co-op. Stores ...	161. „ S. K. Tirumakilmaram Pillai.

THE MADRAS JOURNAL OF CO-OPERATION

Names of the Institutions.	Names of Delegates.
6. Rameswaram Co-op. Stores ...	162. Mr. R. M. Doraiswami Pillai.
7. Krishnagiri High School Students' Co-op. Stores.	163. „ K. S. Chengalroya Ayyar.
8. Karur Co-op. Stores ...	164. „ B. K. Vembu Aiyer.
9. The Lalgudi Sivagnanam Co-op. Agricultural Society.	165. „ R. P. Ratna Sarma.
10. Co-op. Loan and Sale Society, Anakapalle.	166. „ B. Atchanaidu.
11. West Coimbatore Co-op. Building Society, Coimbatore.	167. „ G. V. Krishnamoorthy Aiyar.
12. Madras City Co-op. Building Society.	168. „ G. Srirambabu Naidu.
13. Co-op. Building Society, Anakapalli.	169. „ E. V. Papiiah Sastri.

VIII. UNIONS.

Anantapur District.

1. Hindupur Local Co-op. Union.	170. Mr. L. G. Sastri.
2. Penukonda Local Co-op. Union.	171. „ R. Hanumantha Reddi.
3. Local Co-op. Union, Gooty ...	172. „ Y. Ramaswami.
4. Madakasira Local Co-op. Union.	173. „ Siddanna Gowd.

Arcot North.

5. Sambuvarayanallur Co-op. Union.	174. Mr. K. Ramachandra Sastriar.
6. Tiruvannamalai Co-op. Labour Union.	175. Rao Saheb M. S. Sechuchalam Iyer.
7. Co-op. Union, Arni ...	176. Mr. S. Singara Mudaliar.
8. Timiri Co-op. Union ...	177. „ K. S. Rajagopala Mudr.
9. Vellore Audit Union ...	178. „ V. D. Arunachala Mudr.

**Arcot South.*

10. Vridhachalam Taluk Co-op. Supervising Union.	179. Mr. M. G. Parthasarathy Mudaliar.
11. Cuddalore Co-op. Union ...	180. „ T. Veeraswami Reddiar.

Bellary District.

12. Co-op. Union, Harpanahalli.	181. Mr. K. Srinivasa Rao.
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Chingleput District.

13. Chingleput Co-op. Union ...	182. Mr. Luke Devadoss.
14. Madurantakam Co-op. Union.	183. „ M. Krishnaswami Iyengar.
15. Mukundagiri Co-op. Supervising Union.	184. „ M. K. Chakravarti Iyengar.
16. Co-op. Supervising Union, Uttiramerur.	185. „ M. Narasimhachariar.

APPENDIX (B).

Chittoor District.

Names of the Institutions.	Names of Delegates.
17. Madanapalli Local Co-op. Union.	186. Mr. G. Peddappa Reddi.
18. Vayalpad Co-op. Union ...	187. „ T. B. Venkataswamy Reddy.

Coimbatore District.

19. Satyamangalam Local Co-op. Union.	188. Mr. S. A. Narayana Sastriar.
20. Palladam Local Co-op. Union.	189. „ R. M. Kumaraswami Gounder.
21. Local Co-op. Union, Perundururai.	190. „ P. V. Ganapati Iyer.
22. Gobichettipalayam Local Co-op. Union.	191. K. M. Ramaswami Gounder.
23. Kambuliyampatti Local Co-op. Union.	192. Rao Sahib K. M. Chinna-rangayya Gounder.
24. Bhavani Local Co-op. Union.	193. Mr. S. V. Venkatasubbiar.
25. Sulur Local Co-op. Union ...	194. „ R. N. Appaji Gounder.
26. P. Machi Co-op. Union.	195. „ S. Rangaswami Gounder.

Godavari East.

27. Ramachandrapuram Co-op. Union.	196. Mr. M. V. Narayana.
28. Island Polavaram Co-op. Union.	197. „ Sree Raja Kakarlapudi Buchi Krishnam Raju.
29. Adduru Local Co-op. Union.	198. U. S. Ramachandram.
30. Palivela Local Co-op. Union.	199. P. Peda Suryanarayana Raju.
31. Local Co-op. Union, Kodurupadu.	200. N. Sreerama Raju.
32. Rajahmundry Local Co-op. Union.	201. Dr. P. Gurumurti.
33. Amalapuram Local Co-op. Union.	202. K. Venkataratnam.
34. Alamuru Local Co-op. Union.	203. U. Ramanurti.
35. Narendrapuram Local Co-op. Union.	204. K. Satyanarayanamurti.
36. Mummidivaram Co-op. Union.	205. „ Ch. Venkiah.
37. Tupeswaram Local Co-op. Union.	206. Ch. Veereswara Rao.

Godavari West.

38. Vundi Local Co-op. Union ...	207. Mr. M. L. Narasimha Raju.
39. Penugonda Local Co-op. Union.	208. „ Chellapati Seshagiri Rao.
40. Narasapur Co-op. Union ...	209. „ T. Venkatasatyasurya-prakasa Rao.

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Guntur District.

Names of the Institutions.	Names of Delegates.
41. Co-op. Union, Ponnur ...	210. Mr. Dasari Adaiiah.
42. Local Co-op. Union, Ongole.	211. „ A. Narayana Rao Garu.
43. Repalli Co-op. Union ...	212. „ Kari Lakshmana Rao.
44. Narasarowpet Co-op. Union.	213. „ Gade Simhachalam Pantulu.

Kistna District.

45. Kaikalur Local Co-op. Union.	214. Mr. U. Muthamraju Pantulu.
46. Bezwada Local Co-op. Union.	215. „ Nallury Papaiah.
47. Arthamur Local Co-op. Union	216. „ K. V. Raghava Rao.
48. Local Co-op. Union, Madinepalli.	217. „ H. Perneed Chowdary.
49. Addada Local Co-op. Union.	218. V. Basaviah Garu, Addada.
50. Divisional Local Co-op. Union, Avanigadda.	219. M. Lakshminarasimha Naidu.

Kurnool District.

51. Koilkuntla Co-op. Union ...	220. Mr. G. Nagi Reddi.
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Madura District.

52. Othakadi Co-op. Union ...	221. Mr. R. Veluswamy Pillai.
53. Tiruparanakuram Local Co-op. Union.	222. „ D. Stephens.
54. Tirumangalam Local Co-op. Union.	223. M. S. Muthiah Tevar.
55. Periakulam Local Co-op. Union.	224. Maruthanayagam Pillai.
56. Melur Co-op. Union ...	225. A. Veluswamy.
57. Uthamapalayam Co-op. Union	226. A. S. Krishnaswami Iyengar.

Nellore District.

58. Sulurpet Co-op. Union ...	227. Mr. K. Sundara Rama Reddi.
59. Peddapavani Co-op. Union ...	228. V. Appa Rao.
60. Kavali Co-op. Union ...	229. S. Venkatasubbaia.
61. Indukurpet Co-op. Union...	230. Raghava Adisheshaiah.
62. Muthukur Co-op. Union. ...	231. D. V. Raghava Reddi.
63. Kovur Co-op. Union ...	232. T. Malla Reddy.

Salem District.

64. Attur Co-op. Union. ...	233. Mr. Janab K. Abdul Hameed Saheb.
65. Rasipuram Co-op. Union. ...	234. „ K. Kuppanna Goundar.
66. Krishnagiri Local Co-op. Union.	235. „ K. R. Narasimha Goundar.
67. Dharmapuri Co-op. Union...	236. „ K. S. Lakshmana Rao.

APPENDIX (B).

Nilgiri District.

Names of the Institutions.	Names of Delegates.
68. Kotagiri Co-op. Union. ...	237. Mr. K. Belli Gowder.

Rannad District.

69. Sundarapandiam Union.	Co op. 238. Mr. S. Ganapati Iyer.
70. Tiruppattur Local Union.	Co-op. 239. „ Karimuthu S. Sivalingam Chettiar.

Tanjore District.

71. Kumbakonam Taluk Supervising Union.	Co-op. 240. Mr. V. S. Sessa Aiyangar.
72. Taluk Co-op. Supervising Union, Shiyali.	241. „ C. S. Sriivasa Mudaliar.
73. Tanjore Co-op. Supervising Union.	242. „ S. Thangavelu Pillai.
74. Mannargudi Local Supervising Union.	Co-op. 243. „ T. B. Ratnachalam Ayyar.
75. Mayavaram Co-op. Supervising Union.	244. „ M. Muthukumarasamy Mudr.
76. Arantangi Co-op. Supervising Union.	245. „ R. Gopaldaswami Row.
77. Co-op. Supervising Union, Tirutturaipundi.	246. „ T. V. Chandrasekharam Pillai.
78. Tiruvarur Co-op. Supervising Union.	247. Rao Sahib K. V. Tiruvenkata Mudaliar

Trichinopoly District.

79. Kulitalai Co-op. Union ...	248. Mr. M. R. Balakrishna Iyer.
80. Lalgudi Co-op. Union ...	249. „ I. N. Paramasivam Pillai.

Vizag. District.

81. Anakapalli Local Union.	Co-op. 250. Mr. P. Sreeramulu Naidu.
82. Salur Local Co-op. Union ...	251. „ S. Suryanarayana Deo.
83. Chipurupalli Local Union.	Co-op. 252. „ V. Satyanarayana Patnaik.
84. Narasapatnam Local Union	Co-op. 253. „ D. Rama Rao Pantulu.
85. Local Co-op. Union, Yellamanchili	254. „ N. Satyanarayana.
86. Local Co-op. Union, Gajapati-nagaram.	255. „ J. Appalaswami Naidu.

IX. LAND MORTGAGE BANKS.

1. Kattumannarkoil Land Mortgage Bank, (South Arcot District.)	256. Mr. M. Visvanatham Pillai.
2. Conjeevaram Co-op. Land Mortgage Bank, (Chingleput District.)	257. „ Achar Raghavachariar.

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Names of the Institutions.	Names of Delegates.
3. Madurantakam Co-op. Land Mortgage Bank (Chingleput District.)	258. Mr. A. Srinivasachariar.
4. Kambuliampatti Co-op. Land Mortgage Bank, (Coimbatore District.)	259. „ K. S. Rangayya Gounder.
5. Razole Co-op. Land Mortgage Bank, (East Godavari District.)	260. „ Vadrevu Ramamurti
6. Cocanda Co-op. Land Mortgage Bank, (East Godavari District.)	261. „ A. Ramachendra Rao Garu
7. Alamuru Co-op. Land Mortgage Bank, (East Godavari District.)	262. „ K. Bucheyya.
8. Penugonda Co-op. Land Mortgage Bank, (West Godavari District.)	263. „ I. Mallikarjunam Garu.
9. Bhimavaram Co-op. Land Mortgage Bank, (West Godavari District.)	264. „ S. Bhagavannarayana.
10. Co-op. Land Mortgage Bank, Gudlavalleru, (Kistana District.)	265. „ Siva Venka Punnayya Pantulu.
11. Vadlamannadu Co-op. Land Mortgage Bank, Masulipatam, (Kristna District.)	266. „ Bhogaraju Venkataratnam Pantulu.
12. Velur Co-op. Land Mortgage Bank (Salem District)	267. „ M. K. Vyapurikanda.

FRATERNAL DELEGATES WHO ATTENDED THE CONFERENCE.

1. Coorg Central Co-op. Bank, Mercara.	268 Mr. P. I. Belliappa.
2. Pudukkottai Co-op. Central Bank.	269. „ M. M. Belliappa.
3. Pudukkottai Town Bank	270. „ V. K. Rajagopala.
	271. „ G. Sundaresa Iyer
	272. „ V. Venkoba Rao.

EX-OFFICIO DELEGATES.

273. V. Ramadas Pantulu Garu, B.A., B.L. President, P. C. U.
274. Dewan Bahadur T. A. Ramalingam Chettiar, B.A., B.L., M. L. C. Vice-President, P. C. U.
275. A. Ranganatha Mudaliar Avl., M. L. C. Vice-President, P. C. U.
276. Rao Bahadur A. Rajabadar Mudaliar Avl. B.A. Hon. Joint Secretary, P. C. U.
277. V. Venkatasubbaia Esq., B.A., Hon. Joint Secretary, P. C. U.
278. N. Satyanarayana Garu, Hon. Joint Secretary, P. C. U.
279. C. S. Sastri Esq., B.A. (Hons.) F.S.A.A., R.A., Treasurer, P. C. U.
280. K. Bhashyam Ayyangar Avl., B.A., B.L., E. C. Member, P. C. U.

STATEMENT OF RECEIPTS AND CHARGES OF THE CONFERENCE.

Particulars.	Receipts.			Charges.		
	Rs.	A	P.	Rs.	A.	P.
Delegation Fees	...	562	8 0	7	0	0
Boarding and Lodging	...	183	2 0	455	3	0
Donations	...	357	8 0	...		
Stationery		21	15	0
Contingencies		155	3	9
Establishment		23	10	8
Lighting		39	10	0
Printing		92	13	3
Postage		128	13	9
Telegrams		1	7	0
Co-operative Drama		97	1	0
Furniture A/c		58	0	0
		<hr/>		<hr/>		
		1,103	2 0	1,080	13	5
Balance of Stamps		1	11	9
Surplus		20	8	10
		<hr/>		<hr/>		
		1,103	2 0	1,103	2 0	
		<hr/>		<hr/>		

DONATION LIST.

S. No.	Names of Donors.	Amount.		
		Rs.	A.	P.
1.	Madras Provincial Co-operative Bank	...	50	0 0
2.	Sree Konaseema Co-op. Central Bank, Amalapuram.	...	25	0 0
3.	Ramachandrapuram Co-op. Central Bank	...	25	0 0
4.	Coimbatore District Urban Bank	...	25	0 0
5.	Madura-Ramnad District Co-op. Central Bank	...	25	0 0
6.	Vizianagaram Co-op. Central Bank	...	20	0 0
7.	Nellore Dt. Co-op. Banking Union	...	15	0 0
8.	Triplicane Urban Co-op. Society, Madras	...	15	0 0
9.	Salem Dt. Urban Bank	...	15	0 0
10.	Erode Co-op. Urban Bank	...	10	0 0
11.	Co-op. Central Bank, Vellore	...	10	0 0
12.	Co-op. Central Bank, Kumbakonam	...	10	0 0
13.	Dt. Co-op. Central Bank, Cocanada	...	10	0 0
14.	Co-op. Bank, Vizianagaram	...	10	0 0
			<hr/>	
	Total c/o ...	265	0	0

THE MADRAS JOURNAL OF CO-OPERATION

S. No.	Names of Donors.	Amount.		
		B. F.	Rs.	A. P.
		...	265	0 0
15.	Cuddapah Dt. Co-op. Central Bank	...	10	0 0
16.	Vizagapatam Co-op. Bank	...	10	0 0
17.	Pattukottai Urban Bank	...	10	0 0
18.	Razole Co-op. Land Mortgage Bank	...	7	8 0
19.	Little Conjeevaram Co-op. Urban Bank	...	5	0 0
20.	Periakulam Co-op. Urban Bank	...	5	0 0
21.	Paramakudi Co-op. Society	...	5	0 0
22.	Melur Co-op. Urban Bank	...	5	0 0
23.	Malabar Dt. Co-op. Central Bank	...	5	0 0
24.	Dharmapuri Co-op. Town Bank	...	5	0 0
25.	Guntur Dt. Co-op. Central Bank, Tenali	...	5	0 0
26.	Pithapuram Co-op. Urban Bank	...	5	0 0
27.	Attur Co-op. Union	...	5	0 0
28.	Tanjore Co-op. Union	...	3	0 0
29.	Pudukottah Co-op. Town Bank	...	2	0 0
30.	Pudukottah Co-op. Central Bank	...	2	0 0
31.	Krishnagiri High School Students' Co-op. Society	...	2	0 0
32.	Rameswaram Co-op. Stores	...	1	0 0
	Total	...	357	8 0

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“ MYSORE ECONOMIC JOURNAL,”

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BANGALORE CITY.

Meetings.

BOARD OF MANAGEMENT OF THE P. C. U.

Proceedings of the meeting of the Board of Management of the Madras Provincial Co-operative Union held at 9-30 a. m. on 28-9-35 in the premises of the P. S. High School, Mylapore, Madras.

Mr. V. Ramadas Pantulu (Chairman).

PRESENT :

Dewan Bahadur T. A. Ramalingam Chettiar Avl.

Mr. V. Venkatasubbaiya.

„ N. Satyanarayana.

Rao Bahadur A. Rajabadar Mudaliar.

Dewan Bahadur Sir M. Ramachandra Rao, Kt.

Mr. V. Venkatachalar.

„ K. G. Sivaswamy.

„ T. Audinarayana Chettiar.

„ S. S. Sankara Mudaliar.

„ E. S. Sunda.

„ Dr. E. S. Ramasubbu.

„ S. Nagaswamy Iyer.

„ G. Sriram Babu Naidu.

Rao Saheb V. I. Muniswamy Pillay.

Mr. K. L. Narasimha Rao.

Rao Saheb G. Venkataratnam Pantulu.

Mr. L. Gangadhara Sastri.

„ M. G. Parthasarathi Mudaliar.

„ K. Krishnamoorthy Rao.

„ A. Ramachendra Rao.

„ V. Chinnikrishna Naidu.

„ K. Belli Gowder.

Rao Saheb K. V. Tiruvenkata Mudaliar.

Mr. P. Sriramulu Naidu.

Dr. P. Gurumurthi.

Rao Bahadur T. M. Narayanaswami Pillai.

1. Co-option of members to the Board of Management from the Constituency of District Federations and Local Unions for the following districts :

1. Coimbatore.

2. Malabar,

3. Trichinopoly.

4. Bellary.

“Resolved to co-opt the following members to the Board from the constituency of District Federations and Local Unions of the following districts :

Coimbatore	...	Mr. S.A. Narayana Sastri of Satyamangalam.
Trichinopoly	...	Mr. A. Rangaswami Gounder of Karur.
Bellary	...	Mr. A. Narayana Bhat of Harpanahalli.”

2. Consideration of the Administration Report (from 1st July 1934 to 30th June 1935) as approved by the Executive Committee to be presented to the General Body on 29-9-35.

“Resolved that the Administration Report be placed before the General Body for its approval.”

3. Budget for 1935-36.

“Resolved that the Draft Budget be passed with the following alterations :—

Provide Rs. 500 under T. A. for ‘ Meetings of Board ’ and reduce expenditure under ‘ other grants ’ by Rs. 500.

“Resolved that single III class fare and daily allowance of Rs. 2 per day be fixed as the scale for the T. A. of the members of the Board of Management to attend the meetings of the Board.”

4. Ratification of the action of the Executive Committee in approving the new scheme of Training Institutes of the Joint Registrar.

The following resolution was passed:—

“The action of the Executive Committee is ratified in respect of the present sessions of the two training institutes functioning under the scheme of the Joint Registrar. The Executive Committee is requested to formulate a definite scheme for the running of training institutes by the Provincial Co-operative Union and place it before the next meeting of the Board.”

5. Consideration of the resolutions of which notice is received from the members of the Board.

Mr. K.G. Sivaswami Iyer's resolution :

“The Board of Management approves the scheme of training of the Joint Registrar of Co-operative Societies with the following modifications :—

(a) It welcomes the early conversion of the Co-operative Institute into a college affiliated to the University.

(b) Pending qualified students passing with degrees in Co-operation, the present nine months' course for Inspectors should also be extended to the Supervisors.

(c) The selection of candidates by the Public Service Commission for employment in the Department should be from those who pass the nine

MEETINGS

months' test, and not that the selected candidates should study for the nine months in a class.

(d) Preference should be given to graduates both in the selection of Supervisors and Inspectors.

(e) The preliminary training of 2 months for Supervisors will be too short to test their fitness and it should be extended to 3 months.

(f) The practical training should at least be for three months for the Supervisors who have passed successfully the nine months' course.

(g) The general meetings of the Supervising Unions if conducted on a planned basis with a syllabus of discussions on current questions for Panchayatdars will be sufficient training for them.

(h) Regarding Secretaries receiving remuneration and clerks in village societies, there should be provision for a short course, examinations and issue of certificates, preference should be given in making appointments to such trained staff."

"The resolution of Mr. K. S. Sivaswami Iyer is covered by the resolution No. 4 above and the same is referred to the Executive Committee."

6. Items of Expenditure incurred over and above the budget allotment during the year 1934-35 referred to the Board of Management by the Executive Committee for ratification.

Items of Expenditure.	Budget Estimate for 1934-35.			Actuals for 1934-35.		
	Rs.	A.	P.	Rs.	A.	P.
1. Andhra Sabakara Patrika	500	0	0	741	1	9*
2. Establishment	2,000	0	0	2,053	10	0
3. Telegrams	15	0	0	18	1	0
4. Postage	300	0	0	436	5	9

"Ratified."

GENERAL BODY OF THE P. C. U.

A meeting of the General Body of the Madras Provincial Co-operative Union was held in the premises of the P. S. High School, Brodies Road, Mylapore, Madras, at 8-30 a.m. on Sunday the 29th September 1935. About 100 delegates attended the meeting. Mr. V. Ramadas Pantulu, President of the Union, occupied the chair.

The first item on the agenda was the consideration of the Administration Report of the Union from 1-7-1934 to 30-6-1935 and the Audit Reviews for the years 1933-34 and 1934-35. As the printed copies of the Report had already been circulated beforehand, it was taken as read.

* This sum includes the subsidy of Rs. 250 paid to the Nellore District Co-operative Banking Union for conducting the *Patrika* for the 2nd half of 1934-35.

A brief summary of the report is given below :—

The number of its society members fell from 470 on 30-6-1934 to 417 on 30-6-1935, chiefly due to the liquidation of supervising unions. Together with the 20 Honorary members elected by the General Body on 22-7-1934 the total number of members on 30-6-1935 was 437 as against 490 on 30-6-1934. The Board of Management of the Union met twice during the year, that is, on the 21st July 1934, and 18th November 1934. At the meeting held on 21st July 1935, the scheme formulated by Diwan Bahadur T. A. Ramalingam Chettiar regarding the conduct of the training classes retaining the nine months course as submitted to the Education Committee on 21-7-1934 was approved by the Board. The Board which met on the 18th November 1934 considered the scheme suggested by Government regarding the conduct of the Peripatetic Training Institutes and the subject of supervision of societies. The Board adhered to the resolution of the Education Committee dated the 21-7-1934 regarding the conduct of the Training Institutes. The Executive Committee met 6 times during the year and certain important subjects like the letter from the Government of India regarding the establishment of a Central Co-operative Advisory Board and handing over the publication of the "Andra Sahakara Patrika" to the Nellore District Co-operative Banking Union were decided. The publication of the "Patrika" was handed over to the Nellore District Co-operative Banking Union from January 1935 onwards.

The total receipts for the year amounted to Rs. 23,346-12-9 whereas the expenditure was Rs. 25,224-1-4. As per Audit Report of 1933-34 a sum of Rs. 1,374 2-0 was pending collection on 1st July 1934 towards annual contribution due from member societies. Since then a sum of Rs. 913-2-0 had been collected. The Union continued the publication of the "Madras Journal of Co-operation" as in previous years. Prof. S.K. Yegnanarayana Aiyar ceased to be its editor from January 1935 and his place was taken by Mr. V. Venkatasubbaiya. The members of the Executive Committee of the Union did co-operative propaganda in various parts of the presidency. Mr. V. Ramadas Pantulu the President of the Union, was the first Indian Delegate elected by the All India Co-operative Institutes' Association to the XIV International Co-operative Congress held in London in September 1934. The magic lantern prepared by the Union had good sales during the year and the Union realised a profit of Rs. 418-4-3 on the same.

The maintenance of the rural reconstruction centres had been one the special features of the Union for the last several years. The centres supported by the Union were not less than six in any year. During the year under report the Servindia Rural Centre at Mayanur, run by the Servants of India Society, was recognised. All the centres except Gudlavalleru worked satisfactorily. The activities of these rural reconstruction centres are not described here in detail owing to limited space.

MEETINGS

The Madras Provincial Co-operative Bank gave a grant of Rs. 8,500 to the Union for education, propagaunda and rural reconstruction during the year under report and the activities of the Union depended mostly on the Bank's contribution.

The adoption of the Report was moved by Mr. S. S. Sankara Mudaliar, President, the Madras District Co-operative Central Bank, and seconded by Mr. M. V. Narayana of the Ramachandrapuram Co-operative Union. There was some discussion on the subject of reduction of unions. Mr. Nagaswami Iyer of Sivaganga said that efficiency should be kept in view and that if we could not have efficient unions, it was better to abolish them and leave the Central Banks to supervise the work. Rao Bahadur V. Murugesu Mudaliar of Vellore said that for want of funds the number of Unions had to be reduced by amalgamation. Mr. V. Ramadas Pantulu explained how unions were multiplied with a view to get for them increased representation on Central Banks and was of the opinion that half of the unions existing at present would suffice for active work, especially as the number of societies which are working and requiring sustenance has gone down. Messrs. S. A. Narayana Sastri of Satyamangalam, C. Rauganatha Iyyangar of Gooty, K. V. Raghava Rao of Artamur, Cheuchu Reddi of Kurnool Central Bank, V. Appa Rao of Peddapavani, O. A. Narayanaswami Iyer of Tanjore and S. Nagaswami Iyer of Sivaganga took part in the discussion. At this stage Mr. L. Gangadhara Sastri sought permission to move the following resolution: "The Provincial Co-operative Union is of emphatic opinion that the existence of unions is necessary in the interests of the Movement." The House allowed the resolution to be discussed. After some discussion the House resolved "that the recommendations of the Executive Committee be given effect to with a view to strengthen and consolidate the supervising unions." The following are the recommendations:—Reduction in the number of unions by abolishing unnecessary and inefficient unions and by amalgamating small ones into larger ones wherever practicable; central banks appointing paid managers of unions where it is considered desirable and necessary; reduction in the number of members of the Governing Body to three or five, generally speaking; pooling the Supervision Fund in the Central Bank or the Federation where it exists; appointing of supervisors on district-cadre under the Bank or Federation where it exists.

Mr. S. Sankara Mudaliar sought permission to move the following two resolutions which had been proposed for the Conference but which were referred to the General Body of the Provincial Co-operative Union by the Subjects Committee of the Conference, as the resolutions related to the Provincial Co-operative Union:

1. "The annual contribution to the Provincial Co-operative Union by the Urban Banks shall be fixed at Rs. 5 irrespective of their working capital."

2. "More representation shall be given to the Urban Banks in the constitution of the Madras Provincial Co-operative Union."

The House was not in favour of taking them up for discussion.

The report was then adopted.

The meeting then terminated.

Audit Orders.

*Audit Review for 1933-34, by M. R. Ry. A. Palaniappa Mudaliar
Avt., M. A., Deputy Registrar of Co-operative Societies, Madras,
on the accounts of the Madras Provincial Co-operative Union,
No. 1130.*

1. The accounts of the Madras Provincial Co-operative Union, for the year ending 30-6-34 as audited by M. R. Ry. M. T. Rajaratnam, Senior Inspector of Co-operative Societies, Madras are approved. The statements of Receipts and Disbursements, assets and liabilities as furnished by him are appended to this review. (*Statements omitted—Ed.*)

2. The number of members on the rolls rose from 488 to 490 including the honorary members during the year.

3. *D.C.B. of Annual Contribution.* Out of a demand of Rs. 5,110-2-0 including the arrears of previous years, a sum of Rs. 3,736-0-0 was collected leaving a balance of Rs. 1,374-2-0 at the end of the year. Action may be taken to realise the arrears.

4. *Publication of Journals.* The publication of the Madras Journal of Co-operation and the Andhra Sahakara Patrika was continued during the year. The net income derived from the publication of the Madras Journal of Co-operation was Rs. 385-13-11 while there was a deficit of Rs. 637-15-8 on account of publication of Andhra Sahakara Patrika. The Union gave a subsidy of Rs. 600 to the Tamil Nadu Co-operative Federation for conducting the Tamil Journal 'Kootturavu.'

5. *Library and Reading Room.* Books to the value of Rs. 183-15-9 were added to the library. The reading room continued to be popular and it is satisfactorily managed.

6. *Propaganda.* The members of the Board visited various places on different occasions for propaganda as hitherto. The T. A. of the members on account of this work amounted to Rs. 364-10-0. Besides this a sum of Rs. 228-10-7 was spent for propaganda in Madras City.

7. *Lanterns and slides.* The Union continued the sale of magic lanterns. There was a net income of Rs. 511-4-6 under this.

8. *Meetings.* The General Body of the Union did not meet during the year. But the executive committee met 4 times and considered the question of affiliation and disaffiliation of societies amongst other subjects, while the rural reconstruction committee met on 24-9-33 and the education committee on 24-9-33 and 18-2-34 and discussed the various subjects entrusted to them.

9. *General.* The Provincial Co-operative Union received a grant from the Provincial Co-operative Bank, Ltd., Rs. 6,000 during the year under report.

(Sd.) A. PALANIAPPAN,

Deputy Registrar,

16-2-35.

AUDIT ORDERS

Audit Review for 1934-35, by M. R. Ry. M. Giriappa Ayl., B.A., Deputy Registrar of Co-operative Societies, Madras, on the accounts of the Madras Provincial Co-operative Union, No. 1130.

The accounts of the Madras Provincial Co-operative Union for the year ending 30th June 1935 as audited by M.R.Ry. C. Rajaram, Junior Inspector of Co-operative Societies, Madras, are approved. The statements of (1) Receipts and Disbursements and (2) Assets and Liabilities as furnished by him are appended to this review.

(Statements Omitted—Ed.)

2. The number of members on the rolls fell from 490 at the commencement of the year to 437 at the end, the fall being mainly due to the liquidation of the local supervising unions. The membership is distributed as shown below :

Name of the Institution.	As on 30-6-34.	As on 30-6-35.
1. Provincial Institutions ...	5	5
2. Central Banks ...	31	31
3. Language Federations ...	1	1
4. District Federations ...	6	2
5. Audit Unions ...	4	3
6. Urban Banks ...	82	84
7. Land Mortgage Banks ...	17	18
8. Non-credit Institutions ...	40	30
9. Local Supervising Unions.	278	238
10. Training Institutes ...	6	5
11. Honorary Members ...	20	20
Total ...	490	437

3. *Funds* —The funds of the Union are composed mainly of subscriptions in contributions, in subsidies and voluntary contributions. Against a total demand under the first two items of Rs. 13,916-15-0 there was a collection of Rs. 8,853-6-0 leaving 36 per cent of the demand yet to be collected by the Union. The voluntary contributions and subsidies received during the year amounted to Rs. 5,870 of which Rs. 5,000 was the grant from the Provincial Co-operative Bank, Ltd. The total receipts during the year were Rs. 30,635-6-2 while the expenditure was Rs. 25,224-1-4 leaving a surplus of Rs. 5,411-4-10. The union is requested to take adequate steps to realise the arrears of subscriptions and contributions as early as possible.

4. *Activities* :—(1) Journals :—(a) The Union continued to publish the Madras Journal of Co-operation in English. The total income derived from this publication was Rs. 5,394-8-4 while a sum of Rs.2,955-2-6 was spent towards running the Journal. There was therefore a surplus

of Rs. 2,439-5-10 under this head. (b) Towards the publication of the Journal 'Kootturavu' a sum of Rs. 500 was given as subsidy to the Tamil Nadu Co-operative Federation. (c) The Andhra Sahakara Patrika, the Telugu Journal, was published by the Union till 31-12-34 after which it was handed over to the Nellore District Co-operative Banking Union, Ltd. For the half year ending 31st December 1934 there was a loss of Rs. 387-6-9 in its working and a sum of Rs. 250 was paid to the Nellore District Co-operative Banking Union, Ltd., as subsidy for continuing the publication of the Journal under their auspices.

2. *Rural welfare schemes* :—A statement of Receipts and Disbursements of the Rural Reconstruction account is appended. A sum of Rs. 4,542-11-2 was received for conducting the Rural Reconstruction Centres being mainly the grants from the Provincial Bank and contribution from Nellore District Bank for one centre. The expenditure incurred in this branch of work was Rs. 4,354-6-6 of which the major portion was emitted to the various centres for this work.

3. *Education* :—Grants to the Training Institutes and for Co-operative education were made to the extent of Rs. 1057-10-0 while a sum of Rs. 253-1-11 was spent in the training classes held for the supervising and administrative staff of non-official agencies. A sum of Rs. 276-10-5 was realised as fee from students while a sum of Rs. 550 was received as Government subsidy to one of the Institutes.

4. *Library and Reading Room* :—A sum of Rs. 200 was received from Government as grant for the maintenance of the library while a sum of Rs. 771-2-3 was spent by the Union in maintaining the library and Reading Room, out of which books worth of Rs. 564-11-3 were purchased.

5. *Propaganda* :—The members of the board continued to do propaganda work in the districts and also in the Madras City. For propaganda work, the Union continued to manufacture magic lanterns and slides to aid co-operative education through films. The manufacturing account shows that sales were made to the extent of Rs. 3,568-15-0 and the profit to the Union in this account was Rs. 418-4-3.

6. *Meetings* :—There was a General Body meeting held to consider and adopt the annual report and accounts for the year ending 30th June 1934 at which office-bearers were also elected.

The Board of Management met twice in the year for conducting the business of the Union while the executive committee met 6 times in the

(Sd.) M. GIRIAPPA,
Deputy Registrar

News and Notes.

The annual report of the Coimbatore District Urban Bank for 1934-35 shows that it had 815 members consisting of 642 societies and 173 individuals with a share capital of Rs. 2,52,572-4-0. It issued Rs. 19'37 lakhs by way of fresh loans to societies and individuals and received towards repayment of loans a sum of Rs. 15'29 lakhs. With a view to encourage the spirit of emulation among the unions in the district, a prize of a shield and a silver cup to the best union was instituted during the year. The prize was awarded to the Nambiyur Union. The Bank spent a sum of Rs. 4,812 out of its common good fund for rural reconstruction work at the Satyamangalam and Perundurai centres. During the year under review the new building of the Bank was completed and it was opened by Mr. G. K. Devadhar, M.A., C.I.E., President of the Servants of India Society, on 26-8-34. The Bank made a net profit of Rs. 34,338-10-0 as against Rs. 62,258-7-0 in the previous year. This decrease was chiefly due to the reduction in the rate of interest to 6 per cent on all loans outstanding.

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The 21st annual report of the Co-operative Central Bank, Conjeevaram, for the year ending 30th June 1935, is a record of satisfactory progress in a year of continued economic depression. There were at the end of the year 172 individual and 739 society members, as against 170 and 740 respectively at the commencement of the year. The share capital of societies decreased from Rs. 2,88,693 to Rs. 2,84,593, whereas the share capital of individuals remained stationary. The Bank did not borrow from the Provincial Co-operative Bank, though there was credit accommodation to the extent of 1.7 lakhs. Out of a total demand of 14.21 lakhs only 2.49 lakhs was collected. The percentage of overdues to demand was 82, as against 76 in the previous year. The Bank however considers the collections are not worse than anticipated. The non-union societies in Poonamallee area, in charge of the special officer, showed a reduction of 11 per cent in overdues as compared with the last year. At a joint meeting of the Bank and the Federation, at which the Registrar and the Deputy Registrar were present, it was decided to liquidate 22 out of 44 societies that had heavy and long standing overdues against them, and to take coercive measures in the case of the other 22 with the help of the Department. Many societies availed themselves of the concessions offered by the Bank by way of reduction in interest and extension of period. During the year under report the loans of 246 societies were examined, bringing the total number of societies examined to 484, leaving a balance of 178 societies to be examined. The supervision work was done by the Federation quite satisfactorily. To effect economy in expenditure and work, the Federation was put under the control of the Bank by merging it with the administrative section of the Bank. The

Gray Free Reading Room started in 1933 continued to be popular and a sum of Rs. 506-5-9 was collected as donations for its upkeep. The Bank earned a net profit of Rs. 49,102-4 as against Rs. 46,257-8 in the previous year. The Bank is to be congratulated on earning a profit larger than last year in spite of the continued economic depression and the fall in business transactions. A sum of Rs. 14,500 has been set apart as reserve for bad and doubtful debts.

* * *

Diwan Bahadur K. Deivasikhamani Mudaliar, Joint Registrar of Co-operative Societies, opening the new buildings of the Hindupur Co-operative Town Bank in August last, made some interesting observations on the working of the co-operative movement and of Urban Banks in particular. Mr. Mudaliar, after paying a tribute to the working of Town Bank for having been the first urban bank to introduce the cheque habit among its members, referred to a matter pertaining to urban banks and central banks which deserves urgent consideration. He pointed out that while the market rate of interest had fallen considerably on account of the present depression, co-operative societies which ought to have been the first to take advantage of this had not at all given the benefit of the low rates of interest to their members.

* * *

Mr. K. Narayanaswami Mudaliar, Deputy Registrar of Co-operative Societies, Vellore, opened the Tiruppanangadu Button Manufacturers' Production and Sale Co-operative Society at Tiruppanangadu, a village eight miles from Conjeevaram. The object of the Society is to provide some subsidiary occupation to the agriculturists of that and some neighbouring villages. Some of the boys of the local Panchayat school were trained some time ago in making buttons. We are sure the new society will prove of great benefit to them.

* * *

The Lalgudi Sivagnanam Co-operative Agricultural Society had 180 members at the end of the last co-operative year with a paid up share capital of Rs. 2,140. The Society continued to maintain its demonstration farm which consists of $9\frac{1}{2}$ acres of wet lands. The absence of a permanent farm of its own was keenly felt by the Society. The Society continued to act as an agent for the Imperial Chemical Industries (India) Ltd., Madras, for the sale of chemical manures. The business was done on consignment system as usual. In addition, the society purchased outright other kinds of manures and seeds for sale. During the year under review the Society amended its by-laws so as to advance loans to members on the security of their produce and to arrange for the sale of produce of the members. The net profit of the Society during the year amounted to Rs. 1,465-15 as against Rs. 594-8 in the previous year. Its 10th anniversary was celebrated in September last under the presidency of the Hon'ble Mr. P. T. Rajan, Development Minister. Replying

NEWS AND NOTES

to an address presented to him on the occasion, he congratulated the society on its continuous and steady progress. He assured the members of the society that the Government would earnestly try to give it the necessary grant for the acquisition of a farm of its own. He advised the president and members of the society to start the cultivation of sugarcane at least to meet their own demands.

* * *

The annual report on the working of the Madras Co-operative Milk Supply Union for 34-35 shows the satisfactory progress made by the Union as a result of its extended activities. The authorities of the Union deserve our congratulations. At the end of the last co-operative year the Union had 13 members of which 3 were nominated members and 10 affiliated societies. The Union borrowed no money from the Government during the year under report, and the amount borrowed from the Government in 1928 and 1929, viz., Rs. 15,000, was completely repaid and as such there were no overdues from the Union to the Government. The Union has 24 depots in the City where milk is sold. It purchased during the year 3,19,678 measures of milk and sold 2,89,704 measures. Unsold milk was converted into curd, butter and ghee. The Union made a profit of Rs. 4,667-7.

* * *

The 9th annual report of the Satyamangalam Local Co-operative Union (1933-34) shows that the membership of its affiliated societies fell from 1271 to 1156. The Union is taking active steps this year for the collection of arrears due to the District Bank from the Talavadi, Maranur, Pattaramangalam and Desipalayam Societies, whose work, for the last 2 or 3 years is reported to be unsatisfactory. As a result of timely arbitration by the Union some societies were prevented from liquidation.

* * *

At the end of 1934-35 the membership of the Dharmapuri Co-operative Union rose from 40 to 42. It is of opinion that sufficient steps have not been taken by its member societies to raise their membership and to increase their transactions. The Union will best rouse enthusiasm in the societies by itself arranging propagandist and educative meetings in the villages in its area.

* * *

With a view to co-ordinate the activities of the development departments of the State and to devise methods for rural uplift, the Pudukottah Durbar has constituted a Rural Development Board for the State. The Board will consist of seven officials and nine non-officials. Its functions are purely advisory and are as follows: (i) to discuss questions of policy relating to the working of the various development departments; (ii) to make suggestions to the Government in regard to the improvement of agriculture, industrial and other matters of economic importance; and

(iii) to consider important proposals and schemes suggested by each of the development departments. This work of the Board will be watched with keen interest.

* * *

The Travancore Agricultural Debts Redemption Committee which was appointed some time back have published their report recently. The recommendations made by the Committee are similar to those made by the Special Officer appointed by the Madras Government to investigate into rural indebtedness. The main recommendations of the Committee are as follows: (1) The establishment of debt conciliation boards to bring about an amicable settlement between the debtors and creditors (2) The reconstitution of the Land Mortgage Bank so as to liquidate the debts as conciliated by the debt conciliation boards by the issue of debentures to the creditors on the security of the debtors' property mortgaged to the Bank. (3) The payment of the decreed amounts in long instalments spread over for a period of 20 years. Some minor recommendations have also been made regarding the mortgages with possession, arrest and detention, paddy loans and agricultural loans.

* * *

A Central Land Mortgage Bank was registered in Bombay in September last of which Sir Lallubhai Samaldas has consented to be the Chairman. It has been organised on the same lines as the Central Land Mortgage Bank of our province. It will take over the 13 district land mortgage banks already functioning in the presidency.

* * *

The Servants of India Society is running a rural reconstruction centre at Chowduar, in Cuttack district in Orissa, since 1928. The chief features of the centre are: (i) a primary school, (ii) a weaving institute, (iii) a dispensary, (iv) a leprosy clinic, where weekly injections are given to about 100 patients, (v) an experimental farm, (vi) a co-operative society and (vii) a free reading room etc. There are also some other items of work which are attended to by this centre like writing petitions and placing grievances before proper authorities. Mr. L. N. Sahu, M.A., a member of the Servants of the Society, is in charge of the centre. Maharaja Sree Vikramdeb Varma of Jeypore (Vizag Dt.) has recently placed a sum of Rs. 1,000 at the disposal of Mr. Sahu for rural reconstruction work.

* * *

The Government of the Straits Settlements passed recently a Money-lenders Ordinance which will come into force from the beginning of next year. It is intended to protect debtors against unscrupulous creditors who charge exorbitant rates of interest.

LIST OF SOCIETIES REGISTERED AND LIQUIDATED

List of Societies registered during the month of August last.

	Name of Society.	District.
1.	Pattiveeranpatty Co-operative Society	... Madura.
2.	Karimpuzha Weavers' Co-operative Purchase & Sale Society	... Malabar.
3.	Cannanore Co-operative Building Society	... "
4.	Macherla Vaddaras Labour Co-operative Society	... Guntur.
5.	Chintaguntapalem Co-operative Thrift & Loan Society.	... Kistna.
6.	Salem Dhobies Co-operative Credit Society	... Salem.
7.	Rasipuram Co-operative Land Mortgage Bank	... "
8.	Guttigar Co-operative Society	... South Kanara.
9.	Amaranalkur Co-operative Society	... "
10.	Tiruvadi Co operative Loan & Sale Society	... Tanjore.
11.	Velacheri Agricultural Improvements Society	... Chingleput.
12.	Kavundapadi Weavers' Co-operative Purchase & Sale Society	... Coimbatore.
13.	Pykara Power House Co-operative Stores	... Nilgiris.
14.	Nellore District Labour School Teachers' Co-operative Society	... Nellore.
15.	Alturti Co-operative Credit Society	... "
16.	Ammavaripalem Co-operative Society	... "

The Erode Co-operative House Mortgage Bank, Limited.

(Formerly The Erode Co-operative Building Society, Ltd.)
(Estd. 1924.)

The place for safe investment of Long Term Funds—
Secured by First Class First Mortgage outstandings and
Assets of the Bank—of special advantage and convenience
to Government officials and employees.

Fixed Deposits for 10 years at $5\frac{1}{2}$ % per annum required.

Interest payable half-yearly.

Particulars from the Secretary,

E. S. GANAPATI AIYAR, B.A., B.L.,
President.

THE MADRAS JOURNAL OF CO-OPERATION

List of Societies whose registration has been cancelled in August last.

Name of the Society.	District.	Date of cancellation
1. Kattankolathur Co-op. Supervising Union.	Chingleput ...	1-8-35
2. Anakkar Agricultural Improvements C. S. Ltd.	North Arcot ...	"
3. Rajahmundry Municipal High School Students' Stores Ltd.	East Godavari.	"
4. Kambaipatti C. S.	... Madura ...	2-8-35
5. Dalavaipuram C. S.	... Tinnevely ...	"
6. Guntur Taluk Co-op. Union	... Guntur ...	6-8-35
7. Sirugappa Public Servant's C. S.	Bellary ...	7-8-35
8. Yadiki Christian C. S.	... Anantapur ...	9-8-35
9. Panankulam C. S.	... Tinnevely ...	"
10. Pallakal Pudukudi C. S.	... Tinnevely ...	10-8-35
11. Chittedu C. S.	... Nellore ...	12-8-35
12. Dhone Local Co-op. Union	... Kurnool ...	"
13. Kumaravadi C. S.	... Chingleput ...	15-8-35
14. Nanjayampalayam Ady Dravida C. S.	Coimbatore ...	16-8-35
15. Kadalur C. S.	... Nellore ...	17-8-35
16. Bellary Section Co op. Subordinates' C. S. Ltd.	Bellary ...	19-8-35
17. Peringode Laxmi Vilas C. S.	... Malabar ...	"
18. Nallur C. M. S. Officials C. S. Ltd.	Tinnevely ...	16-8-35
19. Cuddalore Seen. Co-op. Servants' C. S. Ltd.	South Arcot ...	21-8-35
20. Upparapalli C. S.	... North Arcot ...	"
21. Pandlur C. S.	... Nellore ...	"
22. Muthulapuram C. S.	... Madura ...	22-8-35
23. Trichinopoly Co-op. Printing and Publishing Society Ltd.	Trichinopoly.	24-8-35
24. Vaduvapatty C. S.	... Tinnevely ...	"
25. Angadipuram Board High School Students' Co-op. Stores.	Malabar ...	18-8-35
26. Karinganipalli C. S.	... Anantapur ...	28-8-35
27. Tirur Local Co-op. Union	... Malabar ...	"
28. Tellichery Co op. Stores Ltd. (not started).	" ...	27-8-35
29. Naduvattam C. S.	... " ...	29-8-35
30. Chinnakodamagundla Xian C. S.	Tinnevely ...	30-8-35
31. Pudupatti C. S.	... " ...	"

G.Os. and Circulars.
GOVERNMENT OF MADRAS.
DEVELOPMENT DEPARTMENT.

G. O. No. 1272 Ms., dated 14th September 1935.

ABSTRACT.

Co-operative Societies-Provincial and Central Banks—Investment of general funds in and inclusion of debentures of Central Land Mortgage Bank for fluid resource—Orders passed.

ORDER :—

Under section 34 of the Madras Co-operative Societies Act, 1932, the Madras Provincial Co-operative Bank and Central Banks may invest their general funds in the debentures of the Madras Co-operative Central Land Mortgage Bank, Ltd., the principal and the interest of which have been guaranteed by the Government. The Government are pleased to permit these banks to reckon the debentures they so hold for the purpose of fluid resource up to a limit of one-third of the standard required to be maintained by them, the debentures being taken at 80 per cent of their market value.

(By order of Government, Ministry of Public Works)

C. A. HENDERSON,
Secretary to Government.

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GOVERNMENT OF MADRAS.

ABSTRACT.

Government Servants' Conduct Rules—Rule 12 Government Servants of the Co-operative Department permitted to become B class members of Land Mortgage Banks—Local Ruling (2) Amended.

PUBLIC (SERVICES) DEPARTMENT.

G. O. No. Ms. 1345, dated 15th August 1935.

ORDER :—

The following notification will be published in the Fort Saint George Gazette :—

Notification.

In exercise of the powers conferred by sub-rule (2) of rule 48 of the Civil Services (Classification, Control and Appeal) Rules, the Local Government are hereby pleased to make the following amendment to the Government Servants' Conduct Rules.

Amendment.

In Local Ruling (2) under rule 12 of the Government Servants' Conduct Rules, the following sentence shall be added at the end, namely:

But Government servants of all classes employed in the Co-operative Department, including Deputy Registrars and Sub Deputy Registrars, may become B class members of primary land mortgage banks.

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

E. F. THOMAS,

Ag. Chief Secretary to Government.

D. Dis. A. 6118/35.

OFFICE OF THE

REGISTRAR OF CO-OPERATIVE SOCIETIES,

Madras, 8th September 1935.

T. AUSTIN ESQ., I.C.S.,

Registrar.

CIRCULAR.

In the course of the examination of the condition of the societies in a certain district in 1928 it was found that out of 409 societies in the district over 100 had all the loans outstanding against their members overdue. When the Central Bank in another District was inspected in 1933, it was found that three societies were in default to the Central Bank for over 10 years and 36 societies for more than five years. In the course of inspection of another Central Bank in 1935, it was brought

to notice that 24 societies have not paid a single pie since the date of disbursement towards the 31 loans which they have taken from the Central Bank. The period of default ranges from 4 to 14 years. In another 16 societies no payment was made towards principal for over five years. The appended statements show the loans in question.

(Statements Omitted—Ed.)

2. Deputy Registrars are requested to examine the case of each loan borrowed by a society from a Central Bank and find out exactly its present position. They should not be satisfied with a mere classification of the amounts involved according to the period of default. They will have to examine the loan ledgers of Central Banks and find out whether there are societies which have not paid anything towards principal or interest for years. There is no justification for keeping these societies on the list. A loan which has not been repaid within a reasonable period, say, 5 years should be considered definitely bad and no time should be lost to take action against the borrower of such a loan. Action cannot be postponed in such cases owing to the reason that general depression prevails. Deputy Registrars are requested to make special reports about this matter when they make the next half-yearly inspection of Central Banks.

(By order)

K. A. PADMANABAN,
Manager.

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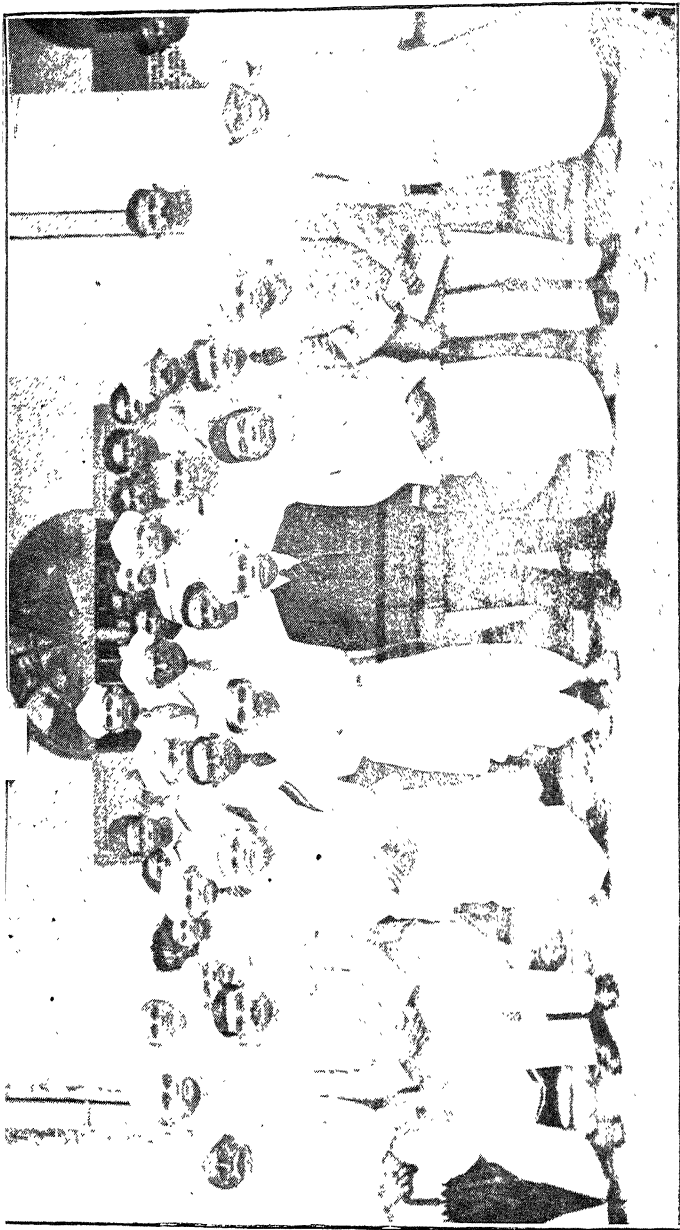
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Group Photo taken on the occasion of the XXI Madras Provincial Co-operative Conference held on 28th and 29th September 1935.

In the front row fourth from left is Mr. V. L. Mehta, the President of the Conference.