UNIVERSAL
LIBRARY

OU_172488

UNIVERSAL
LIBRARY

ALL-INDIA CO-OPERATIVE INSTITUTES' ASSOCIATION.

THE INDIAN CO-OPERATIVE SERIES.

Vol. I.

The Indian Co-operative Series.

VOL. I. *Co-operation in India*: Edited by Prof. H. L. Kaji, M.A., B.Sc., I.E.S., Honorary Secretary, All-India Co-operative Institutes' Association, Bombay. 1932.

VOL. II. *The Law of Co-operative Societies in India and Burma*: by Rao Bahadur K. V. Brahma, B.A., LL.B., M.B.E., C.I.E., President, Berar Co-operative Institute, Amraoti. Foreword by Sir Lallubhai Samaldas, Kt., C.I.E. 1932.

VOL. III. *India's Co-operative Movement in relation to a Sound National Economy*: By Miss E. M. Hough, A. M. (Washington, U. S. A.). Foreword by Prof. H. L. Kaji, M.A., B.Sc., I.E.S. and an Introductory Note by Sir Horace Plunkett. Published by Messrs. P. S. King & Son, Great Smith Street, London. 1932.

CO-OPERATION IN INDIA.

EDITED BY

HIRALAL LALLUBHAI KAJI, M.A., B.Sc., I.E.S., J.P.

Hon. Secretary, All-India Co-operative Institutes' Association, Bombay;
Professor, Sydenham College of Commerce and Economics, Bombay ;
Author : Primer of Co-operation, Co-operation in Bombay etc.

ALL-INDIA CO-OPERATIVE INSTITUTES' ASSOCIATION,
9, Bakehouse Lane, Fort, Bombay.

1932.

PREFACE.

At the meeting of the Standing Committee of the All-India Co-operative Institutes' Association held at Nagpur on the 15th December 1929, it was resolved that the Association should bring out the Indian Co-operative Year Book and appointed myself and Prof. S. K. Yegnanarayanaier, M.A., of the Pachayappa's College, Madras, as General Editors. The Year Book was planned to have, besides the Introduction, sections on Administration, Finance, Propaganda and Education, Non-Credit Co-operation-Rural, Non-Credit Co-operation-Urban, and General Problems, and Who's Who in Co-operation in India. Each section was to be under a sectional editor, except the Introduction and the Who's Who, which were to be prepared by me, and the section on Administration which was to be written by Prof. Yegnanarayanaier. Mr. V. L. Mehta (Bombay), Rai Bahadur Lala Mathura Prasad Mehrotra, M.L.C., (United Provinces), Principal B. B. Mukherji (Bihar), Rao Bahadur K. V. Brahma, C.I.E. (Berar) and Mr. C. Hayavadana Rao (Mysore) were appointed editors for these sections. A section on Co-operative Law was subsequently added, the Who's Who was made part of a Co-operative Directory which was to include Co-operative Publications, Co-operative Journals, Co-operative Organisations and Co-operative Workers, and statistical tables were added to the Introduction. Mr. V. L. Mehta having resigned, Mr. P. D. Macpherson, Financial Adviser to the Co-operative Department, Punjab, was appointed as sectional editor for Co-operative Finance. A detailed scheme was then prepared by me, and gentlemen of standing in the Co-operative Movement in close touch with particular aspects of Co-operative work were selected and requested to contribute articles on those aspects. Their contributions were expected by the 31st December 1930, but for a variety of reasons, some of these gentlemen did not accept the invitation to contribute, while others asked for more time. Ex-

tensions and substitutions thus delayed the collection of the articles and the editing naturally took some more time, so that the matter could not be sent to the press till October 1931.

This volume is thus more or less based upon the same plan as that adopted for my book Co-operation in Bombay. It forms the first volume of the Indian Co-operative Series. Two other volumes of the Series are in print and are expected to be published very soon. Rao Bahadur K. V. Brahma, C.I.E., of Berar is bringing out, as Vol. 2, his book on the Co-operative Societies' Act and Messrs. P. S. King and Son, London, are publishing as Vol. 3, "India's Co-operative Movement in relation to a Sound National Economy" by Miss E. M. Hough, A.M., (Wash).

None is more conscious than myself of defects in this volume. The very idea of collecting contributions from various writers involves to some extent repetition and overlapping. The order in which the contributions appear under the different sections had to some extent to depend on their receipt; this is notably the case with Mr. Ramdas Puntulu's contribution on the Co-operative Credit Society. The Introduction itself is not by any means a general review of the Co-operative Movement in India. There are some notable omissions such as contributions on Land Mortgage Credit and Supervision of Co-operative Societies. Facts about some Provinces or States may, possibly, not have been correctly recorded. Excepting in the section on General Problems, the contributions are largely a record of facts rather than expression of views. I hope, however, co-operators will recognise the difficulties involved in an all-India publication of this type, particularly when personal contacts have to be established across huge distances for the first time. There is no doubt, however, that this volume has prepared the way for future all-India publications, so that the second edition of

of this volume and other publications of the All-India Association will attain the desired degree of thoroughness and accuracy. The Directory, incomplete as it is bound to be, will, I trust, be useful to co-operative institutions and co-operative workers in the country.

I desire to express my thanks to the various contributors for the co-operation, which only has made the publication of this volume possible.

My acknowledgments are also due to the sectional editors but more particularly to Mr. Macpherson and Mr. C. Hayavadana Rao. Prof. Yegnanarayanaier, my colleague as General Editor, for want of sufficient response from contributors selected by him and for reasons of health and pressure of work, could not contribute his section and could not do the editing work. But I must acknowledge the assistance rendered by him to me in the preparation of the book by numerous valuable suggestions from time to time. I desire also to place on record here my thanks to the Registrars of Co-operative Societies in the various provinces of British India and in the Indian States for their willingness and promptness in supplying statistical and other information asked for by me. The member-institutes also co-operated in supplying information whenever possible.

My best thanks are due to Mr. M. C. Munshi, M.A., for his valuable assistance in preparing the manuscript for the press and for correcting the proofs.

Bombay, 1st March, 1932. H. L. Kaji.

CONTENTS.

INTRODUCTION. Pages

PROLEGOMENA : By Prof. S. K. Muranjan, M. A., Karnatak College, Dharwar 1

I. CO-OPERATION IN NATIONAL LIFE : By Prof. H. L. Kaji ... 12

II. HISTORY OF CO-OPERATION : By Prof. H. L. Kaji 16

III. CO-OPERATION, A RETROSPECT AND PROSPECT : By Prof. S. K. Yegnanarayanaier, M. A., Editor, Madras Journal of Co-operation ... 24

IV. STATISTICS RELATING TO CO-OPERATION : By Prof. H. L. Kaji ... 29

CO-OPERATIVE FINANCE.

I. THE FINANCIAL STRUCTURE OF THE CO-OPERATIVE MOVEMENT : By Mr. V. L. Mehta, B. A., Managing Director, Bombay Provincial Co-operative Bank Ltd. Bombay 41

II. APEX BANKS : By Mr. V. C. Rangaswamy, B.A., D. Econ., Secretary, Madras Provincial Co-operative Bank, Madras 63

III. CENTRAL FINANCING AGENCIES : By Mr. Vishnuprasad M. Thakore, B. Com., Secretary, Bihar and Orissa, Provincial Co-operative Bank Ltd., Patna... 76

IV. URBAN CO-OPERATIVE BANKS :

(i) Urban Co-operative Credit : By Prof. H. L. Kaji 97

(ii) PEOPLES' BANKS : By Rao Saheb V. C. Jadav, B. A., Managing Director, Surat Peoples' Co-operative Bank, Surat ... 106

NON-CREDIT CO-OPERATION.

I. SOCIETIES FOR CONSOLIDATION OF HOLDINGS : By Mr. M. Bashir Ahmed Khan, M.A., LL. B., M. R. A. S., Secretary, Punjab Co-operative Union, Lahore 115

II CO-OPERATI E ANTI-MALARIAL SOCIETIES : By Mr. Hiran Kumar Sanyal, M. A., Lecturer in Politics and Civics, City College, Calcutta. 137

III. CO-OPERATIVE IRRIGATION SOCIETIES : By Mr. Hiran Kumar Sanyal, M. A., Lecturer in Politics and Civics, City College, Calcutta ... 145

IV. CO-OPERATIVE HOUSING SOCIETIES : By Rao Bahadur S. S. Talmaki, B. A., LL. B., Honorary Secretary, Provincial Co-operative Institute, Bombay 152

V. WEAVERS' CO-OPERATIVE SOCIETIES : By Ch. Ghulam Haider, B. A., Assistant Registrar, Industrial Co-operative Societies, Punjab, Lahore 160

VI. CO-OPERATIVE PRINTING SOCIETIES : By Mr. V. Venkatasubbaiya, B. A., Honorary Joint Secretary, Madras Provincial Co-operative Union Ltd., Madras 169

VII. CO-OPERATIVE MILK SOCIETIES IN BENGAL : By Mr. H. K. Sanyal, M. A., Lecturer, City College, Calcutta 172

VIII. CO-OPERATIVE STORES : By Rao Saheb T. K. Hanumanta Rao, Madras. 183

PROPAGANDA AND EDUCATION. Pages

I. PROVINCIAL CO-OPERATIVE INSTITUTES :
(i) INSTITUTES : By Prof. H. L. Kaji 199
(ii) DEVELOPMENT OF BRANCHES IN BOMBAY : By Rao Bahadur S. S. Talmaki, B.A., LL.B., Honorary Secretary, Provincial Co-operative Institute, Bombay 214
II. CO-OPERATIVE EDUCATION : By Prof. H. L. Kaji 224
III. UNIVERSITIES AND CO-OPERATION : By Mr. K. C. Ramakrishnan, M. A., Lecturer, Economics Department, University of Madras ... 236

CO-OPERATIVE LAW.

By Rao Bahadur K. V. Brahma, C. I. E., M. B. E., President, Berar Co-operative Institute, Amraoti 255

GENERAL PROBLEMS.

I. THE AGRICULTURAL CREDIT SOCIETY : By Mr. V. Ramdas Pantulu, Advocate, Madras, Vice-President of the All-India Co-operative Institutes' Association 297
II. RURAL INDEBTEDNESS : By Mr. M. C. Munshi, M. A., Bombay ... 326
III. MARKETING OF AGRICULTURAL PRODUCE IN INDIA : By Mr. S. G. Beri, M. A., Professor of Indian History and Economics, Deccan College, Poona 340
IV. COTTAGE INDUSTRIES AS SUBSIDIARY OCCUPATIONS : By Prof. B. G. Bhatnagar, M. A., Head of the Commerce Department, University of Allahabad, Allahabad 365
V RURAL RECONSTRUCTION : By Mr. V. N. Mehta, B. A., Bar-at-Law, I. C. S., Commissioner, Allahabad Division, Allahabad 376
VI. INDIAN WOMEN AND CO-OPERATION : By Mr. S. G. Warty, M. A., Bombay 399

DIRECTORY.

By Prof. H. L. Kaji.

I. CO-OPERATIVE PUBLICATION 417
II. CO-OPERATIVE JOURNALS 436
III. CO-OPERATIVE ORGANISATIONS 441
IV. WHO'S WHO IN CO-OPERATION 458

INTRODUCTION.

PROLEGOMENA.

I. CO-OPERATION IN NATIONAL LIFE.

II. HISTORY OF CO-OPERATION.

III. CO-OPERATION—A RETROSPECT AND PROSPECT.

IV. STATISTICS RELATING TO CO-OPERATION.

PROLEGOMENA

By

PROF. S. K. MURANJAN, M.A.,

Karnatak College, Dharwar.

Like all great ideas and movements, Co-operation has passed through an initial stage of idealism and prophecy into the subsequent stage of a practical measure for some of the evils of the existing economic order. As an ideal, it was offered as the moral and economic challenge and alternative to the tidal sweep of capitalistic production. Unhappily, the large and small efforts to effect a permanent reconciliation between Capital and Labour on this basis proved more or less abortive. Among other important shortcomings, it was found that democratic control and ownership of the units of production were incompatible with the initiative, adventurous spirit and quick adaptability which are the strength and justification of private enterprise. In its second and the practical phase, Co-operation has sought, on the one hand, to bring fresh strength and hope to the small producer without impairing in any way his initiative and, on the other, to rid society of the parasitic over-growth of middlemen which has thrust itself between the producer and the consumer. The modern history of Co-operation has been one of continuous and ever-widening progress in these two directions.

India has her own problems and difficulties in the adoption and advancement of Co-operation. We can notice here only a few of the leading features of the economic and social situation which are germane to this subject.

The vast population of India is distributed over the whole continent in a very irregular manner. Out of an aggregate of 318 and odd millions, the towns which number over 2,675 claimed about 36·92 millions only. Cities with a population of one lakh and over number 33, while those with

a population exceeding 45 thousand come to 89. On the other hand, villages aggregating in all to more than 685 thousands, contain a population of more than 286 millions; and of these villages, those with a population of under one thousand claim not less then 169 million souls. The significance of the latter set of figures will become obvious when it is remembered that the Census village is really a revenue unit and, more frequently than not, is made up of some widely scattered hamlets and homesteads.

The populations of the bigger places are distinguished more by their diversity of life and behaviour than by their social or economic homogeneity. The bewildering array of castes, religions and languages is invariably reflected in modes and standards of life, tastes and social practices, and other minor details which, in the aggregate, militate against the emergence of any definite economic types and uniformities. In these circumstances, the most stable and practicable basis for the Co-operative unit happens to be either the narrow caste or for certain limited purposes the profession. Even then, the absence of physical contiguity and mutual acquaintance which from the moral backbone of Co-operation, causes further difficulties not easily surmounted. The following statistics relating to the whole of India will be found interesting in this connection.

Number of persons in a caste. (in millions)	Number of chief castes.	Number of languages.	Populations speaking the languages. (in 000's)
Below 1	30	17	45,23
1–2	30	10	5,49
2–3	15	7	39,13
3–4	6	145	1,28,85
4–5	1	134	1,19,59
5–6	—	11	9,20
6–7	1	14	6,41,28
7–8	1	7	3,72,85
8–9	1	5	30,56
9 and Over	3	15	11,14
Total...	88	365	14,03,32

The total of chief castes and sub-castes is over 3,000.

A large part of the town population is constantly moving between the town and the country-side with no desire to establish any permanent ties or interests in the town. This is specially true of the less well-to-do sections of society and the labouring classes—just those people to whom Co-operation offers the greatest relief.

It is very probable that for most of the ordinary goods which are consumed in bulk, the difference between retail and wholesale prices is not very great in this country. In their criticisms of the middleman's gains, people are apt to ignore the expense, risk and varieties of the services performed by him. This observation may not hold good of the other classes of goods which minister to the more refined or superfluous wants. But it is not likely that the moral and economic appeal of Co-operation will have much attraction for the classes of people who purchase those goods.

The efforts of Co-operation in the service of the small producer have to be considered separately under the heads of industry and agriculture. In one sense, the problem of the small producer in industry is more urgent and far-reaching in its consequences than in agriculture. As Professor Carver points out, the seasonal, geographical and temperamental limitations of agriculture make it improbable that large scale production will ever grow to a point at which the extermination of the small producer must become inevitable. But, in industry, the continuous growth of the individual unit of production is the one indisputable cause of anxiety to the community at large. In India, however, this problem of the small industrial producer and the appropriate organisations for his welfare and improvement has not yet made its appearance in its full modern setting. The country is yet very backward in its industrial development; and the main task of Co-operation, therefore, has been to enable some

isolated and almost primitive crafts to prolong their life against the odds of their inefficiency, antiquated methods and organisation.

In these circumstances, it is not strange that the largest and the most intense effort of Co-operation should have been reserved for the upliftment of agriculture. It has sought to bring aid to the cultivator at each of the three most important stages of the production-cycle. It has sought to make available to him in requisite abundance all the short-term or long-term credit required for his legitimate purpose. It has made efforts to evolve the appropriate organisations through which he can purchase his implements and other means of production as cheaply as possible. It has made a beginning in several places to develop appropriate organisations through which he can market his produce in the manner and at the time most advantageous to himself. Unfortunately, technical and other difficulties have militated against the rapid expansion of activities under the last two heads. It is in the field of credit that Co-operation looms large as the best hope of the depressed Indian agriculturist.

The following tables should make clear the extent of the agricultural interests in India:

ACREAGE IN BRITISH INDIA.

(Figures in Millions)

	1921-22	1927-28
Under Food-grains	212	203
,, Non-food Crops	11	21
Total Sown	223	224

Of this the acreage under irrigation amounted to 47 millions.

YIELD AND EXPORT OF SOME CROPS IN BRITISH INDIA AND SOME INDIAN STATES.

(Figures in millions)

	1921–22	1927–28	Export in 1927–28
Rice (tons)	33·0	28·0	2·1
Wheat (tons)	9·8	7·8	0·3
Tea (lbs.)	345·0	391·0	361·0
Cotton (400 lbs.)	4·9	5·6	0·4
Ground-nuts (tons)	0·95	2·7	...
Raw Sugar (tons)	2·6	3·2	...
Jute (400 lbs.)	3·9	10·1	0·89 (tons)
Rubber (lbs.)	9·0	26·0	25·0

DISTRIBUTION OF POPULATION.

(All-India figures in millions)

Occupations.	*Total Supported*
Pasture and Agriculture	229
Industry	33
Transport	4
Trade	18
Public Administration	9
Professions	5

It is not easy to form an estimate within a reasonable margin of error of the aggregate annual requirements of Indian agriculture for short-term and intermediate credit. The Central Banking Enquiry Committee estimates their figure at 300 to 400 crores. The net area sown with crops in British India has fluctuated between 201 to 226 million acres in the period from 1918-1919 to 1927-28. If 10 to 15 rupees were assumed as the average expenses of cultivation

per acre* the total circulating capital required for cultivation would run into the neighbourhood of 210 to 315 crores. If we add to this figure the cultivators' need for legitimate social purposes—a recent estimate in the Central Provinces reveals that approximately two-thirds of the total borrowing only is for productive purposes—the aggregate would mount up to 300 to 400 crores. Of this colossal requirement, not more than half—to assume the most liberal proportion—may be expected to come forth out of the resources of the agriculturist himself.

This figure of 150 to 200 crores may be compared with advantage with some other relevant statistics. The aggregate "loans issued to members and other societies" by the Agricultural Co-operative Credit Societies oscillated between 8 to 39 crores in the period from 1918-19 to 1927-28. It is not possible to set, side by side, the volume of credit available for trade and commerce in this country. The total deposits of the Imperial, Exchange and Indian Joint Stock Banks, whether subject to cheque or otherwise, fluctuated between 162 to 233 crores, in the same period. It is unlikely that more than half represents the real bank-money put into circulation.†

This aggregate demand for seasonal credit is made up of an immense number of very tiny demands by each cultivator. We have recorded above that the aggregate net sown area for British India is about 201 to 226 million acres. The Census of 1921 makes a return of "actual workers" under the head Ordinary Cultivators" as 42 million males and 16 million Unmales for British India. Apart from actual statistics of number, the size and fragmentation of holdings in this country, these figures are a sufficient index of the scale of the financial interests and status of the Indian agriculturist.

* See pp. 102-103, "Land and Labour in a South Gujarat Village" by G. C. Mukhtyar-Longmans.

† See Currency and Prices, by Vakil and Muranjan-Longmans, P. 418, Foot-Note 2.

Add to this the fact that the agricultural population of India is dispersed throughout the country into extremely tiny villages. It is then clear that the big lender—a bank, for example—can never acquire the advantages of physical contiguity to his borrower. As a matter of fact, from times immemorial, the only moral pressure known to exist and operate most effectively in the sphere of economic relationships in this country, has been the sentiment and beliefs of the small caste-community.

The time interval between the sowing of the leading crops and their harvesting is tabulated below:—

Crop.	Number of Months.	Crop.	Number of Months.
Rice ...	7	Til-seed ...	5
Jute ...	5	Rape-seed ...	7
Cotton ...	6	Mustard ...	7
Tea ...	8	Gram ...	6
Maize ...	4	Lentils ...	5
Wheat ...	7	Peas ...	6
Ground-nut ...	5	Linseed ...	6
Barley ...	6		

It is clear from this table that the duration of agricultural loans advanced for current purposes must always be an important element in the problem of credit-organisation in a country like India. If we take into account the time required for initial preparations and the inevitable delay before crops are actually moved for export, the conclusion must force itself on us that this duration cannot be less than one whole year. As a matter of fact, a portion of the agricultural credit raised by the cultivators in India runs into periods of from two to five years. It is interesting to contrast with this the prevailing banking practices in the sphere of trade and commerce. The bills which are discounted or re-discounted by the commercial banks have as a rule a maturity of 90, 92, 100 or 120 days; while the charters of

Central Banks of most countries place definite limits on the amount of loans which run for 6 and 9 months. Thus, a big gulf separates the credit-practices which are appropriate to a mainly industrial and commercial country and those which are necessary for a country which is predominantly agricultural.

The Credit-system in India itself is in a state of infancy. Bills of exchange, pro-notes, drafts etc. are conspicuous by their absence in most of the transactions of the country-side. Their place is filled by book-credit, cash credits, open accounts etc. It is not surprising in these circumstances, that there should be no accepting houses or bill-brokers in the rural parts to link the small man in the village or the town with the fountain-heads of credit—the banks. Partly on account of this reason and partly on account of the absence of centralized banking, re-discounting facilities whether for co-operative societies or the individual bill-brokers have yet to come into existence. To crown all, the control of the credit policy rests on a dual basis. The Government is the currency authority and the joint stock and exchange banks constitute the credit authority with the inevitable consequences of inelasticity and absence of any comprehensive or co-ordinated aims. This sounds very strange when one recalls how the United States Government have actively aided the creation of warehouses etc. and have created a banking law and practice for the specific purpose of securing credit for the farmer, both in anticipation of production and for the disposal of the produce.

To these defects of human institutions and character, we have to add the difficulties which arise from our dependence on an unreliable and capricious Nature. They are faithfully reflected from time to time in the fluctuations in the yield and acreage of crops, the quantity and distribution of rainfall, expenditure on famine-relief and other allied measures, such as suspensions and remissions of land-revenue. They are

apt to constitute in the aggregate a strain and disturbance to the credit system which it can ill bear without some special reserve power and some special powers of adaptation.

Beset with such a difficult and discouraging situation the cultivator himself is a truly pathetic figure. He is already over-loaded with debt; the aggregate agricultural indebtedness in this country has been estimated at 900 crores by the Banking Enquiry Committee. Various legal measures necessary to protect him from exploitation by the money-lender or the big land-owner have restricted his security, and therefore the available credit, in several parts of the country. He has never been trained to, nor has he ever cared for, business habits or aptitude. An insecure past and a capricious nature have taught him to live entirely in the present, and to think —if at all—of that distant future only when the cares of his earthly vestment will drop away from him. An intense and ferociously effective communal life dictates to him the details of his bahaviour and imposes on him economic obligations and expenditure which have no relation to his economic ability or his ideas of economic prudence. And, what is most tragic, even a century of established peace and civilized administration have done little to bring strength to his character and breadth to his out-look. The Census of 1921 records that 293 millions and more, out of the total 315 millions were illiterate and of the literate not more than 2½ millions were literate in English. And how this narrow literacy is actually distributed will become clear from the following table relating to the Bombay Presidency:

	Boys and Girls of School-going age in 1921.	Boys and Girls at School in 1926-27.
Cities and Town Municipalities ...	188+162	180+69
Villages which have Schools	862+809	553+39
Tiny villages ...	123+123	

Boys Only.

	Percentage to total population.	Percentage of pupils to total number of pupils.
Advanced Hindus ...	9	21
Intermediate Hindus.	57	47·6
Backward Hindus ...	23	13·3
Mussalmans ...	11	18·0

The significance of the whole economic situation and the magnitude and difficulties of the task set before Co-operation will be brought home by the following statistics of the prevailing interest-rates :

During the 10 years, 1921-30, the bank-rate stood at 9 per cent. for approximately 3 weeks, at 8 per cent. for 47 weeks, at 7 per cent. for 119 weeks, at 6 per cent. for 140 weeks, at 5 per cent. for 129 weeks and at 4 per cent. for 81 weeks. It is notorious that the high rates prevail in the months when crops begin to move for export.

Call-money rates fluctuated in sympathy within the following maximum and minimum ranges :

1923.	*1924.*	*1925.*	*1926.*	*1927.*	*1928.*	*1929.*	*1930.*
1½-7.	2-8.	1-6¾.	1¼-6½.	1½-6¾.	1¼-6½.	1-7.	2-6½.

The short deposit rates kept pace with the foregoing figures within the usual range of 1½ per cent. to 7½ per cent., the most common rates being 4, 4½, 5 and 5½.

We may contrast with this the history of the bank-rate in England during the last 10 years, which have been years of the greatest stress and strain for the whole economic system of England. For the greater part of the period, the bank-rate has been stable at 4 and 4½ per cent. It was raised to 5 per cent. for a short time in 1925, to 5½ and 6½ per cent. for the greater part of 1920, but was reduced by successive steps to 3

per cent.—the rate which was common at the beginning of the decade. Barring the war-period, the 6½ per cent. of 1929 was the highest rate known to the money-market in England since the crisis of 1907 when it had mounted to 7 per cent.

The rates in other countries have followed suit. The Federal Reserve Bank Rate fell in 1930 to the unexampled low level of 2 per cent., the French rate to 2½ per cent., the Netherlands bank-rate to 3 per cent., while even the Reichbank rate of impoverished Germany descended by successive cuts 7 to 4 per cent.

When we turn from industry and trade to agriculture, we are confronted with the following depressing picture:

ORDINARY RATE PER CENT.

PROVINCE.	CO-OPERATIVE SOCIETIES.		CENTRAL BANKS.	
	Borrowing.	Lending to Members.	Borrowing. (minimum)	Lending. (maximum)
Madras ...	7½	9⅜	2½ to 7	8
Bombay ...	6¼	9⅜	1½ to 7¼	2½ to 9⅜
Bengal ...	10½	15	2 to 8	3 to 12
B. & O. ...	12½	15⅝	4 to 8	7 to 12½
U. P. ...	12	15	5 to 7	12
Punjab ...	8–9	12½	2 to 6¾	6½ to 9
Burma ...	10	15	8 to 10	10 to 12
C. P. ...	10–12	12	4 to 7	7½ to 12
Assam ...	10½	12½ to 15¾	6¼ to 8	10½ to 12

The general borrowing rate of the Central Banks in India was 5 to 7 per cent. for one year deposit with ½ to 1 per cent. addition for each additional year.

I

CO-OPERATION IN NATIONAL LIFE.

Of the many movements in India for the improvement of the condition of the people in matters, political, economic, religious and social, there can be no doubt that the Co-operative Movement occupies the most important place. In the Presidency of Bombay, 10% of the rural population is enrolled under the banner of co-operation, while the percentages for the Punjab and Madras respectively are 11 and 8. Intensive work is possible in small and compact areas and the percentages for Coorg, Delhi and Ajmere are much higher, being respectively, 36, 12, and 15. In view of these figures, which besides go on showing a substantial increase year after year, none can deny that the Co-operative Movement, having thus a larger membership than any other single movement, is the most important national movement in India to-day and will increase in importance yet in future. And yet, the pity is that this great importance is scarcely recognised adequately by the educated public in towns and urban areas.

The Movement is essentially, in India, a rural movement for the uplift of the agriculturists, and urban people, who by virtue of their education and culture dominate the country's thoughts, do not realise the very important role of this great movement as a lever to remould the country's agricultural economy and to help the bulk of the population towards a better economic and social life. In a land like India, it must be admitted that progress cannot be measured by a Bose, a Tagore or a Raman but by the condition of the masses; it is the extent of the progress made by the masses—and these in India are preponderantly agricultural—that gives a true measure of the country's progress; and there is no denying the

fact that towards this progress of the masses, there is no movement, so full of possibilities, with achievements already to its credit, as the Co-operative Movement.

What are the great currents of national life? The people are striving for political reforms, economic advantages and social betterment. In the economic sphere, co-operation is already important enough. Though the agriculturist is still financed largely by the sowcars, the co-operative credit society has become a force which the sowcar has to recognise sufficiently to make him a little fairer in his dealings with the ignorant and illiterate cultivators. The movement in the villages has acquired a momentum which pushes it on without any great effort on the part of the staff, stipendiary or honorary, of the Co-operative Departments, who at present are concentrating, wisely, more on consolidation than on expansion, and societies are increasing in numbers, membership and working capital.

Besides, it is not only the credit side of the agriculturist's needs that are being attempted to be met by co-operative organisations; co-operation is increasingly entering the field of agricultural supply and marketing and also of the several other needs of the agricultural community, like irrigation, consolidation of holdings, and fencing. In matters relating to industries the big industrialist is of course outside the scope of the Movement; the small producer—the artisan and the handi-craftsman—is within it. The Movement has done something for them, but it must be admitted that this something is not very tangible. Their problem is not only one of finance but also of marketing and supply and the Co-operative Movement has yet to develop much more before the solution of their problem can be regarded as within sight.

Commerce is the third important aspect of the economic life of a country and in this direction while the Movement

has left the big commercial interests alone, it has tried to tackle the problem of the small trader. The Urban Co-operative Banks and societies, whether organised on communal or on general lines, are an attempt to provide the necessary financial accommodation to the small trader for his business, the banking institutions of the country not catering to his needs. In the case of large industries, while the Co-operative Movement is not concerned with their problems directly, there is no doubt whatever that co-operative spirit is essential for their success. While the day is far distant when co-operative mills, for example, can be organised and run successfully, eliminating all conflict between labour and capital, schemes like profit-sharing, welfare work and its humanising touch to the impersonal relations existing to-day between employers and employees, and co-operative societies for the factory operatives, for credit, for household requirements, for housing and so forth, assisted by the employers, represent the co-operative spirit which alone could restore mutual sympathy and avoid class hatred and class antagonism.

In social matters, too, while co-operation as a movement has not much scope, there is no doubt that the underlying principles and spirit are assets of incalculable value. The caste system of India, largely organised on occupational basis, is a great co-operative system indeed. It recognises the great truth that the progress of a large body of people can best be achieved by grouping them and arranging that each group shall look to the needs of its own members. The castes thus function as co-operative credit societies, where the richer members give loans to the needy on personal security, as co-operative stores, where lower prices are charged for articles supplied to caste-brethren, as trade-unions, employment bureaus, arbitration courts, and so forth and group-progress thus achieved is reflected in national progress. But the misfortune is that the spirit died away and the framework of the caste-system remains as a lifeless

During this period of quarter of a century there have been other surveys of the movement and its achievements, mostly confined to particular provinces but occasionally applying to British India as a whole. Committees of enquiry about the working of the movement were appointed in the United Provinces, Central Provinces, Madras, Burma and Mysore, and the Royal Commission on Agriculture in its comprehensive survey took stock of the achievements of co-operation. The Banking Enquiry Committees, Central and Provincial, form the latest survey of co-operation. We have in the reports of all these Committees and Commissions ample material to judge of co operation, its achievements and its defects.

Any impartial student of the movement in India would be struck by two peculiarities that have stamped themselves unmistakably on the movement. The first, that it is pre-eminently an official movement, still under the leading strings of Government officers, and secondly that it has confined itself mostly to credit side. Considering the comparatively backward nature of general education in the country, as it existed nearly 30 years ago, it was quite natural that Government should have sponsored the movement. But the original ideal of the government that they should in course of time equip the people to take charge of the movement has not been kept up. The Government control instead of getting relaxed has become tighter; and in provinces where, after the Montagu-Chemsford Reforms, the Act has been revised to suit local conditions, more power is given to the officers of of the Department than before. The goal of de-officialisation seems still to be far off.

It is equally worthy of note that in spite of there being isolated institutions here and there representing the Consumers' Movement, or for the sale of produce of co-operators, the movement as a whole has confined itself to the credit side. Co-operation, as a general method of economic reform, is capable of application in many ways. Each country seems to

have chosen a particular line in conformity with its characteristic genius and its economic conditions and requirements. The Consumers' Movement flourishes in England, Agricultural Marketing in Denmark, the United States, Canada and South Africa, and the Credit Movement in India. The economic condition of the country at the time the movement was started necessitated special attention being drawn to the credit side and the original impetus has left its mark on the movement. In a poor country like India, where the major portion of its population is engaged in agriculture and is suffering from abysmal poverty the most urgent need is credit and the original promoters had to make money available to the poor people who had nothing to pledge as security except their capacity to work and their honesty. That is why the Raiffeisen principles of co-operation were adopted and attempts were made to capitalise honesty.

Co-operation has been, however, flourishing within this limited sphere quite satisfactorily. Crores of rupees have been attracted within the movement and taking the difference between the co-operative rate of interest and the Sowcar's rate to be at least 3 per cent., the amount of money saved for the borrowers in India by the introduction of the movement would be, in itself, respectable. But our problems are so vast and requirements so great that co-operation in spite of its vigorous life can be said to have touched but the very fringe of the problem.

Certain defects of the system have revealed themselves in its actual working and realising the defects and taking steps to remove them is the first step towards progress. The increased overdues both of interest and of instalment of principal was the first serious symptom that sounded a note of warning that everything was not all right with the movement. A study of the cause of this unhealthy phenomenon revealed that in many provinces, Co-operation was attempting to do in the matter of financing agriculturists more than

what legitimately could be undertaken by it. Giving long-term loans with a view to enable the peasant to clear off his prior indebtedness has landed the movement in difficulties in certain parts of India. No systematic enquiry was made into the economic condition of the ryot and the nature and the extent of the credit he required. Co-operation began to act like a fairy godmother and promised to do everything for the ryot —much more than what it actually could. We now realise the need for starting institutions for dealing with long-term credit and we have learnt to confine the activities of the ordinary co-operative society to giving its members only short-term credit, or at best intermediate credit extending over three to five years.

Secondly, the machinery evolved has been somewhat cumbersome and co-operative societies have not been able to give the financial accommodation to the needy ryot with that promptness with which the sowcar has been able to help him and the result of it has been that the sowcar has not been replaced by co-operative societies. He has not become in most parts of the country "a fragrant memory" which fortunately he has become in a few select areas. Moreover, Co-operation took a very narrow view of its own mission and confined itself merely to giving what credit accommodation it could to the ryot without taking a comprehensive view of all his problems, at least economic. It did not help the ryot to produce more, nor did it concern itself in getting him his requirements as cheap as possible. The task of enabling him to get the utmost for his produce has just been taken in hand, and has come only recently within the purview of Co-operation, and though we have been proclaiming that encouragement of thrift is one of the aims of the movement, we have done nothing substantial to reduce the extravagance of the ryots in the matter of litigation, drink and costly ceremonies. The idea of enabling him to earn an extra income by suitable cottage industries during his leisure moments was not consid-

ered to be within our province, much less the task of imparting to the ryot general education and a healthy outlook upon life in general. Co-operators thought that they had done the utmost possible for the ryot by giving him cheap money, and that too, not to the extent he wanted, but to the extent they could.

We now realise the need, after 25 years of experience, for envisaging the problem of the villager as a whole. We realise the need for co-operation between the various departments of government that are intended ultimately to ameliorate the condition of the peasant. We realise the need for co-ordination of activities of various agencies working for village uplift. Education, Sanitation, Medical Relief, Prohibition, Agricultural Improvement, Cottage Industries, Reduction of Litigation, Co-operative Purchase and Co-operative Marketing, all these have to be interlinked. Life is one united whole and cannot be cut up into compartments and co-operation in order to be effective has got to take its place amongst the various agencies that work for the amelioration of the masses. Expressions like Village Uplift and Rural Reconstruction are becoming very popular and the idea of *Pracharaks* and *Sevaks* settling down in villages and enabling the villagers to improve their condition has also become very popular with the educated. That way our salvation lies and not by merely multiplying the number of credit societies. But Co-operation has this advantage over other movements, in that it can play the role of a basic organisation to be started at first in a backward village, and if it grows and flourishes, it can establish its contact with other organisations which it can bring into existence one after another, and work ultimately for Village Uplift in unison with them all.

Only one thing is wanting in order that the movement can become really efficient. It must be actuated by a noble impulse ; a sweeping passion, a something that will inspire its votaries with genuine zeal and capacity for sacrifice. In

recent times, love of the motherland has been able to evoke, at least in the younger generation, infinite capacity for suffering and sacrifice. If co-operation can win its quota of workers actuated by a true missionary zeal and spirit of self-sacrifice, it has a bright future before it. In the words of the King Emperor:

> "If the system of co-operation can be introduced and utilised to the full, I foresee a great and glorious future for the agricultural interests of the country."

V

STATISTICS RELATING TO CO-OPERATION.

TABLE I.

NUMBER OF CO-OPERATIVE SOCIETIES IN INDIA.

	1925-26	1926-27	1927-28	1928-29	1929-30
Central Societies ...	567	577	598	593	598
Supervising and Guaranteeing Unions	1,406	1,421	1,442	1,419	1,282
Agricultural Societies	71,140	78,940	84,959	88,377	92,051
Non-Agricultural Societies ...	7,069	8,133	9,052	9,761	10,256
Total.	80,182	89,071	96,091	100,150	104,187

TABLE II.

Number, Membership, and Working Capital of Co-operative Societies, 1930-31.

Provinces & States.	Number of Primary Societies.	Number of Primary Societies per 1000 Sq. miles of area.	Number of Primary Societies per 1,00,000 Inhabitants.	Number of members of Primary Societies.	Number of members per 1000 Inhabitants.	Number of members of Primary Societies per Primary Society.	Working Capital in thousands of Rupees.	Working Capital per Society in thousands of Rupees.	Working Capital per head of population in Annas.	Working Capital per member of Primary Society in Rupees.
Madras	14,552	102·5	31·3	9,77,108	20·9	67·1	10,00,38	6·9	33·6	102·4
Bombay	5,768	46·6	25·9	5,72,676	25·6	99·2	9,36,11	16·2	72	163·4
Bengal	23,490	308·7	51·0	7,60,184	16·3	33·4	15,79,21	6·7	54	207·7
Bihar & Orissa ...	9,150	110·0	24·3	2,54,462	6·8	27·8	2,79,00	3·0	12	109·5
United Provinces ...	5,551	52·1	12·5	1,47,736	3·2	26·6	2,23,64	4·2	8·2	151·4
Punjab	20,578	206·0	87·3	6,79,616	28·6	33·0	18,10,60	8·7	122	266·4
Burma*	2,755	11 7	27·5	88,037	6·6	31·9	2,76,56	10·0	38	314·1
Central Provinces and Berar. ...	4,056	40·5	29·5	76,615	5·4	18·8	5,31,72	13·1	60·8	694·0
Assam	1,394	26·3	17·0	69,569	8 4	49·9	78,04	5·5	15	112·2
N. W. Frontier ...	256	19·0	10·5	7,722	3·1	30·1	12,96	5·0	8	167·8

Coorg	239	151·0	146·5	14,037	86·0	58·7	8,16	3·4	80	58·0
Ajmere-Merwara ...	645	137·9	115·0	18,608	33·2	28·8	26,40	4·0	75	142·9
Hyderabad Administered Areas.	13	...	13·0	6,173	61·7	475·0	5,18	39·8	83	83·9
Delhi	274	462·0	40·2	7,795	12·2	26·4	25,07	9·1	62	321·6
Mysore	2,197	74·5	33·5	1,34,428	20·5	61·3	1,89,64	8·6	45	141·0
Baroda	1,040	127·8	42·5	37,321	15·2	35·8	74,94	7·1	57	201·0
Hyderabad	2,123	25·6	14·7	53,120	3·6	25·0	1,06,49	5·0	71	200·4
Bhopal	1,160	168·0	159·1	20,611	28·2	17·6	14,65	1·7	18	70·2
Gwalior*	3,864	146·6	120·8	68,724	21·4	17·7	85,52	2·2	43	124·4
Indore*	432	45·3	39·3	11,124	10·1	24·1	49,88	11·3	73	439·4
Kashmir*	2,746	32·5	83·3	51,430	15·5	18·7	89,40	3·2	43	173·8
Travancore	1,778	233·2	34·9	2,19,159	43·0	123·3	55,92	3·2	17	25·5
Cochin	227	153·5	18·9	23,328	20·4	107·1	21,22	9·4	28	87·3
Pudukota*	150	127·2	37·4	15,335	38·2	100·2	18,13	12·0	72	118·2

* The figures are for 1929-30.

TABLE III.

Deposits, 1930–31.

Provinces and States.	PROVINCIAL BANKS.*		CENTRAL BANKS.*		PRIMARY SOCIETIES.†		PRIMARY NON-AGRICULTURAL SOCIETIES.†	
	Amount.	Percentage of Working Capital.	Amount.	Percentage of Working Capital.	Amount.	Percentage of Working Capital.	Amount.	Percentage of Working Capital.
	Rs.		Rs.		Rs.		Rs.	
Madras	1,61,40,992	90·6	5,30,16,522	86·1	36,51,619	5·0	1,57,10,970	47·4
Bombay	1,18,25,099	76·2	2,51,47,031	82·4	1,19,58,182	26·6	2,96,06,402	61·3
Bengal§	1,77,62,674	112·4	4,04,83,732	120·7	40,85,286	7·1	2,05,19,294	65·3
Bihar & Orissa ...	67,48,276	86·9	1,53,01,387	65·8	8,80,590	3·6	15,23,816	40·5
United Provinces...	...	...	56,65,767	61·1	2,72,926	2·6	10,41,943	40·9
Punjab	80,68,184	75·0	5,66,70,185	79·9	75,32,948	8·8	51,76,143	37·4
Burma§	Not available.		32,80,720	64·0	10,31,788	6·3	10,32,541	15·9
Central Provinces and Berar.	92,18,616	91·3	1,95,08,624	79·4	7,63,750	4·4	4,86,876	34·1
Assam	2,64,564	68·5	17,52,626	85·1	4,96,958	16·1	16,23,323	71·6
N. W. F. Province	...	...	4,69,642	94·7	7,426	1·3	1,33,085	51·1
Coorg	...	...	2,50,302	86·8	56,584	8·8	40,107	21·7

Ajmere-Merwara ...	...	...	15,92,742	60·3	45,581	2·6	4,37,467	47·4
Hyderabad Administered Area.	...	...	...	...	...	...	3,07,408	59·3
Delhi	...	...	12,07,293	89·2	31,028	3·5	1,65,695	59·1
Mysore	42,09,666	80·0	1,16,022	60·7	5,07,950	9·9	39,70,947	47·1
Baroda	...	...	15,72,426	73·4	11,37,769	31·2	10,57,937	61·8
Hyderabad§ ...	32,38,098	81·6	37,85,416	75·1	5,67,460	7·4	2,88,285	11·9
Bhopal	...	...	1,65,944	16·7	1,609	0·1	22	0·1
Gwalior§	...	...	16,40,701	26·5	1,37,970	6·8	3,968	6·7
Indore§	...	...	15,39,623	71·6	65,076	2·9	3,66,311	58·1
Kashmir§	...	...	23,53,124	68·3	16,720	0·3	10,628	1·9
Travancore ...	...	...	9,62,032	71·7	10,94,311	19·6	8,32,000	36·9
Cochin	...	...	5,46,226	85·2	9,81,563	46·2	4,28,345	20·2
Pudukotah§ ...	...	...	4,55,610	86·2	4,10,440	73·2	6,19,801	85·1

* Loans and deposits held at the end of the year from (i) Societies, (ii) Provincial and Central Banks and (iii) Individuals and other sources, are taken here as being Deposits only.

† Loans and deposits held at end of the year from (i) Members, (ii) Non-members and (iii) Societies, are taken here as being Deposits only.

§ Figures relate to the year 1929-30.

TABLE IV.

Cost of Management, 1930–31.

Provinces and States.	PROVINCIAL BANKS.		CENTRAL BANKS.		PRIMARY SOCIETIES.		PRIMARY NON-AGRICULTURAL SOCIETIES.	
	Cost of Management in thousands of Rupees.	Percentage of Working Capital.	Cost of Management in thousands of Rupees.	Percentage of Working Capital	Cost of Management in thousands of Rupees.	Percentage of Working Capital.	Cost of Management in thousands of Rupees.	Percentage of Working Capital.
Madras	1,06	0·59	5,18	0·84	5,76	0·86	5,99	1·81
Bombay	2,54	1·70	3,22	1·05	8,65	1·92	7,65	1·57
Bengal	34	0·18	7,11	1·48	5,16	2·03	3,81	1·25
Bihar and Orissa ...	31	0·39	6,38	2·94	1,43	0·59	93	2·46
United Provinces ...	...	...	2,34	2·52	1,12	1·07	53	2·08
Punjab	42	0·38	4,34	0·61	6,65	0·78	1,75	1·26
Burma*	Not available.		39	0·76	3,00	1·86	1,47	2·26
C. P. and Berar ...	34	0·32	2,03	0·82	31	0·24	30	2·10
Assam	2	0·58	32	1·5	28	0·88	33	1·41
N. W. F. Province ...	...	...	2	0·49	1·5	0·27	1·5	0·58

Coorg	...	...	1·5	0·52	20	3·15	10	5·40
Ajmere-Merwara ...	...	...	18	1·1	16	0·93	25	2·71
Hyderabad Administered area.	...	...	...	...	...	...	9	1·8
Delhi	...	...	8·1	0·59	4·2	0·49	1·2	0·44
Mysore	37	0·70	1	0·5	31	0·61	1,02	1·2
Baroda	...	...	16	0·75	72	1·9	25	1·44
Hyderabad*	15	0·40	46	0·91	46	0·60	22	0·91
Bhopal †	...	...	...	...	...	...	...	...
Gwalior*	...	...	1,84	2·83	31	1·54	0·2	0·44
Indore*	...	...	28	1·37	14	0·63	9	1·43
Kashmir*	...	...	21	0·61	50	1·0	3·5	0·63
Travancore	...	...	7·7	0·57	1,24·2	2·04	51	2·27
Cochin	...	...	6·0	1·4	31·3	2·1	17·4	2·4
Pudukotah ...	...	...	1	0·2	...	...	1	0·14

* Figures relate to the year 1929-30.

The cost of management for the latest year is negligible.

TABLE V.

Reserve Fund, 1930-31.

Provinces and States.	PROVINCIAL BANKS.		CENTRAL BANKS.		AGRICULTURAL SOCIETIES.		NON-AGRICULTURAL SOCIETIES.	
	Amount in thousands of Rupees.	Percentage of Working Capital.	Amount in thousands of Rupees.	Percentage of Working Capital.	Amount in thousands of Rupees.	Percentage of Working Capital.	Amount in thousands of Rupees.	Percentage of Working Capital.
Madras	10,23	5·7	23,02	3·7	54,96	8·2	24,36	7·3
Bombay	6,52	4·3	6,08	1·9	66,43	14·7	25,86	5·3
Bengal	5,58	2·8	30,53	6·1	1,03,06	18·3	20,14	6·2
Bihar & Orissa ...	4,20	5·4	8,43	3·6	32,24	13·3	3,34	8·8
United Provinces.	...	...	12,88	13·9	26,91	25·7	3,10	12·2
Punjab	1,08	1·0	37,26	5·2	1,86,48	21·9	26,10	18·8
Burma*	Not available.		6,38	12·4	59,28	36·9	6,03	9·3
C. P. & Berar ...	2,95	2·9	31,41	11·7	30,65	17·9	1,15	8·05
Assam	18	4·5	1,27	5·2	7,08	22·8	1,66	7·3
N. W. F. Province.	...	...	7	1·3	27	5·0	9	3·3
Coorg	...	...	10	3·4	2,15	34·0	21	11·3

Ajmere-Merwara	...	...	2,90	11·3	5,36	31·1	1,40	15·2
Hyderabad Administered Area.*	...	...	...	...	...	...	21	4·5
Delhi	...	...	60·3	4·4	1,44	16·5	6·2	2·2
Mysore	4,04	7·7	24	12·0	8,33	17·3	11,58	13·7
Baroda	...	...	1,25	5·8	7,66	21·0	77	4·5
Hyderabad* ...	1,74	4·6	2,01	3·9	14,68	19·2	2,16	8·9
Bhopal	...	...	3,42	23·3	4,87	33·5	6	33·3
Gwalior*	...	...	5,74	8·8	11,49	55·2	32	54·2
Indore*	...	...	2,27	10·5	9,10	41·1	53	8·4
Kashmir*	...	...	1,92	5·5	10,84	21·9	60	10·8
Travancore ...	...	...	40	2·9	4,05	12·1	1,40·5	6·3
Cochin	...	...	37·6	5·8	1,63·9	21·2	81·2	11·4
Pudukota* ...	...	...	12	2·2	69	12·3	66	9·0

* The figures are for 1929-30.

TABLE VI.

Expenditure of the Co-operative Departments in the Different Provinces, 1930-31.

Provinces and States.	Expenditure in thousands of Rupees.	Expenditure per 1000 Societies in thousands of Rupees.	Expenditure per 1000 sq. miles in thousands of Rupees.	Expenditure per thousand of Working Capital	Expenditure in Rs. per member.
Madras	11,59	77'3	8'2	0'6	1'2
Bombay	5,71	97'5	4'5	0'4	0'9
Bihar & Orissa	3,67	40'1	4'4	13'1	1'4
United Provinces	4,77	85'9	4'4	21'3	3'2
Punjab	12,91	62'3	10'8	7'1	1'7
C. P. & Berar	2,50	62'5	2'4	4'8	3'1
Coorg*	4	16'1	2'5	4'4	0'3
Ajmere-Merwara	39	60'7	14'4	14'7	2'0
Delhi	12	43'1	20'2	4'7	1'4
Mysore	1,65	82'0	5'6	12'2	1'2
Baroda*	46	43'8	5'6	8'5	1'2
Hyderabad*	3,19	156'1	3'0	17'3	5'7
Bhopal	16	14'5	2'4	11'5	0'8
Gwalior§	1,22	33'5	4'6	14'6	1'9
Travancore	58	32'4	7'5	10'3	0'3
Cochin	22	95	15'1	10'5	0'9
Pudukotah*	7	47'0	5'9	3'8	0'4

* The figures are for 1929-30.
§ The figures are for 1928-29.

CO-OPERATIVE FINANCE.

I. THE FINANCIAL STRUCTURE OF THE CO-OPERATIVE MOVEMENT.

II. APEX BANKS.

III. CENTRAL FINANCING AGENCIES.

IV. URBAN CO-OPERATIVE BANKS.

1. Urban Co-operative Credit.
2. Peoples' Banks.

I

THE FINANCIAL STRUCTURE OF THE CO-OPERATIVE MOVEMENT.

By Mr. V. L. Mehta, B.A.,

Managing Director, Bombay Provincial Co-operative Bank Ltd.

It is a distinguishing feature of the co-operative system of any country that all its component parts are closely linked with one another, and the more well-knit these mutual ties the greater is the efficiency and strength of the system as a whole. When the co-operative movement was first introduced in India in 1904, this characteristic of the co-operative form of organization was apparently overlooked and the defect had to be remedied by the amendment of the law in 1912, before which date it was not possible to accord registration to co-operative societies of which other societies were members. The year 1912 thus represents a very important stage in the building up of the co-operative structure, because though the need for associated action among co-operative societies might have made itself felt even earlier, it was only after 1912 that it became possible to bring under the law central organizations for the purpose of finance or mutual control. All such organizations which comprised as members registered co-operative societies, the law rightly laid down, should be based on limited liability.

The strength of any structure depends obviously upon the strength and stability of its foundations. As Mr. Henry Wolff observes, "it is the local society, the single brick in the bottom layer upon which the intended fabric is to rest which makes for the safety of the organization". In India, the most important local unit is the village credit society composed of agriculturists as members, and no constituent of the financial structure can compare with the village credit society in its influence on the soundness of the organization, more especially because the co-operative movement in India is predominantly

a rural credit movement as will be seen from the following figures:

Agricultural credit societies	...	84,725
Agricultural non-credit societies	... 3,266	
Non-agricultural credit societies	... 5,123	
Non-agricultural non-credit societies	... 4,638	
		13,027
	Total	97,752

The average member of the village credit society is typical of the agriculturist in the various parts of India. He constitutes the vast majority of the population which in census returns is shown as illiterate. Illiteracy, a non-elastic system of land revenue administration, rack-renting, usurious conditions of credit, all these factors have combined to leave the agriculturist backward; unorganized and unconversant with business practices as he is, he is admittedly a weak link on which to build the strength of the movement. The merit of the co-operative method consists, however, in its attempt at strengthening this link, by training the agriculturist in the elements of business, by teaching him the practical value of organization and by indicating to him the directions in which such organization for economic ends is possible in the village units and through the federation of the village units into still larger units.

The financial operations of the primary societies are subject to the restrictions imposed by the law. Societies are allowed to draw funds from members as well as others, though the borrowings from outside can be regulated by special rules promulgated under the Act. The maximum borrowing capacity for societies with unlimited liability is usually fixed by the bye-laws, and for limited liability societies the power to borrow, as a rule, does not exceed the limit of eight to twelve times the paid-up share capital and reserve fund. In village societies, outside deposits are not common except in the Punjab and Bombay, and there are no elaborate arrangements

prescribed for fluid resources. Such arrangements are, of course, necessary for the larger societies and central banks raising considerable amounts by means of deposits. The maintenance of ample fluid resources presented grave difficulties in the earlier years of the movement and it is a serious problem even to-day in the absence of any satisfactory arrangements for the apex banks to obtain funds on the security of short-dated agricultural paper held by them. The difficulties are aggravated by the fact that agricultural finance has necessarily to be based on the agricultural cycle covering a series of good, bad and indifferent years, which convert bona fide short-term advances into loans for an intermediate term and in the event of a serious agricultural depression or crisis into long-term ones. The accumulation of a solid substratum of long-term capital is one method of meeting this difficulty but cheap long-term capital can be raised only with difficulty. The raising of long-term debentures secured generally on the floating assets is a method that was adopted by the Provincial Bank in Bombay, but it may create further difficulties about relations with joint stock banks in respect of short-term borrowings.

Advances can be made by co-operative societies only to their members; no advances can be made to outsiders except with the permission of the Registrar which is rarely granted. A society with unlimited liability cannot lend money on the security of moveable property, while the power to grant advances on the security of immoveable property may be restricted or withdrawn by the local Government. Surplus funds can be invested only in such manner as is prescribed by the Act. There is no limitation on the rates of interest that may be charged, though these are, as a rule, fixed in every province for different classes of societies. Nor is there any restriction in the law as to the period for which an advance can be made; the practice, however, is to limit loans to a currency of ten years at the maximum, the period being

determined by the purpose for which the loan is made. Societies have a prior claim on the crops or cattle of the members financed for these specific purposes, and this claim has been converted into a first charge in the law in force in Bombay. Proceedings for recovery of dues, when necessary, have to be instituted before arbitrators whose awards have the force of the decrees of civil courts. These awards and the orders passed by liquidators of cancelled societies are, in some provinces, made recoverable, by summary process, as arrears of land revenue.

It may be noted here that among the agricultural credit societies, all, except 433, are societies based on unlimited liability. The majority are village credit societies, or village banks as they are known in other countries, having their operations confined almost always to a single village, and only occasionally to a group of contiguous villages. The remaining societies are grain banks carrying on their transactions in kind and not in cash and mainly intended to promote the accumulation of grain reserves for local use. A few are special societies for the larger land-holders or Zemindars, of the type found in parts of Bengal and in Sind. Of the non-agricultural credit societies, 2,974 are based on limited liability and the rest on unlimited liability; the latter group consists of smaller societies for the poorer sections of the population and petty artisans and the former of the larger societies for the urban population. There is often a tendency for the non-agricultural societies and the larger agricultural non-credit societies to remain outside the federal organizations of the movement except the institutions for finance. And even in respect of finance in some provinces some of the other types of societies have, occasionally, their own central financing agencies.

A very small proportion of the funds held by the co-operative movement is derived from Government. There are no advances granted direct to agricultural credit societies, except to a group of societies in a newly colonized area in Burma and by way of advances under the Agriculturists' Loans

Act or the Land Improvement Loans Act in a few provinces. The grant of loans to special types of societies, agricultural and non-agricultural, including the new organizations for land mortgage credit, is, however, being extended, the most prominent examples of such State-aid being the advances to housing and house-building societies in Bombay and Madras, to the land reclamation and flood relief societies, also, in the same two provinces and to industrial societies in various other provinces. In Bombay, to promote land improvement, Government made advances under the Land Improvement Loans Act to members of agricultural co-operative societies through their societies. The societies are, however, not financed direct, but through the provincial bank which makes advances to primary societies, either direct or through the central bank to which the borrowing society is affiliated. The following table shows the loans due to Government by different types of societies in various provinces at the end of the year 1928-29 :

Names of provinces.	Provincial Banks. Rs.	Central Banks. Rs.	Agricultural Societies Rs.	Non-Agricultural Societies Rs.	Total Rs.
Madras	...	...	12,81,210	21,12,798	33,94,008
Bombay	5,05,437	...	1,71,117	37,71,618	44,48,172
Bengal	...	...	48,311	34,666	82,977
Bihar & Orissa ...	...	36,311	25,841	9,837	71,989
United Provinces.	...	19,000	...	300	19,300
Punjab	14,12,220	...	1,04,680	...	15,16,900
Burma	...	...	5,75,935	1,09,759	6,85,694
C. P. & Berar ...	...	110	10,321	...	10,431
Assam	15,000	...	...	63,000	78,000
Coorg	...	500	6,100	...	6,600
Mysore	...	...	1,74,283	1,08,797	2,83,080
Baroda	...	1,96,941	1,41,564	3,99,803	7,38,308
Hyderabad ...	...	2,61,573	20,763	1,57,051	4,39,387
Bhopal	...	3,96,511	41,039	344	4,37,894
Gwalior	...	38,17,432	...	...	38,17,432
Indore	...	2,54,147	2,918	...	2,57,065
Kashmere ...	...	4,39,380	...	...	4,39,380
Travancore ...	...	1,05,683	...	...	1,05,683
Cochin	...	25,000	...	875	25,875
Total ...	19,32,657	55,52,588	26,04,082	69,68,848	1,68,58,175

A co-operative society should always be independent but never isolated—that is the idea accepted in most Indian provinces. In view of the fact that the requisite trained personnel is not available in every village, it has not been found possible in India, as in Germany and other countries, to develop within every society the machinery for internal supervision over the management; but during the last twenty years attempts have been made in several provinces to evolve a local supervising agency representative of, and responsible to, the constituent societies. The Committee on Co-operation which conducted a comprehensive inquiry into the working of the co-operative movement all over India in 1914-15 urged that the local union, especially in areas where primary societies were financed by banks with wide areas of operation, served as a valuable agency for decentralizing supervision and for securing mutual control. This view was also endorsed by the Royal Commission on Agriculture on India which held that the success achieved in securing federal control through local unions was satisfactory enough to merit the extension of the system and its furtherance by the grant of State-aid. There are two types of local unions as known in India, the pure supervising union, and the guaranteeing union which combines its function of supervision with a system of guarantee. The guarantee extends to the outside borrowings of constituent societies and is assumed by the various societies to the extent of their own outside liabilities—as was the practice in Burma—or to a limited figure which represents some fixed multiple of the membership of every individual society. This guarantee and the work of supervision were supposed to be closely interconnected, the guarantee being deemed worthless without any mutual control and the work of supervision being considered effective only with the sanction of the guarantee behind it. In practice, the guarantee has proved wholly illusory in the provinces in which it was tried, and Bombay abandoned it some ten years ago, while similar unions in the Central Provinces and Berar were scrapped

about the same time. The Province of Bihar and Orissa still has some guaranteeing unions, but these do not constitute any integral part of the financial structure of the province. The only province where the system of guarantee continued was Burma, but even there, as the report of the recent Enquiry Committee shows, the system has really broken down and its gradual abandonment is only a question of time.

Unions for supervision were first started on a large scale in Madras and are now an integral part of the co-operative financial structure of that province. When Bombay abandoned the system of guaranteeing unions it decided upon having unions purely for the work of supervision. The main duties of the unions in both the provinces are to supervise the working of affiliated societies, to promote the interest of their members, to see that the accounts are in order, to assist in preparing statements of credits, to stimulate the recovery of loans, to promote the spread of co-operative education and to help in organizing co-operative activities for purposes other than credit. The unions have a membership of twenty to thirty each and rarely cover an area larger than a taluka (tehsil). Their committees meet frequently and depute individual members or sub-committees to visit weak or defaulting societies and assist in their improvement; but the brunt of the work falls on the full-time paid supervisors. These are generally recruited, both in Madras and in Bombay, from persons specially trained for the work, and in both the provinces suitable arrangements are being devised for their training, the control of their appointments and supervision over their work. Similar arrangements were found necessary in Burma for controlling union supervisors, and hence in addition to the local unions there were in that province district union boards or district co-operative and agricultural associations. Burma has four unions for non-agricultural societies with an urban banks' federation at the top. In Madras, too, district federations have been started, though

the mutual relations between these bodies on the one hand, and local unions or the central financing agencies on the other, have not yet been clearly defined.

The following table gives information relating to the working of the different types of unions except those doing only banking business in various provinces:

Name.	Number of Unions.	Membership of Unions.	Total number of Agricultural Societies.	Number of members of the staff.	Expenditure. Rs.
Madras	440	12,883	12,947	542	5,23,675
Bombay	102	2,079	4,574	103	89.733
Bengal	3	263	17,968	7	553
Bihar and Orissa ...	215	10,794*	8,532	211	30,126
United Provinces ...	3	108	5,444	157†	1,20,689
Burma	584	3,508	3,370	17	2,89,845
Central Provinces & Berar.	19	4,575	3,817	366‡	3,69,097
Ajmer-Merwara ...	2	141	1,234	2	824
Coorg	12	160	214	...	173
Bhopal	10	251	1,089	...	...
Baroda	2	40	821	1	521
Travancore ...	26	1,468	1,377	26	15,918
Total ...	1,418	35,770	61,387	1432	14,38,036

In the Punjab, Bengal, the Central Provinces and Berar and the United Provinces, among the major Indian Provinces, there are no local unions for the purpose of supervision. The banking unions existing in the Punjab, Bengal, Bihar and Orissa and several other provinces described elsewhere are considered as Central banks and will therefore not be discussed here. In these provinces there are provincial controlling federations and in Burma a Provincial Co-operative Council—the working of which is described in another chapter. In as much as these provincial unions are not federations of local unions, they do not derive their strength

* The figures include membership of Provincial Federation.

† The figures relate to U. P. Provincial Union.

‡ The figures relate to Federations and Unions.

from the organised forces of local unions and in some of the provinces the requisite cementing force is supplied by the Registrar of Co-operative Societies.

The foregoing brief description may lead a student of Co-operation to question the wisdom of running a multiplicity of institutions and agencies for the performance of the same function, viz: the guidance of co-operative societies in their working. To such a query the reply is that though the functions covered by the terms supervision, inspection and audit are allied and cognate, the need has been felt, in practice, of differentiating between the three functions and to entrust them, so far as possible, to separate agencies. Reference has been made above to the duties of supervising unions, and the mere enumeration of these is enough to indicate their importance from the point of view of the financial safety of the co-operative structure. These duties are such as may involve a friendly interference, on occasions, with the detailed working of societies and can be performed only by an agency in close touch with the institutions concerned, whose action being of the nature of educative guidance, cannot be resented by those affected. Such an agency can only be the local federal unit. But this general watch over affairs, though most invaluable for building up internal strength, is not enough. Financial stability requires deeper knowledge of financial safeguards to ensure which there must be an effective sanction behind the behests of the counsellors. In India, where more than 60 per cent. of the resources of primary agricultural societies are derived from central financing agencies, these latter institutions not only have a vital interest in the financial safety of the primary societies to which they provide credit, but they, more than any other agency within the movement, are in a position to ensure that the suggestions made and the directions given will be carried out. Even in Germany, there is a close interconnection between controlling bodies and co-operative central banks; here the need is greater in as much as the

proportion of owned to outside capital is reversed. Hence, in all the major provinces of India, with the exception of the Punjab and Burma—Madras being the latest convert to the idea—co-operative central banks, pursuant to the recommendation of the Committee on Co-operation, are interesting themselves in the work of the inspection of societies. This work of inspection may, in practice, overlap the work of supervision, especially where no local unions are in existence, but it usually embraces various inquiries which relate mainly to the security provided by borrowing societies and to their financial strength. The inspecting staff may have to value, or verify the valuation of, the statements of the landed assets and other property of the members of societies; they may examine the demands for finance put forward by members and as exhibited in the annual statements of credits prepared by societies; they may check the use of loans and the documents taken in respect of advances, and, lastly they may take action to stimulate recoveries of outstandings from members or press for action against defaulters. The reports of various provinces do not give any information regarding the size of the staff employed by central banks for this work or the amount of expenditure incurred on it, but the following figures will indicate the comparative position of various provinces in the matter of such expenditure :—

Provinces.	Cost of Management. Rs.	Working Capital. Rs.	Percentage of central banks' lendings to total resources of primary societies.
Madras	3,40,786	5,82,26,448	74
Bombay	2,50,890	2,65,58,230	46
Bengal	5,74,292	3,92,76,446	67
Bihar & Orissa ...	5,48,308	2,27,35,055	77
United Provinces ...	2,32,596	92,59,375	54
Punjab	3,54,046	7,40,61,230	56
Burma	52,023	61,42,963	42
Central Provinces & Berar.	1,99,312	2,26,36,280	76

In the Punjab, where the central banks assume no responsibility for inspection of societies, the ratio of expenditure to working capital is the lowest. It is the highest in Bihar & Orissa where banks have their own staff for inspection and have, also, to contribute to the Provincial Federation. In Madras and Bombay, regular grants are made by central banks to local unions or federations; and it may be further noted that among provincial banks the ratio of expenditure to working capital is the highest in Bombay, where the apex bank has relations through its branches with primary societies, in order to keep in touch with which it engages a large inspecting staff.

This financial scrutiny or inspection which forms part of the terms of affiliation of primary societies to central banks is different altogether from the inquiry or inspection, the ordering of which is the prerogative of the Registrar of Co-operative Societies or the statutory audit, the responsibility for which also rests entirely in him. An 'inquiry' is ordered by the Registrar into the working of a registered society either of his own motion or on the application of a majority of the committee or of not less than one-third of the members, and such formal inquiry is usually held previous to the cancellation of registration. The 'inspection', provided for by the law, is also a formal procedure authorized by the Registrar on the application of a creditor of a registered society who wants an examination of the books and records, and can be asked for only when a creditor has demanded payment of his dues and has not received satisfaction. The audit, as provided for by law, is an annual examination of the accounts by the Registrar or a person authorized by him and includes the scrutiny of overdue debts and a valuation of the assets and liabilities of a society. The inspection conducted by central banks through their staff is very different both in scope and method, and is intended to enable the bank to maintain touch with the institution for which it provides the

major portion of the funds required for the conduct of its banking business.

Apart from the central banks of the standard type, affiliating societies of all classes situated within their respective areas of operations in the different provinces, there are central societies for special groups or classes of societies, which deserve particular mention. The statistics of such societies are included in the figures for central banks given in the statistical statement published by the Government of India, but the size and importance of these institutions can be gauged from the following table compiled from provincial reports :—

Name of Province.	Number of Central Societies.	Membership.	Working Capital. Rs.	Loans due. Rs.	Supply and Sale. Rs.
Punjab	8	407	6,13,874	5,26,647	67,584
United Provinces ...	9	798	64,930	4,236	50,107
Bengal	17	992	9,73,013	3,41,425	22,07,433
Bihar and Orissa ...	1	227	1,71,837	88,555	4,065
Ajmere-Merwara ...	5	434	39,452	788	8,657

The Punjab has 5 Industrial unions and 3 Weavers' unions, exclusive of 33 other non-credit unions ; the United Provinces have 5 agricultural supply societies, 2 industrial unions and 1 sale union, exclusive of one industrial federation ; Bengal has 6 milk unions, 1 wholesale society and 10 Industrial Unions exclusive of 2 propagandist unions and one central bank for irrigation societies ; Bihar and Orissa has 1 industrial union, the figures for which have been included in statistics for central banks ; and Ajmere-Merwara has 2 supply unions and 3 unions for execution of awards. It may be mentioned that in the Punjab there is one central Industrial Bank at Amritsar, which finances industrial societies ; in Burma there is an apex bank for urban societies; while in Madras, Bihar and Orissa and the Punjab there are

separate central banks for societies composed of Christians as members. All the other central banks, as noted above, deal with all types of societies situated within their jurisdiction.

No general remarks can be offered about the area served by central banks, for the practice varies from province to province, nor is there any uniform practice even in any one province. For instance, in the Punjab while the banking unions serve areas smaller than a taluka (tehsil) the mixed type of central bank serves the whole of a district. The following table will, however, convey some idea of the prevailing practices in various provinces and of the predominant type of central bank that is in existence. It may be noted that primary societies in Bombay and Burma in areas not under district banks are served by the Provincial Bank directly or through its branches.

Province.	Number of districts served by the movement.	Number of Central Banks.	Number of Banking Unions.
Madras	29	31	nil
Bombay	27	19	1
Bengal	27	111	53
Bihar & Orissa ...	17	67	16
United Provinces ...	45	70	9
Punjab	28	49	65
Burma	31	21	3
Central Provinces and Berar.	22	34	nil
Assam	8	15	nil
Ajmere-Merwara ...	4	6	3
Mysore	6	15	1
Baroda	...	5	...
Hyderabad	16	28	nil

From the foregoing figures it will be seen that the number of central financing agencies is largest in provinces where there is a large number of banking unions. On the whole, it may well be asserted that, except in Bengal, the United Provinces and Bihar & Orissa, the district is the unit for the

central bank; but where banking unions are started, a smaller unit is almost always preferred. The questions of the personnel and of the area of operations are closely connected with one another. It may be difficult to find a good personnel for running a pure type of bank if its area is wide and its business is on an extensive scale. On the other hand, for a bank with a small area and restricted operations it is difficult to find a better personnel than representatives of primary societies from among the local public not otherwise connected with the movement. Hence it would not be wrong to conclude that if the purely federal type of central bank is to be favoured, the area will necessarily have to be small, and as experience in the Punjab, Bengal and Bihar & Orissa indicates, the district will cease to be the unit for the financial machinery of the movement.

Reference may be made here to the special position occupied by the apex banks of Burma and Bombay in respect of direct relations with primary societies. The normal practice in almost all provinces is for primary societies in any local area, large or small, to have their local central bank, and for these local central banks in one province to have at the apex a provincial bank to serve as a balancing centre and a reservoir of finance. In these two provinces the provincial banks, which came into existence before the formation of local banks was contemplated, still continue to have direct relations with primary co-operative societies. In Burma, where well-developed central banks are few in number, the intermediate agency between the apex bank and primary societies used to be the guaranteeing union. The societies are not grouped round branches and the bank has no outdoor staff, as is the position in Bombay. The provincial bank in Bombay has thirty branches covering the few districts that have no local banks or parts of districts not taken over by the local banks for some reason or other. The bank has an inspecting staff of its own, in addition to the office staff at branches. With

the work of branches are associated local advisory committees, composed of elected representatives of the affiliated societies, and certain powers, including the authority to sanction loans, are delegated to the committees. The following figures show the relative importance of the business of the apex banks in the two provinces, with primary societies and central banks:—

(FIGURES IN RUPEES)

Name of Province.	DEPOSITS FROM		LOANS TO		Total Working Capital.
	Central Banks.	Societies.	Central Banks.	Societies.	
Burma ...	6,42,779	2,73,721	6,76,236	84,91,188	1,25,54,657
Bombay ...	29,41,173	38,35,148	4,95,561	77,08,401	1,56,69,589

In other provinces, the provincial banks have no direct dealings with primary societies, except very rarely in special circumstances or for some special type of society.

In the earlier days of the movement considerable discussion arose as to the advisability of central banks undertaking dealings with individual members. Since the publication of the Report of the MacLagan Committee on Co-operation, the tendency has been to eschew this business and loans due by individuals now constitute less than two per cent. of the total working capital of central banks. These consist either of previous loans still under recovery or fresh advances by some banks to members against their deposits with the banks. The latter transaction is more of the nature of a pre-payment in part of deposits and is not very objectionable, particularly as it is a facility that assists in attracting depositors to a bank. The other types of advances that are occasionally favoured are the grant of loans against agricultural produce. It is not all banks that are capable of handling this business, but even when they are in that position, such advances are permissible only in centres where no urban banks, or other primary societies that

can take up the work, are in existence and the banks concerned have actual surplus funds on hand after fully providing for the needs of their constituent societies. Central banks are generally not permitted to handle other types of business for two main reasons. One is that the staff they engage is usually trained in the assessment of the credits of rural societies and is not competent to investigate the demands of individuals; and next, if relations with individual members are once started, there can be no real progress towards the federal form of organization and central financing agencies which should be the goal of the movement.

The combination of short-term and long-term credit creates several complications that are being attempted to be met in several provinces by experiments in the direction of separating altogether the two forms of financing. The following table gives the number, membership and resources of land mortgage societies in different provinces at the end of the year 1928-29:

Name of Province.	Number of Societies.	Number of Members.	Working Capital.
Madras	21	1,674	8,66,653
Bombay* ...	3	749	1,51,946
Bengal	2	not available separately.	
United Provinces.	1	34	9,220
Punjab	12	5,648	22,85,782
Burma	2	281	50,743
Assam	5	not available separately.	
Ajmere-Merwara.	13	581	57,485

It may be noted that in Madras a Central Land Mortgage Bank has been formed in 1930. In addition to the long-term advances given by the land mortgage societies, primary societies, with the aid of the requisite finance from their central banks, make long-term advances in almost all provinces, mainly on the security of the mortgage of land. It may be

* The figures are for 1929-30.

observed that the members of the land mortgage societies have to borrow for their current needs from the village credit societies; and occasionally the interests of the two co-operative institutions, as this business develops, may be brought into conflict. How to reconcile these interests and provide a sound system of long-term credit is a problem that has not yet been satisfactorily solved in any province. Whatever the views with regard to the separation of long-term finance from the purview of central banks and village credit societies, opinion is unanimous that the demand for intermediate term credit may be met, as has hitherto been the practice, by the existing organization.

It is coming to be realized, however, that central banks can very well undertake the business of accepting all kinds of deposits and using cheques and other instruments of credit, if they are to function as banks in the correct sense of the term. In the earlier days, all that a central bank was allowed to do was to raise money by means of deposits for fixed periods for investment by way of fixed loans to co-operative societies. But a bank is expected to take in all types of deposits, and particularly to open current accounts and promote the use of instruments of credit. At one stage, there was opposition from the Government of India to the acceptance of savings deposits by co-operative banks, but that had to be withdrawn because the attraction of savings is the very basis of co-operative credit. The opening of current accounts was opposed on the ground that central banks were not competent to handle the business, that they might not be able to meet large drawings in such accounts on demand, and that their entry into this field of business might be resented by the joint stock banks, and particularly, by the Imperial Bank of India, on the good-will of which they might be dependent for their fluid resources. In Bombay, however, this business came to be taken in hand in right earnest in 1920, being deemed especially valuable for the development of banking

habits in outlying parts of the Presidency and helpful in promoting the use of modern instruments of credit. Simultaneously, arrangements were made to train the staff and educate the management in the intricacies of the business; and in that province, co-operative banks, central and urban, play a large part in the banking organization of small centres of trade and industry and facilitate the transmission of funds for their members and customers from one centre to another. The system has been helpful in popularizing current accounts and cheques in rural areas in some parts of the Presidency, and it is not uncommon for village societies to have current accounts with their central bank and to issue cheques in favour of members in payment of sanctioned advances. The system of current accounts has now been adopted by urban banks in all provinces, particularly in Bengal and Burma, while central banks in some provinces, notably, Madras and the Central Provinces & Berar, also go in for this form of deposits.

For the work of transmission of funds, exchange is usually charged by the banks undertaking such business. All co-operative societies enjoy the concession of free transfer of funds through the Government treasuries, but it has recently been ruled by the Government of India that if any remittance represents a transaction on which exchange has been earned, the facility of free transfer of funds cannot be made available. Co-operative banks, however, claim the continuance of the concession on the ground that they are rendering a public service by cheapening the cost of transfer of funds from the metropolis to a petty trade centre or vice versa,—places where no other organized banking agencies are available. It is only if some concessional treatment is shown by Government—there being no other arrangements for transfer of funds —that they will be able to extend their operations in centres of agricultural trade, develop banking facilities in rural areas, and spread the knowledge and use of cheques and other instruments of credit among the rural population.

Though in every major province, with the exception of the United Provinces, and in the important States, the central banks have their own apex bank, with which they deposit their surplus funds and from which they draw money when required, the practice in different provinces about the prohibition of dealings with outside banking agencies or of interlending is not uniform. In Madras, for instance, central banks have regular overdraft arrangements with the Imperial Bank of India, these credits being secured on the demand promissory notes of agricultural societies. Similar arrangements in regard to advances on the security of Government paper obtain in Bombay and the Punjab. In the former province, the deposit of surplus funds with joint stock banks is permitted, while in the latter a central bank may lend to a banking union in its district. The general tendency, however, is for central banks to eschew borrowing from joint stock banks or interlending among themselves except in special circumstances, and to look upon the apex bank as their link with the wider money market.

But even in provinces where discipline in this matter is strictly maintained, there is no other power of superintendence exercised by the apex bank over central banks. The constitution of some apex banks does provide for the exercise of such authority, and in the Central Provinces and Berar some years ago attempts were made for the provincial bank, in collaboration with the co-operative federation for the province, to function as a co-ordinating agency. The apex bank in Bombay, without assuming any powers of control, has been trying to ensure unity in policy and uniformity of practice, and the work of co-ordination has recently been taken in hand on systematic lines by the provincial bank in Madras. But in the performance of this task, the institutions have to contend with various difficulties and to overcome the natural aversion to outside intervention arising out of lack of appreciation of the meaning and value of federal control. In the

meantime, the only co-ordinating agency is apparently the Registrar of Co-operative Societies, who in virtue of the powers vested in him under the Co-operative Societies Act, is supposed to be in a position to exercise control over all co-operative societies, including central banks. Not only is there no valid ground for such an assumption, but the need for some form of mutual control through a federal organization, so essential for the healthy growth of the co-operative system, cannot be supplied by an individual officer not responsible to the movement. Nor is the Registrar technically always qualified or competent to give the requisite guidance. It was the recognition of this position that led the Government of the Punjab to create the special appointment of a banking adviser for the central and provincial banks in the province, notwithstanding the fact that the province has had as Registrars, persons of rare distinction. In other countries, this unifying force is provided through the national banks themselves and through national federations, and in recent years the recognition of this need has led to amalgamation in the outside banking world and to a certain degree of centralization in the sphere of co-operative banking. Even if centralization is repugnant to the trend of co-operative development in most provinces of India, that some measure of unification is necessary through the medium of a co-ordinating agency is now being increasingly realized. Whether the apex bank should be this agency or it should be some other body working in association with it, is not material, but without some such unification the co-operative movement in the different provinces will not be in a position to develop to its fullest capacity, to hold its own against the forces of modern competition, to withstand the opposition of powerful organized banking interests and to secure due recognition from Government.

That co-operative banks should learn to rely on their own developed strength and on the pressure of organized opinion

within the movement which they can bring to bear upon the state, is clear from the history of the change that has taken place in the relations between co-operative banks in various provinces and the Imperial Bank of India. These relations, which were cordial till about five years ago, have now been strained, presumably because co-operative banks have begun to enter into effective competition with the Imperial Bank in various spheres. In some provinces, notably, Madras, the central and provincial banks have begun to attract to themselves a large volume of deposits, especially from public bodies and quasi-official sources, the funds of which had hitherto been deposited with the Imperial Bank of India. In Madras and Bombay co-operative institutions of various types have commenced the business of advances against agricultural produce, and in the latter province co-operative banks, urban and central, are playing an increasingly important part in the sphere of inland exchange business, in some centres, also served by the Imperial Bank of India. Further, the authorities of the Imperial Bank, like other bankers trained in the methods of joint stock commercial banking, fail to adjust their angle of vision to the needs and requirements of co-operative credit and agricultural banking. The result is that they suggest fundamental changes in policy such as the limitation of business to one year 'crop' loans that are unacceptable to co-operative banks. The special needs of co-operative banking were overlooked in the original draft of the Reserve Bank of India Bill and it was only when the opinion of the co-operative banking world was effectively organized and expressed through its All-India Association that in the revised draft some amendments were introduced which sought to meet the special requirements of co-operative banking. But the experience that has been gathered since the time the Bill was under discussion, shows that agricultural banking, if it is to be developed through co-operative agency, must be placed in direct organic connection with the Reserve Bank of India and that there should be no intermediate agency between the

federal banking authority and the apex co-operative banks in every province. The idea of an all-India co-operative bank still possesses fascination for some co-operators who would like the co-operative structure to be completed by the formation of the final link in the chain from the villages to the district, the districts to the province and the provinces to the whole of India. But financial machinery does not necessarily develop on logical lines and, as we have seen above, in some provinces the villages have direct relations with the provincial organizations, in a few there are no provincial organizations whatsoever, while in others the villages group round a unit much smaller than a district. Besides, there is no utility in having an all-India institution that does not stand in some special relation to the State and is the channel through which special terms in respect of financial assistance may be accorded to the co-operative movement. Such financial assistance can, in future, be granted by the State only through the agency of its Central Bank and it is cheaper and more convenient to the movement for the apex banks in different provinces to have direct access to the central reservoir of credit than through a newly started institution whose only purpose will be to serve as an intermediary. It is for this reason that co-operators pressed their claims before the Indian Central Banking Enquiry Committee for a special rural (co-operative) credit branch of the proposed federal reserve (central) bank for the country, rather than for the creation of a separate State-aided co-operative bank for the whole of India. The Central Banking Enquiry Committee have accepted the suggestion and recommend that provision should be made in the Reserve Bank Act itself for linking up the Co-operative Banks with the Central Bank of the country and for making the provision of agricultural finance one of the functions of the Reserve Bank.

II

APEX BANKS.

By Mr. V. C. Rangaswamy,
Manager, Madras Central Urban Bank.

This term first appeared in co-operative literature in India after the report of the Committee on Co-operation presided over by Sir Edward MacLagan. The report of this Committee was issued in the year 1915. The Committee envisaged the position of the co-operative edifice in each province to consist of primary societies, central banks and an apex bank. It was found that, however-much the central banks might help the Registrar in the matter of supervision and inspection of primary societies, the system was not completely satisfactory in so far as the finance of the Movement was concerned, and in the matter of controlling central banks and of co-ordinating finance, particularly, it was considered necessary to have an apex bank in each province. The function of these institutions is, to put it in the words of the MacLagan Committee, the co-ordination and control of the working of Central Banks through making arrangements for finance on a provincial basis, as also to act as the financial centre of the Co-operative Movement of the province and to be the balancing centre for the various central banks. Even at the time of the MacLagan Committee's report, the necessity for an institution which could take over the functions of the Registrar, who acted as the connecting link between the various central banks, was recognised. It was found uneconomical and inefficient to circularise each other with regard to the financial requirements of each one of them; and it was also found to be too onerous a duty to be shouldered by the Registrar. Further, it was thought that uncontrolled interlending among central banks involved the interlocking of their liabilities, which, if permitted, might well lead to trouble. In certain provinces it was found that central banks

in certain areas were able to attract all the capital they needed for their working, while in other regions they were unable to get sufficient funds to meet their needs. So it was felt that there must be an institution, which, while attracting the surpluses of one set of institutions, might be able to lend them to those, who were in need of working capital. Moreover, it was found necessary to provide an agency situated in metropolitan headquarters to act as an agency between the Movement and the money market. To serve all these various purposes, therefore, the provision for an apex bank for each province was recommended.

Even as early as 1915 it was found necessary that institutions which dealt directly with primary societies should be confined to a definite area, either a district or a part of a district. It was considered undesirable, even in those days, that an institution having its headquarters in the metropolitan city of a province should have direct dealings with a large number of primary societies scattered throughout the province. This view has been further strengthened by the recent report of the Committee on Co-operation in Burma presided over by Mr. Calvert.

In India, at present, all the major provinces except the United Provinces have apex banks functioning in them. There are apex institutions in certain of the Indian States also, namely in Mysore and the Hyderabad State. In other Indian States, there are institutions corresponding to the apex bank or functioning as such. In all, there are twelve such institutions, out of which, eight are in British India and four in the Indian States.

The constitutions of these twelve institutions vary very considerably ; but the functions of all these institutions are more or less the same, namely, the co-ordination of the work of the central banks and provincialisation of finance in them. Regarding the constitution of these apex banks, it was sug-

gested by the MacLagan Committee that the other co-operative institutions in the province should be represented in them. The MacLagan Committee foresaw that the co-operative element in the directorate of the provincial bank might not function very effectively on account of the inconvenience of the representatives of co-operative societies in attending every meeting of the provincial bank. They also foresaw the necessity for carefully defining the relations that should exist between the provincial bank and its consituency, for the ultimate divergence of interests between the individual and the society was realised even then. The principle that at no distant date, the co-operative element should secure a majority of votes at the general meeting was also enunciated. The management of a provincial bank, requiring as it does more expert knowledge and experience than that of a central bank, it was not thought necessary that the management should be in the hands of the representatives of the co-operative organisations; it was accepted, on the contrary, that the management should rather be placed in the hands of business-men. It was felt that the representatives of societies were seldom capable of taking effective part in the management of a bank of this class, and the detailed day-to-day administration of a bank of this class could not well be under the control of the representatives of co-operative societies. It was considered necessary however that the policy of the Bank should be subject to the control by the co-operative element, and provision to that effect had to be made in the bye-laws of the apex institutions.

Having so far dealt with the general principles and functions of an apex institution, we shall examine in detail the constitution and working of the various apex banks both in India and the Indian States.

It is found that in a large majority of the apex banks, the constitution is a mixed one, that is, both in the General Body of the banks as well as in the directorate, there are

individual shareholders as well as representatives of co-operative societies and central banks. In the earlier stages, institutions, which functioned as apex banks, though they were not constituted as such, were purely constituted on the basis of individual shareholders. The banks at Madras, Bombay and Burma, which now occupy the position of apex banks for these provinces, were in existence even at the time when the MacLagan Committee visited these provinces. At that time, these three banks had only individual shareholders, and they were financing primary societies as well as central banks that were then in existence. The MacLagan Committee clearly showed a preference for a mixed constitution for the apex banks and to that idea, a large number of the existing institutions have conformed. The apex banks in the Punjab and Bengal do not permit individuals holding shares in them; and have as their shareholders only co-operative societies, both primary societies and central banks. The rest of the banks functioning in British India have a mixed constitution.

To make the position clearer, it might be mentioned that the general body in the Punjab and Bengal consists of representatives of the central banks and of primary societies only, there being no individual shareholders at all. By a special provision, however, on the directorate, the Punjab Bank takes the Registrar of Co-operative Societies, and Bengal takes three individuals as men of position in the province, as against 15 representatives of co-operative institutions. In the Central Provinces and Berar, the general body of the Bank consists of representatives of central banks as well as individual shareholders and the directorate is composed of 34 representatives of co-operative institutions and 5 individuals, including the Governor of the C.P. & Berar Co-operative Federation as an ex-officio director. In Bombay, Madras, Bihar & Orissa, Burma, Hyderabad and Mysore, individuals, representatives of central banks and of the co-operative societies compose the general body, but the composition of

the Directorate varies. In Madras and Burma, the representatives of the primary societies do not find a place; while in Hyderabad and Mysore, those of central banks are not included. In Bombay, out of 14 directors, 7 represent individuals, including by convention, the head of the Provincial Co-operative Institute. In Madras the number of directors representing individuals is 5 as against 31 representatives of co-operative institutions; in Bihar and Orissa, 6 including the Registrar as against 14; in Hyderabad, 13 including the Registrar as against 8; and in Mysore, 5 as against 8. It is clear that on the directorate of the apex Banks, co-operative institutions are well represented indeed.

The aim and purpose of the apex banks, as already stated, is to co-ordinate the working of the banks on a provincial basis and also to act as the balancing centre of the various central banks, that may work in the province. In order that the apex banks may function efficiently and profitably, it has been found necessary that the connection that has to be established between the money market and the Co-operative Movement has to be brought about through the apex institution; and to that effect the central banks have to deal with outside agency only through the apex bank. Though this principle is accepted, there is a great deal of divergence in practice. For instance in Madras, Bengal and the Punjab, central banks have been permitted to deal directly with the Imperial Bank of India, while in Bombay central banks have dealings only with the Provincial Bank. Interlending among central banks is prevented in order that there may not be intermingling of the liabilities of the central banks. It is only by such prohibition of interlending that the balancing function of the apex bank can be made to work. It has also been thought necessary to restrict the dealings of apex banks with the primary societies and permit them only through central banks. In certain provinces the apex banks do not deal with the primary societies at all, while in certain others they still continue to finance primary societies in

areas where central banks have not come into existence. This seems to be the case in Bihar & Orisssa, Bombay, Burma and Mysore. The recent report of the Calvert Committee on Co-operation in Burma has made it clear that it is not advisable for the apex banks to have direct dealings with primary societies, and that the difficulties experienced in Burma have been mainly due to this reason.

It is needless to mention here that all apex banks both in British India and in the Indian States depend for their working capital largely on deposits from the affiliated co-operative societies as also from the public. It is also seen that these institutions accept these deposits for a certain minimum period and do not accept them beyond a certain maximum period. On account of the fact that these institutions accept money from outside the Movement, it is thought necessary to insist upon the maintenance of fluid resources on a certain scale. In some provinces the Government of the province has prescribed definite rules with regard to the maintenance of fluid resources, while in others there is no such prescription. In the latter the apex banks follow the proportions recommended by the MacLagan Committee. In the province of Madras, the Government have permitted the deposit of funds belonging to the Local Boards, Municipalities and Universities in the apex bank and central banks approved by the Registrar. The City Corporation of Madras have also been permitted to deposit their funds in the apex bank. The period for which deposits are accepted determine the maximum period for which they can lend out these borrowed funds to their clients, and in every province the apex bank has therefore fixed for itself a maximum term, beyond which no loan is, in general, sanctioned to the borrowing client. In exceptional cases, however, the apex banks allow loans for periods longer than the maximum fixed. The following table will clearly show the position and practice of the apex banks with regard to deposits and periods for which loans are usually sanctioned.

Name of Bank.	Deposits.		Period for which Deposits are Accepted.		Period for Loans.	
	From Co-operative Societies. (in lacs of rupees)	From the Public. (in lacs of rupees)	Maximum years)	Minimum (Months)	Maximum (years)	Minimum (years)
The Central Provinces & Berar Provincial Co-operative Bank.	48·75 2·82 1·10	23·40 2·62 1·87	5	9	5	1
Mysore Provincial Co-operative Apex Bank.	7·87	...	10	6	15	10
Hyderabad Co-operative Dominion Bank Ltd.	0·92	25·78	2	12	3	1½
Benal Provincial Co-operative Bank Ltd.	119*	...	3	12	3 (10 in exceptional cases)	...
Bombay Provincial Co-operative Bank Ltd.	55·56	34·22	5	1	10	⅓
Bihar & Orissa Provincial Co-operative Bank.	5 1·52	41·71 7·75	2	12	4 (7 in exceptional cases)	...
Punjab Provincial Co-operative Bank Ltd.	60·22	2·83	5	1	10	1
The Madras Central Urban Bank Ltd.	25·18	51·05	2	3	5	1

* Total deposits.

While taking deposits from co-operative banks and the general public, many of the apex banks have also dealings in current account with the latter. The Punjab Bank does not encourage current accounts etc. with individual non-members, as it does not wish to enter into competition with the central banks; its functions are confined to assisting central institutions. But, the apex banks, in general, also carry on ordinary banking business by opening current accounts with the public and doing within certain limits agency business for their customers such as collecting *hundis* and dividends from companies and collecting the pay and pensions of public servants.

The apex banks of Bombay, Madras and Punjab have floated long-term debentures. The Bombay Bank has so far floated debentures of the value of Rs. 9·8 lakhs, and these debentures are recognised as a trustee security. The Bank at Madras has floated debentures, the security offered to the debenture-holders being a floating charge on the general assets of the Bank, and the amount of debentures so issued is Rs. 2·18 lakhs, while the Punjab Bank has floated debentures of the value of Rs. 5 lakhs.

As it happens in every banking institution, the apex banks are also frequently troubled with surpluses and deficits in their working capital. The periods of surpluses and deficits vary with reference to each institution. There is interlending of surplus funds between the apex banks, as and when surpluses occur. During periods of shortage of funds deposits are accepted from surplussing provincial banks and some of the apex banks call for special season deposits allowing favourable rates of interest to tide over the period of shortage. At present, the position in the matter of interlending among the provincial banks is this that the Bombay Provincial Bank has lent funds to the provincial banks of Madras, Bengal, Punjab, Central Provinces & Berar and

Bihar & Orissa, while the Madras Central Urban Bank has lent some funds to the Bengal Provincial Bank.

The accounts of the apex banks have to be audited by the departmental agency on account of the statutory duty imposed on them by the Co-operative Societies' Act. In many provinces, the Registrar has permitted the audit of the accounts of the apex banks by qualified professional auditors who are paid out of the funds of the apex bank. In certain provinces this audit is a concurrent audit, whereas in others it is only balance-sheet audit. Over and above this audit, the departmental agency conducts a super audit to satisfy itself that the audit of the professional auditor is properly done. It seems the departmental agency does not conduct any super audit on the accounts of the Bengal Provincial Co-operative Bank over the audit of the chartered accountant. Besides the audit done by the professional auditor and the departmental agency, the apex banks have to furnish quarterly statements to the Governments of their respective provinces, exhibiting the position of the banks with regard to their financial position. In the quarterly statement they have also to exhibit figures to show the repayments from their clients, the amount they have got to return to the depositors within a definite period, the amount of fluid resources maintained for such repayments of deposits and other information so as to clearly show their financial position. These returns are forwarded to the Government through the Registrar and a review is made by the Government on the quarterly statements. Some of the provincial banks publish audited balance sheets only once a year, while some others publish half-yearly balance sheets. The following table shows the details that have to be furnished in these quarterly financial statements, though it might be noted that the form has not been, so far, standardised for all provinces.

Property & Assets.

The figures are for 1930 except in the case of Bengal, where the figures relate to 1929.
The figures for the Hyderabad Bank are in *Hali Sicca* Rupees.

Bank.	Bank Premises. (in rupees)	Furniture & fittings. (in rupees)	Deposits with other banks. (in lacs of rupees)	Loans & advances. (in lacs of rupees)	Investment in Government Securities. (in lacs of rupees)	Cash on hand and at banks. (in lacs of rupees)	Sundry debtors and accrued interest. (in lacs of rupees)
The Central Provinces & Berar Provincial Co-operative Bank.	37,317	4,930	5'45	15	78'47	0'68	1'24
The Bengal Provincial Co-operative Bank.	...	3,468	...	115	66'72	0'19	5'9
The Bihar & Orissa Provincial Co-operative Bank Ltd.	79,008	4,315	8 85	42'96	19'43	0'48	2'32
The Bombay Provincial Co-operative Bank.	...	28,238	9'63	89'96	44'18	4	5'27
The Madras Central Urban Bank Ltd.	71,388	5,428	5	119	62'46	1'29	3
The Punjab Provincial Co-operative Bank.	...	2,089	...	52'71	38'93	1'07	0'93
The Hyderabad Co-operative Dominion Bank Ltd.	...	2,652	10'12	21'76	3'90	0'68	0'81

CAPITAL & LIABILITIES.

The figures are for 1930 except in the case of Bengal where they relate to 1929.
The figures for the Hyderabad Bank are in *Hali Sicca* rupees.

Name of Bank.	Share capital paid up (in lacs of rupees)	Reserve fund. (in lacs of rupees)	Depreciation Reserve. (in lacs of rupees)	Building & Building fund. (in lacs of rupees)	Common-good fund. (in rupees)	Imperial Bank of India A/c. (in lacs of rupees)	Deposits. (in lacs of rupees)	Debentures. (in lacs of rupees)	Sundry creditors & accrued interest. (in lacs of rupees)	Profit with balance brought forward. (in lacs of rupees)
The Central Provinces & Berar Provincial Co-operative Bank.	6·21	2·05	1·47	0·47	3,140	1·03	96·17	...	1·7	0·40
The Bengal Provincial Co-operative Bank.	14·28	5·06	0·12	0·10	30,000	5·13	174	...	4·57	2·23
The Bihar & Orissa Provincial Co-operative Bank Ltd	5·58	2·59	1·39	...	...	3·19	61·35	...	2·46	0·52
The Bombay Provincial Co-operative Bank.	12·87	0·98	1·27 (for doubtful debts)	...	...	...	121	9·8	9·53	1·12
The Madras Central Urban Bank Ltd.	6·19	5·61	1·88	1·74	2,098	7·36	153	2·14	2·01	2·59
The Punjab Provincial Co-operative Bank	10·91	1·03 (Sinking Fund)	...	...	...	3·63	60·1	5	3·33	2·13
The Hyderabad Co-operative Dominion Bank Ltd.	4·96	1·73	0·21	0·09	...	1·0	30·16	...	2·64	0·75

There is also an institution that has been organised recently called the All-India Provincial Co-operative Banks' Association. The functions of this Association are to meet once in two years to discuss matters of common interest to the apex banks and to collect periodical information regarding the surplus and deficit occurring in each institution and circularise the same to all the members of the Association. This enables the respective institutions to ascertain which of the provincial banks are surplussing in the period and by correspondence arrange for inter-provincial borrowings. Besides these, matters of common interest are represented through the Association to the proper authorities, when necessary. The Association through its president, Mr. V. Ramadas Pantulu, who was then a member of the Council of State, made its influence felt when the Reserve Bank Bill was introduced in the Legislative Assembly by Sir Basil Blackett, and the Association has been recognised by Government in that it nominated on the Central Banking Enquiry Committee a representative of the Association. The Association has a standing committee, which functions by correspondence.

Regarding the control exercised by the apex banks over their affiliated central banks, the systems prevailing in the various provinces are different. In certain places, the apex bank is able to regulate the interest that can be paid on deposits of affiliated central banks and also to regulate the rates of interest charged by the central banks to the primary societies. In other provinces, the apex bank calls for periodical returns from its affiliated central banks to assess the financial condition of those central banks, while in some provinces, no sort of control is exercised over the central banks by the apex bank.

In all provinces the apex banks have connected themselves with the Imperial Bank of India and have secured cash credit accommodation on furnishing security. In the earlier stages the Imperial Bank was pleased to permit the accom-

modation on the deposit of co-operative paper duly endorsed in their favour; but of late a change has come over in some provinces in the method of business, and the accommodation given to the various apex banks on the strength of co-operative paper has either been withdrawn fully or is to be withdrawn by stages. As regards the Punjab, the arrangement whereby the apex bank can borrow against co-operative paper is still in force, and has not been altered in any ways. The security upon which the accommodation allowed is the Government of India Promissory Notes. Owing to the curtailment of accommodation on the strength of co-operative paper, the ease with which the provincial banks were raising credit to meet the seasonal demands of the affiliated central banks has been put a stop to. What repercussion this will make on the Movement has yet to be seen as the curtailment has taken effect only recently. The apex banks enjoy the facilities of free transfer of funds from one place to another by means of Remittance Transfer Receipts. This concession is granted for transfer for genuine co-operative purposes.

A close scrutiny of the balance sheets of the various banks shows the position that the apex banks have come to occupy in the chain of credit institutions in their respective provinces. It also shows the amount of confidence they have created in the minds of the investing public, and reveals that they are not only meeting the demands of the Co-operative Movement but also offer a scope for investment to the general public.

III

CENTRAL FINANCING AGENCIES.

By Mr. V. M. Thakore, B. Com.,

Secretary, Bihar & Orissa Provincial Co-operative Bank, Patna.

Origin :— When rural credit societies of the Raiffeisen type were first introduced into the country, it was anticipated that the financial requirements of these societies will be met, as in Europe, by local deposits. In accordance with the plan of Mr. Dupernex, the Urban Banks were expected, where necessary, to raise funds for their own needs as well as for those of the rural societies. Therefore when the Co-operative Law of 1904 was enacted, provision was made in it for the starting of only two types of societies viz. rural credit and urban credit. Due, however, to the heavy load of unproductive debt of the average Indian farmer, his habit of investing his savings, if any, in lands and ornaments, his illiteracy and consequent lack of the banking habit, it was soon made apparent that the primary societies could not be expected to raise the required funds in deposits either from members or locally. A small village primary society with a limited number of members and a small working capital could not engage the services of a trained assistant and as it consisted of illiterate members it also became apparent that an average village society was not a suitable medium for the work of deposit banking. During the first five years of the introduction of the movement in the country, the number of primary agricultural societies was very low, being on an average only 1909, and no necessity arose of disturbing the financing arrangements made by the originators. In addition to some local deposits in societies, the Registrars of Co-operative Societies in several Provinces were able to obtain financial assistance for the societies from the local Governments as well as from a number of individual sympathisers of the movement.

The arrangement whereby the Registrar in each Province was required to arrange for either a deposit from a sympathiser, or a loan from Government, for each primary village society registered by him, was not only found to be unsatisfactory but it also seriously retarded the growth of primary societies. The formation of banks in urban areas on co-operative principles, with the sole object of raising funds for advances to societies, was found to be necessary with a view to place the financial structure of the movement on a permanent basis and several such banks were organised in the country during the years 1910 to 1915. Under the plan of Mr. Dupernex, the Urban Banks in Madras, Bombay and Burma, viz. the Madras Central Urban Bank, the Bombay Central Co-operative Bank and the Upper Burma Central Co-operative Bank, gradually assumed the position of central financing agencies. The Co-operative Law of the year 1904 was amended in the year 1912 and in the Co-operative Societies Act II of that year provision was made for the registration of Central Banks with the sole object of financing societies. During the five years from 1910 to 1915 the growth in the number of primary societies was rapid and the number of Societies of all kinds for the period averaged 11,555. During this period the number and resources of Central Societies also increased, and it came to be recognised that the function of central societies was not only to supply the required capital to the primary societies but also to make the surplus resources of some societies available for other societies suffering from a deficiency of funds and to provide proper guidance and inspection over them. Soon after the enactment of the Co-operative Societies Act II of 1912 the growth in the number of central financing agencies was rapid all over the country especially in the United Provinces, the Punjab, Bengal and the Central Provinces. The average number of Central Banks for the country for five years from 1915 to 1920 was 301, while the number of primary societies during the same period was 27,535. During the next five years from

1920 to 1925 the average number of Central Banks was 500, while the average number of primary societies during the same period was 55,899. At the end of the official year 1928-29 the total number of primary societies was 98,138.

Types of Central Banks :— The MacLagan Committee on Co-operation in its report of the year 1915 classified Central Banks into three types as follows:—(1) banks of which the membership is confined to individuals, (2) banks of which the membership is confined to societies, (3) banks which include both individuals and societies among their members. The first class includes any bank in which the shareholders consist entirely of individuals or in which societies are admitted as shareholders on exactly the same footing as individuals without any special provision for securing their representation on the board of management or for reserving a definite portion of the share capital for them and where there is no restriction on the distribution of profits to shareholders. When the Committee conducted its investigations, there were several banks of the first type functioning in the country but in accordance with the recommendation of the Committee such banks have now practically disappeared. The second class consists of a purely co-operative type of bank where membership is confined only to societies and the general policy and management are wholly controlled by them. This type in theory is the most suitable agency to finance co-operative societies, and represents the ideal to which the financial structure of co-operation must aspire. The management of such Unions is usually rural and local and its operations are generally confined to a small area, enabling the affiliated societies to take a direct part in its administration and control, and enabling the Union in its turn to be in constant touch with its societies. The successful working of a Banking Union requires competent men with local influence and knowledge as members of primary societies and a compact and co-operatively well developed area. Such Unions therefore are not attempted in most places in the

country. In a mixed type of Co-operative Bank, the member societies are assigned a certain proportion of the shares and given suitable representation on the Board, and the services of individual sympathisers are also secured for the movement by admitting them as shareholders. This is the type of Bank which predominates in the country as a whole. Roughly speaking if a straight line is drawn across the map of the country from Calcutta to Karachi, Central Banks of the mixed type are in a majority and Unions of the pure federal type are numerous to the north of this line while Central Banks of the mixed type predominate in the South and pure Federal Unions are very rare.

Area of a Central Bank :—The general practice throughout the country is to clearly define the area of each Central Bank within which it can grant loans to Societies. In some Provinces the Central Banks are restricted from borrowing funds from outside this area. The extent of the area and the number of societies served by each Central Bank varies in different parts of the country. In the Central, Southern and Western parts of the country and in Burma a revenue district is the usual area served by a Central Bank, while in the eastern (excluding Burma) and northern parts of the country the usual area served by a Central Bank is a sub-division of a revenue district. As the area served by a Central Bank in Bengal, Bihar & Orissa, U. P. and the Punjab is smaller than the area of a Central Bank elsewhere, the number of societies served is also smaller in these provinces, the working capital is also smaller and the cost of management comparatively higher than elsewhere.

The General Meeting :—The final seat of authority in a Central Bank is the General Meeting of its shareholders. Such meetings are either ordinary, held annually, or extraordinary, held at any time of the year after due notice. The general practice regarding voting at these meetings is that of one vote for each shareholder and not one vote for each share

or a special number of shares as in Joint Stock Banks. The Board of Directors of a Central Bank is elected at its Ordinary General Meeting.

The Board of Directors:—The management of a Central Bank is carried on by a Board of Directors or a Committee of Management elected by the shareholders at the Annual General Meetings. The number of Directors on the Board of each Central Bank, due to the recognition of the principle of adequate and special representation of various interests within the movement, is larger than the number of Directors on the Board of a Joint Stock Bank, and it is not only found expensive but inconvenient to summon frequent meetings of the full Board. The number of Directors on the Board of a Central Bank varies from 10 to 24 in different parts of the country. Special Working Committees are therefore generally formed by the Board from amongst their members with a view to ensure an expeditious disposal of the work of the office. Routine business is usually attended to by the Honorary Secretary, or the Chairman or one of the Directors in consultation with the Manager or the Superintendent. The work of the Directors is always honorary and in addition to their usual duties, the Directors of some Central Banks in many provinces undertake to inspect and report on loan applications of societies situated in their neighbourhood. Meetings of the Board are generally held once a month and meetings of the Sub-Committees are in some places held once a week on a fixed day of the week and at a fixed time. The proportion of representation of individual and society shareholders on the Board of a mixed type of Central Bank is usually laid down in the bye-laws or in the rules framed either by a Central Bank or by the Registrar of the Province. To ensure a periodical change in the directorate, representation by rotation is ensured either under bye-laws or under rules in some Central Banks. The Chairman of the Board and the Honorary Secretary are generally selected from amongst the individual

shareholders. The Chairman is a Government officer in some of the Central Banks of northern and eastern India while he is mainly a non-official in the western and southern parts. The representation of individual shareholders on the Board is generally restricted and there is a majority of the representatives of Societies on the Board of each Central Bank.

The Staff:—With the expansion of the movement and the increase in the resources of Central Banks it is not now found convenient to carry on the work with the help of honorary workers only. A good deal of the work is now entrusted to paid managers. The duties of managers differ in different provinces. In some, the manager is responsible not only for the good management of the office but is also responsible for the affiliated Societies and therefore controls not only the office staff but also the field staff of a Central Bank. In other provinces, a manager is principally a touring officer, mainly responsible for the working of the societies allotted to him and not for office management. In such provinces if the number of societies under a Central Bank is considered too large for the charge of a single manager, two managers and in a few cases more than two managers are appointed. In such provinces, the office work is generally carried on by the Honorary Secretary with the help of the Bank staff. A majority of the Central Banks are now able to engage the services of qualified and trained assistants. In some provinces the Central Banks are permitted to engage the services of paid assistants only from amongst those who hold licenses from the Provincial Co-operative Federation while in other Provinces the Directors have full control over the selection of staff from amongst the candidates who are not required to possess licenses. In provinces where the system of licenses is in vogue, the Directors have limited control over the increments, transfers and dismissals of the staff. The staff of a Central Bank consists of a Manager, or Managers and Superintendent, accountants or bank clerks and Inspectors or Circle officers. The strength of

the staff depends on the size of a Central Bank. The majority of the Banks usually receive and pay out cash from their own offices and engage the services of cashiers while some which do not do so, have either an Honorary Treasurer or keep their balance with the local branch of a Joint Stock Bank or with the local Government Treasury or Sub-treasury. For the qualification and system of training for the staff, each Province has its own standard and its own training class or institute but there is great similarity in the standard of qualification and the prescribed curricula for training in different parts of the country. Generally all Central Banks have provident funds for their staff and give them suitable periodical increments but the scales of pay and prospects differ in different parts.

Composition of Capital :—There are four main sources from which a Central Bank derives its working capital:—(a) Share Capital, (b) Reserves, (c) Deposits, (d) Loans.

(a) *Share Capital* :—The total paid up share capital of 583 Central Banks of British India and Indian States in 1928-29 was Rs. 2,78,26,000/-. The share capital is subscribed by individual shareholders and affiliated societies in a mixed type of Central Bank while in a co-operative union it is subscribed entirely by the affiliated societies. In a mixed type of Central Bank it is customary in some provinces to classify shares held by individuals as preference shares and those held by societies as ordinary ones but even the preference shares, where they exist, imply preference only with regard to the rate of dividend and not to any prior claim on capital. The shares are usually of the denomination of Rs. 50/- or Rs. 100/- but their values vary from Rs. 10/- to Rs. 500/- in different Central Banks. No individual shareholder is generally permitted to hold shares of more than Rs. 1,000/- while an affiliated society is required to subscribe to the shares of a Central Bank in proportion to its borrowings. In Bombay, Burma, Delhi, Coorg, Gwalior and Indore, the shares of Central Banks are fully paid up while in other provinces and

Indian States the shares are not fully paid up but carry a reserve liability. The liability attaching to shares is ordinarily limited to their face value but in a few provinces the liability fixed is generally four to ten times the face value of each share.

(b) As provided in the Co-operative Societies Act II of 1912 and the various Provincial Acts passed since then, every registered credit society is required to place one-fourth of its annual net profits to its reserve fund. The object of the Reserve Fund is to serve as security against borrowings and as a provision against unforeseen losses. In addition to the statutory reserve almost all Central Banks have special reserves created for special purposes or objects. The total amount of reserve funds and other reserves of Central Banks in British India and the Native States in 1928-29 was Rs. 1,53,34,000/-.

The paid up share capital and reserves of Central Banks constitute the owned resources of these Banks as distinguished from borrowed resources and provide the guarantee fund against which additional funds are raised by them in the shape of deposits or loans. It is usual to prescribe a suitable proportion between the owned and borrowed resources of Central Banks in each Province. The most usual proportion observed in practice between the borrowed and owned resources in all parts of the country is 1 : 8.

(c) Deposits from members and non-members constitute the bulk of the borrowed capital of Central Banks. The total amount of deposits held by Central Banks in the year 1928-29 from members amounted to Rs. 2,05,23,000/- and from non-members to Rs.17,66,99,000/-. Deposits in Central Banks are mainly of two kinds, viz. savings and fixed. Current deposits are not universal but confined only to selected Central Banks in selected areas. Current deposits are expensive to maintain as their proper management requires the services

of highly trained assistants and the maintenance of adequate fluid resources available at call. The small resources of several Central Banks do not therefore permit the introduction of such deposits. Where current accounts are opened a rate of two per cent. per annum is usually allowed on the daily balances. In some places restrictions are also imposed on the Central Banks against opening Savings Bank accounts but a majority of the Central Banks have opened Savings Bank accounts and generally allow a rate of 4 per cent. per annum on the minimum monthly balance in such accounts. With a view to prevent savings deposits from being used for the purposes of current accounts business, withdrawals from such accounts are not permitted oftener than once a week. In Central Banks, however, fixed deposits constitute by far the largest portion of the total deposits held. The period and rates of fixed deposits, in accordance with local conditions vary in different parts of the country. The principle usually observed by Central Banks is not to grant loans to Societies for periods longer than those for which deposits are available, and where loans for long periods are advanced, the periods of deposits are also comparatively long. The rates allowed on fixed deposits vary from 4½% in Bombay to 9% in Burma, and no deposit is usually accepted for a lesser period than one year. On deposits for longer periods higher rates are generally allowed and several banks allow special rates on fixed and savings deposits of societies. The receipts and payments of deposits are generally spread over the year except in Bihar and Orissa where due to the one-date-deposit-system, deposits whenever received are repayable on the 31st May every year. Deposits are generally accepted from within the area of operation of a Central Bank and they are chiefly derived from professional men, small landowners and public bodies and institutions. In some provinces attempts are made to fix the maximum amount a Central Bank should receive from any one individual depositor but such attempts are not, and obviously cannot be, successful.

(d) *Loans* :—In addition to funds obtained by deposits Central Banks can raise loans either from outside banks, from other Central Banks, from the local Provincial Bank or from Government. The total amount of loans held by the Central Banks in 1928–29 from outside banks, from other Co-operative Banks and from the Provincial Banks was Rs. 3,93,62,000/-. The total amount of loans held by Central Banks from Government during the same year was Rs. 69,65,000/-. Excepting the Punjab, Central Banks in other Provinces of British India do not directly borrow loans from Government, while the Central Banks of Indian States, excepting Mysore, depend to a very large extent on Government loans. Out of total loans of Rs. 69,65,000/- taken from Government by Central Banks of British India and India States, a sum of Rs. 14,12,000/- was held in the Punjab and a sum of Rs. 54,97,000/- was held in 8 principal Indian States. The borrowings from outside banks at Central Banks are generally confined to accommodation obtained from the Imperial Bank of India against Government Securities or Promissory Notes executed by Societies in favour of the Central Bank and endorsed by the latter in favour of the Imperial Bank. This accommodation is limited and the Imperial Bank has further curtailed the overdraft facilities granted to Central Banks in Madras against the pro-notes of Central Banks and insisted on a gradual replacement of such pro-notes by government securities. Advances from other Joint Stock Banks to Central Banks are now rare although in the beginning they formed an important part of a Central Bank's finances. The main source of loans to Central Banks is now the Provincial Bank. With the liquidation of the Burma Provincial Co-operative Bank, there are now seven Provincial Banks in British India and two Provincial Banks in Indian States and where a Provincial Bank exists the Central Banks are generally prohibited from having any direct dealings with either the Imperial Bank or any other Joint Stock Bank or with each other. This rule is however not rigidly observed in the Punjab and Madras although both

these Provinces have apex banks. The United Provinces are the only major Province in British India which does not possess a Provincial Bank and loans from one Central Bank to another are made there with the previous sanction of the Registrar. Several Central Banks in the country, due to their long standing, now possess sufficient resources to be independent of any outside financial assistance but they all continue credit arrangements mainly with the Provincial Bank where it exists, and rarely with the Imperial Bank of India and other Joint Stock Banks, on which they rely for emergencies. Accommodation from the Provincial Bank to a Central Bank is in the form of renewable credits or loans with fixed instalments repayable within a specified period. Credits are either withdrawable on demand or at short notice but they are generally withdrawable on demand and secured by pro-notes executed by Central Banks, in some cases backed by pro-notes of societies, endorsed by a Central Bank in favour of the Provincial Bank. Fixed loans are generally obtainable against bonds. Applications for loans and credits from Central Banks to the Provincial Bank generally require the recommendation of the Registrar. The usual rate at which accommodation is available from a Provincial Bank to a Central Bank is 7% and the rate at which accommodation is generally available from the Imperial Bank is the then prevailing Bank Rate.

Employment of Capital :—In the initial stages, several Central Banks developed from ordinary Urban Societies and it was customary for the latter to grant advances to individual shareholders. A few of such Central Banks have continued the practice and the amount advanced by Central Banks to individual members during the year 1928–29 was Rs. 49,95,000/-. Out of this sum advances to individuals in the Punjab amounted to Rs. 11,98,000/-, in Mysore to Rs. 10,48,000/- and in Gwalior to Rs. 10,55,000/-, in Madras to Rs. 6,41,000/-. This practice however, is gradually being abandoned as the object

of the admission of an individual shareholder to a Central Bank is to secure his help in raising capital or constituting a board of qualified persons and not to enable him to take loans. The chief function of a Central Bank is to finance societies and to serve as their balancing centre. As, however, very few societies have surplus funds to invest, the business of a Central Bank is confined to the financing of societies within its area from funds raised from other sources. The total advances made by Central Banks to Societies at the end of the year 1928–29 amounted to Rs. 22,54,93,000/-. These advances include advances made to other Central Banks as well as advances made to non-agricultural societies. The bulk of these advances, however, are made to agricultural societies.

The advances made by Central Banks to individuals, special types of societies, and agricultural societies are usually against pro-notes or bonds. In the case of advances to individuals and special types of societies, additional security in the shape of pledge or hypothecation of goods or other property is also obtained while in case of agricultural societies, the unlimited liability of members is usually considered to be sufficient security. Where long-term loans for redemption of old debts and improvements in lands are advanced, additional security in the shape of transfer or endorsement of documents relating to the mortgage of land is also obtained.

The assessment of the credit of societies by Central Banks :— The ultimate security for all advances of a Central Bank to an agricultural society is the property of its members, but the basic security is personal and depends on mutual knowledge and joint responsibility of the members. As it is difficult to accurately gauge the degree to which a society as a whole has developed the sense of mutual obligation among its members is assessing its credit, more reliance is generally placed by a Central Bank on the tangible assets of its members. A statement of each society prepared by, or under the direct supervision of, the field staff of each Central Bank or Government,

showing the estimated value of the immoveable and movable property owned by each member, and showing the total value of the assets of the Society, is taken as the basis. The extent to which a society is permitted to borrow is usually limited to one-third the total value of the assets of its members; in some places, however, under exceptional circumstances this limit is slightly exceeded.

Advances to Societies usually take the form of loans repayable in a fixed number of years. In some provinces loans are advanced both for long and short term purposes, while in others loans are advanced only for short term purposes. Loans to societies, due to the various causes to which agriculture in India is subject, always tend to be longer-dated than the original period fixed. The formalities to be gone through before a loan is sanctioned usually take a long time and advances are generally delayed. In order to ensure promptness, a few of the Central Banks have granted cash credits to their societies up to limits prescribed and supply additional funds by loans. Such credits are however very rare. In some provinces, a system of normal credits is introduced which replaces both cash credits and fixed loans. Before the normal maximum credit of a society is assessed a statement of the normal credits of its members is prepared which contains information regarding the assets of the members and also their requirements, the purposes of their requirements and the estimates of their earning and saving capacity. After checking, on the basis of this statement, a Central Bank sanctions a maximum credit to each society for the year, withdrawable at short notice. These credit statements like the assets statements of societies are revised every year and the period of loans granted under these statements does not generally exceed three years.

As mentioned above, in some of the Provinces, Central Banks grant both long and short term loans to societies, while in others loans to societies are generally for short periods.

The average period of loans to societies varies from one to five years in different parts of the country. The period of a loan generally depends on the purpose for which the loan is required. Loans granted for current agricultural purposes are repayable either in one or two years, whereas loans required for improvements in lands and debt redemption are repayable in five to ten years. Originally it was considered to be one of the chief functions of a Central Bank to grant loans to societies for long term purposes but during the last few years opinion is gaining ground that it is not advisable for Central Banks, as at present constituted, relying mainly on deposits for their resources, to make long term advances, and some of the provinces have definitely adopted the policy of advancing short term loans to societies for current agricultural purposes only. In such provinces applications for long term loans are rare, and where received are subjected to a thorough scrutiny and receive special consideration. There are still a few provinces where both long and short term loans are advanced indiscriminately by Central Banks to Societies, but opinion in such provinces also is in favour of restricting loans to Societies to short term purposes only, and advances for long term purposes are generally discouraged. It is a matter of time only before long term loans from Central Banks to Societies are finally abandoned.

The rate of interest charged by Central Banks on advances to societies varies from 8% to 12½% per annum in different parts of the country. The rates charged on advances are generally higher in the eastern parts than the rates charged in northern, central, western and southern parts of the country. The tendency is towards lower rates, even in the eastern part and a substantial reduction in the lending rate has taken place quite recently.

As has been mentioned above, the tendency for all agricultural loans, as noticeable at present, is always to be long-dated. Due to the ignorance of co-operative principles and

illiteracy of members, due to failures of crops and other distresses or due to the injudicious advances of loans, arrears from societies are general in all Provinces, but the proportion of arrears to total loans is still within manageable limits. When crops suffer for want of sufficient or timely rains, and where societies are found unable to repay due to other equally cogent causes, the grant of extensions is usually the rule. In other cases of default when all legitimate pressure to recover its dues has failed, a Central Bank either applies to the Registrar to liquidate the defaulting society or obtains an award for execution through the Civil Court.

Surplus Funds :— All Central Banks have surplus funds during the repayment season and these funds are generally available for periods ranging from two to four months every year. These seasonal surpluses are placed with the Provincial Banks but where such institutions do not exist the funds are temporarily invested either with the Imperial Bank or with other approved Joint Stock Banks. As distinguished from these seasonal surpluses, several Central Banks in each province have permanent surpluses throughout the year which cannot be invested in advances to societies. Such funds are generally invested as long term deposits either with the Provincial Bank or in Government and other authorized Trustee Securities. In some provinces surplus funds of some Central Banks are invested with other Central Banks of the same Province with the previous approval of the Registrar, but such investments in provinces containing an apex bank are decreasing. It is, however, nowhere considered a wise policy for Central Banks to accumulate superfluous funds beyond their immediate or estimated requirements and the policy of reducing rates allowed on deposits is generally resorted to in cases where the flow of funds requires to be effectively checked.

Fluid Resources :— The subject of this resource, as defined by the MacLagan Committee, is to meet contractions of credit entailing the withdrawals of deposits at due date and a fail-

ure to obtain new deposits. Such contractions of credit ensue from failures of societies to repay loans of the local Central Bank, due to agricultural calamities or trade difficulties involving low prices, followed by further demands for loans for the maintenance of the members, or for agricultural operations in the next season. To meet these contingencies, a bank must keep a fluid resource consisting of cash and gilt-edged securities which could be readily sold or pledged. The necessity of this resource in Central Banks is great as they cannot discount or convert any portion of the agricultural paper they hold from societies. The resources of the Provincial Banks in comparison with the resources of the movement in each province are limited and the liabilities of the Central and Provincial Banks are also interlocked. The MacLagan Committee, therefore, prescribed for Central Banks a standard of fluid resource on the following scale :—

(a) Where current and savings bank accounts are allowed the whole amount held under current accounts and 75% of the amount held under savings bank accounts.

(b) For fixed deposits a standard of half the deposits due in the next twelve months.

The fluid resources are required to be maintained in cash or hand or at the Bank, in authorised gilt-edged securities or as an undrawn portion of a cash credit or overdraft account either with the Provincial or a Joint Stock Bank or with the Imperial Bank of India.

The standard of fluid resource, and the manner of maintaining it as prescribed by the Committee are not strictly followed in any of the provinces by all Central Banks. The Punjab and the Central Provinces with slight modifications follow the prescribed standard, while the remaining provinces have their own standards of fluid resources for Central Banks and have also prescribed suitable ways of maintaining them,

Generally speaking, the standard of fluid resource prescribed in these provinces is less in proportion, though the manner of maintaining it is the same as that prescribed by the Committee. All Central Banks are expected to maintain an adequate fluid resource not only for their own liabilities but also for the outside liabilities of their affiliated societies. In some of the provinces the societies are required to invest a fixed percentage of their reserves with the local Central Bank.

Division of profits :—In most provinces, it is the practice of Central Banks not to include interest earned but overdue as income while calculating the year's profits. The system however is not uniform owing to the difference, in practice regarding the calculation of overdues in different parts of the country. The profits of Central Banks after meeting management expenses are distributed as allocations to reserves and dividends to shareholders. The combined net profits of 583 Central Banks of the country during the year 1928–29 amounted to Rs. 49,97,000/- on the total working capital of Rs. 28,67,18,000/- consisting of the paid up share capital, reserves, deposits and loans and excluding other liabilities. The bye-laws of a Central Bank provide for a minimum allocation of 25% of its annual net profit to the Reserve Fund and also contain a limitation on the rate of dividend payable by them. The rate of dividend paid by a Central Bank varies from 6 to 10 per cent. in different parts of the country but the most usual rate paid is 6% per annum. In addition to the General Reserve Fund some Central Banks have special reserve funds or accounts for special purposes, such as the Contingent or Bad Debts Reserve, Building Reserve, Dividend Equalization Reserve, etc. The Reserve Funds and other reserves, although they are generally known as Funds are not always invested outside the movement in gilt-edged securities or within the movement itself with the apex bank, although some of the provinces, under rules framed under the Act, have successfully enforced a due observance of such a practice.

The Central Banks also provide for depreciation charges on buildings and furniture out of their annual profits.

Cost of Management :—The combined cost of management of all the Central Banks in India during the year 1928–29 was Rs. 28,87,000/–. The margin between the borrowing and lending rates of Central Banks varies between 2 to 5 per cent. in different parts of the country. The margin is between 4 to 5 per cent. in Bihar and Orissa, U. P., the Central Provinces and Gwalior while in other provinces it varies from 2 to 3 per cent. per annum. Where the margin is high, the cost of management is also proportionately higher than in the other provinces in comparison with profits. The chief reason for this anomaly is that where the margin between the borrowing and lending rates of Central Banks is high, the area of each Central Bank is comparatively smaller and the banks have, sometimes, also to bear those expenses on behalf of their societies which are usually borne by Government in other parts of the country where the margin is low.

Inspection of affiliated societies :—All Central Banks supervise, guide and control their affiliated societies. For this purpose several Central Banks maintain a large field staff of trained assistants and generally discharge the function systematically. The bulk of the resources of societies in the country are derived from Central Banks and the latter, therefore, closely supervise and control the societies in order to safeguard their financial interests.

The duties of the field staff vary in different provinces. They generally inquire into loan applications, prepare assets statements, scrutinise applications for extensions, assist societies in recoveries from members, and generally advise the managing committees of societies in all important matters. In some provinces, their duties also include a proper maintenance of account books and holding of the annual general meetings of societies. Where a special staff is not appointed

either by the Registrar or the Provincial Institute, it is also the duty of the field staff and Central Banks to organise new societies, train the office-bearers of societies and carry on general propaganda and education regarding village sanitation, improvements and general welfare and point out the importance of improved seeds, manures and implements. Some of these duties of supervision have been taken over by the Provincial Institutes in most provinces but even in such provinces the development staff of the Provincial Institute have to rely on the help of the field staff of Central Banks in the discharge of their duties. In the beginning, a part of the duty of inspection was sought to be placed on a federation of the societies, the Guaranteeing Union, but this system did not work satisfactorily in any province. At present an attempt is being made in some provinces to transfer the duty of supervisions to federations of societies themselves called the supervising unions. In the Punjab, however, inspection of societies is conducted by the Registrar with a staff of inspectors appointed by Government, assisted by a staff of subinspectors working under the Provincial Union.

Audit of Central Banks:—The audit of Central Banks is conducted by the staff of auditors appointed by Government mainly under the direct control of the Registrar. In Bihar and Orissa, however, the audit staff is under the control of the local Federation of which the Registrar is the ex-officio Governor. The function of an auditor of a Central Bank comprises not only of an audit of its accounts but also of an examination of all overdue debts and an enquiry into all the circumstances which determine the general position of a Central Bank. A number of questions embracing all these matters is prescribed by Registrars in all Provinces and the auditors, besides verifying the assets and liabilities and certifying the correctness of the accounts of Central Banks, are required to conduct enquiries on the lines prescribed and to submit the results of such enquiries to the Registrars.

Supervision of Central Banks :— The inspection of a Central Bank apart from the audit of its accounts forms part of the duties of the Registrar and his staff. Certain Banks are periodically visited and inspected by the Registrar and his staff in all the provinces, and the inspection-notes are maintained on record or as in some places, printed and circulated to other Central Banks of the same province for information. In provinces possessing Apex Banks, the affiliated Central Banks are often visited by either the Manager or one of the Directors of the apex bank but systematic inspections are very rare, although opinion is gaining ground that the affiliated Central Banks should also be inspected either by the officers or by the Directors of the Provincial Bank.

Publication of Balance Sheets :— Generally the Central Banks annually publish their Balance Sheets and distribute them to their shareholders after the annual audit of their accounts is over. A copy of the Balance Sheet is forwarded to the Registrar and published in the local Government Gazette. No Central Bank, however, distributes copies of its Balance Sheet to all its depositors. The Balance Sheet contains the certificate of the correctness of the accounts together with the name of the auditor. It is signed by the Manager and Accountant and three Directors of the Bank. The Balance Sheet shows the authorized, subscribed, and paid up share capital, the details of deposits and other liabilities as well as the book value of fixed assets, the depreciation provided on them and the details of loans separating good from doubtful debts and from arrears, and the details of other investments and cash on hand and at Banks.

Annual and Quarterly Returns :— In addition to the annual Balance Sheet, Central Banks are annually required to prepare a receipts—and disbursements—statement, a profit and loss statement and assets and liabilities statement for the annual returns of Government. All Central Banks have, in some provinces, to submit, annually, a progress report to the local Registrar.

They have also to submit, every quarter, a statement showing in some detail the state of their finances. In this statement, the liabilities and assets are required to be so arranged that the ability of a Central Bank to repay its maturing liabilities from its maturing assets can be judged at a glance.

Branches of Central Banks :— Where the area served by a Central Bank is too large or where the number of societies is too large for efficient management and control from the office of a Central Bank, the latter is permitted to open a branch. Such cases are, however, very rare but where permission is granted, the general management of a branch is always controlled by the Head Office and the work of the branch is conducted with the help of a local Advisory Committee.

IV

URBAN CO-OPERATIVE BANKS.

1

URBAN CO-OPERATIVE CREDIT.

In urban areas, the population falls broadly into the following three types,—the consumers, the producers and the middlemen, or the intermediaries between these two. Every one is of course a consumer, but usually we mean by this class, the salariat and the proletariat, the salary-earners and the wage-earners. The producers are those engaged in the work of production of wealth and would ordinarily include the factory operatives as well as those who direct and control the factories; but the former being concerned only in earning their wages and not having any share in the directional or responsible work of the factory, are essentially consumers rather than producers, while the latter only would be the producers. These two, would be large producers, whose problems of finance are altogether different—the problems of corporation or industrial finance—and co-operation, the balm for the weak and the small, would have very little scope, if any indeed. All producers are not however of this class—big producers. In urban areas there are always numerous small producers, the artisans and handicraftsmen, who carry on their arts and crafts on a small scale on more or less the domestic system. The third class of urban population is composed of intermediaries, the middlemen, the carriers and the merchants—big and small. The big merchant, the wholesaler, whether engaged in the home or foreign trade and the big carrier, the Railway and the Shipping Company, are outside the scope of co-operative credit, as much as the large producer. Urban co-operative credit is thus concerned with the small consumer, the small producer and the small trader.

Ordinarily the consumer should need no facilities for credit; he is the final destination of commodities and has to pay cash for commodities required by him for consumption. His expenditure must needs be regulated by his income; he cannot afford to have a deficit budget; if his expenditure be greater than his income, the problem is how to increase his income from supplementary sources or how to reduce his expenditure, without of course lowering the standard of life, by obtaining household requisites at a lower cost, but not of how to borrow and from whom to borrow. Consumers' credit is thus bad finance as a general rule. But borrowing does not necessarily mean insolvency, if the consumer as a result of past savings or ancestral property has assets to cover his loan, his position is sound and he is a proper person to advance a loan to, if he requires accommodation for special expenditure as on marriages or other social functions and has not enough fluid resources. Besides such purposes, there might be unforeseen contingencies when a consumer might need financial accommodation to tide over a bad period, as for example, during a period of unemployment or long illness in the family. In such cases, if there are no past savings or tangible assets, the question arises as to the security for a loan advanced to him. His assets in such a case are not savings, but the ability to save, and it is precisely this intangible, incommensurable asset which neither the Joint Stock Bank nor the indigenous banker, the shroff, recognises, except in very special cases. The Joint Stock Bank and the Shroff look askance at the small man; they deal in large operations; small operations, even when backed up by tangible security, are unwelcome to these; they prefer to deal with a few men and a few big transactions. The small man is thus left to the tender mercies of the professional money-lender, the Multani or the Marwari, who certainly does not recognise such an abstruse thing as the ability to save and who refuses to lend unless some valuable is pledged. The Urban Co-operative Society is thus an absolute

necessity in urban areas in the interests of the small consumer. It saves the small salary-earner or the smaller wage-earner from the clutches of the professional money-lender, into whose arms the present system of banking would consign him; it helps the thrifty man to invest his savings; it helps the unfortunate to tide over a crisis; it accommodates him financially at a very low rate of interest; it preserves his self-respect. It is true that some of the urban co-operative societies have been sometimes too free with the moneys at their disposal and granted loans to all who asked for them without carefully assessing their ability to save, and come into trouble. But then they courted trouble and they must thank themselves for their difficulties. The greatness or the power to do good of an institution is not to be belittled, however, by its inefficient management and the weakness of the executive, and it cannot be denied that in the proper organisation of Urban Co-operative Credit lies the only hope of the hapless small salary or wage-earner in urban areas. The Joint Stock Bank or the Shroff are not going to solve their problems.

The Urban Co-operative Credit Societies resolve themselves into three types, from the point of view of the consumer:—(i) The salary-earners' society; (ii) the mill-hands' society; and (iii) the communal society. The Salary-Earners' Societies have been generally organised on the occupational basis, the members being employees in the same firm or Government Office. The strength of such a society lies in the absence of communal jealousies and factions, in the higher level of culture and intelligence of the members and the spirit of discipline that prevails in a modern well-conducted office. A great accession of strength accrues to the society from the sympathy of the employer or head of the office, through whom recoveries of instalments of loan repayments could be arranged and the danger of overdues practically eliminated. The basis of the society is very good, and the working generally quite sound. Monthly subscriptions inculcate the habit of

saving, so essential and useful to the salariat and the society can well act as a great and useful feeder for the Co-operative Investment Trust, which is the logical development of the thrift-cum-credit society such as this, in essence, is.

The Mill-Hands' Societies are more or less of a similar type, the differences lying, chiefly, in the illiteracy of the members, in their smaller transactions and in the possibility, though experience hitherto has not converted that into actuality, of the whole organisation being wrecked to pieces when the mill-hands go on a prolonged strike. Recoveries through their employers and constant supervision by a trained and reliable superintendent, paid by the employers for a group of such societies, are very necessary for their safety and success. A few enlightened employers in manufacturing centres have actively encouraged the formation of co-operative credit societies among their employees, as a part of their welfare work schemes. Apart from finance, the great needs of the factory operative are co-operative stores for the supply of household requisites and clothing, co-operative housing societies, co-operative service-performing societies and so forth. The Mill-Owners' Associations as representatives of the employers of labour, the Trade Unions as representatives of labour, and the Provincial Co-operative Institutes, as expert advisers on matters co-operative, should create representative boards, the Textile-workers' Co-operative Boards, which should, with assistance, chiefly financial, from the employers, chiefly as workers, clients and customers from the employees and chiefly directional, from the Institutes, with the freedom from suspicion of capitalistic or communist leanings, be able to carry on propaganda and develop a system of co-operation for the benefit of the wage-earners in manufacturing centres that would be sound, sympathetic and safe.

The Communal Societies as consumer's organisations are not indeed quite sound; where sentiment comes in from the

door, efficiency and safety fly away through the window; the ability to save is not properly assessed; the nobler, but the unbusinesslike, desire to help takes possession; overdues mount high; procrastination in the matter of recoveries and references to the Registrar for arbitration creates great troubles; and ruin appears on the horizon. Indeed the communal tie between members of a co-operative organisation is very undesirable unless in the case of a large community, where cousinship is not almost synonymous with membership of a community. Despite this inherent weakness, however, several societies of a communal type have done remarkably well and have been serving their communities in more ways than one.

Turning from the consumers to the small artisans it is obvious that neither the Joint Stock Bank nor the Shroff is going to be useful to these for the financial accommodation they need in the course of their business. With or without the security offered by the goods they produce, the Joint Stock Bank is not going to lend him any moneys, nor is the Shroff going to do so, the small scale of business not being attractive enough. Under present conditions, it is the wholesale merchant, the large trader, dealing in the kind of goods produced by these people, who comes to the rescue and keeps them in return in a sort of perpetual bondage. The common practice in this respect is for the merchant to supply either the funds necessary for the purchase of the raw materials or to supply the raw materials themselves, the condition expressed or implied being that the goods produced were to be sold to him. In many cases the artisan becomes thus a sort of a wage-earner executing the behests of his creditor and receiving a small wage and some small loans now and then. These loans usually are not repaid, the merchant making a show of a generous impulse in letting the artisan off while really the amount of the wage is determined by keeping in mind such contingencies. What the Multani or the Marwadi is to the small consumer, the merchant is to the small artisan. The

most important and essential step that is thus necessary to rescue the artisans and handicraftsmen from exploitation by merchants is to start Urban Co-operative Credit Societies. In such a Co-operative Industrial Society, the tie between the members should necessarily be one of common occupation, the handloom weavers in a town having their society, the silk weavers theirs, the goldsmiths theirs, the shoe and leather workers theirs and so forth. This in a sense means the organisation more or less of co-operative societies on the communal basis, in as much as these castes have an occupational basis. The communal tie thus while being undesirable from the point of view of consumers only becomes almost essential in the case of occupational castes. There are but very few societies of this type unfortunately, and generally the producers' movement has not been well developed. The chief difficulty in the way of the success of these Urban Industrial Credit Societies lies in this, that they take up only one of the functions performed by the merchant at present viz. financing the artisans. The artisans are skilful enough in their trade but are ignorant and unable to take care of themselves in the matter of the purchase of raw materials and implements and also in the matter of the sale of their finished goods.

They need thus not only a Credit Society but also a supply and sale organisation. The mistake hitherto has lain in the starting of mere Credit Societies and in expecting to start a little later purchase and sale unions. A co-operative institution, if it is to render them efficient service, must perform all these functions at the same time,—finance them as and when necessary, supply them with raw materials and implements and accept for sale their finished goods, advancing a part of the price to be realised on sale to them immediately. A Co-operative Industrial Bank is thus a necessity in each District Town. In order to evolve the correct type of organisation, it seems very necessary for the Departments of Industries and Co-operation to co-ordinate their efforts and the

sooner this is brought about by the establishment of an Advisory Board attached to the Department of Industries or in some other way, the better it would be in the interest of the regeneration of the artisans and handicraftsmen. Till, however, such Industrial Banks come into existence it is for the Urban Co-operative Credit Society organised on the occupational—communal—basis to help the artisans as far as possible. At any rate, the problem of financing the small artisan is one not for capitalistic banking, either individual or joint stock, but for Co-operative Banking.

The third class of the urban population is that of the merchants and traders. For these, the banking system that has so far developed is quite well suited in many respects. The Exchange Banks finance them so far as foreign trade is concerned, while the Imperial Bank of India, with its branches and the Indian Joint Stock Banks with their branches finance the home trade of the country, though the part that the Shroffs play in this direction cannot be belittled. That the Exchange Banks are non-Indian is to be regretted, in as much as national banks play a very important part in the foreign trade of a country, but that need not concern us here. From the point of view of the small trader, it is Co-operative Banking that is obviously wanted, and the recognition of the importance of the indigenous banker in this connection naturally leads one to inquire how far and in what ways these two agencies for the financing of the small trader can be co-ordinated to the advantage of all concerned. There is a volume of opinion that cries out against the indigenous banker, roundly declares itself against him and advocates the growth of Urban Co-operative Banks regardless of what happens to the Shroff who has been serving the country for ages, of course in his own way and doubtless serving himself at the same time. It is obvious, the Joint Stock Banks are out of the field in this matter; they are not in a position to multiply their branches so as to provide a banking institution at the

headquarters of each Taluka; theirs are expensive methods; large scale operations only can justify them in opening branches; dealing with small men does not suit them. The only two agencies concerned in the financing of the small trader are the Co-operative Bank and the Indigenous Banker.

There is no doubt that the Shroff is more elastic in his methods; he works at convenient hours and is prepared to accommodate his clients in emergencies, in all possible ways; he represents indeed a personal system with all its advantages and disadvantages; he may or may not be usurious; his efficiency often dies with him, and the reputation of the firm or *pedhi* hardly outlives the founder; the insecurity to the depositor is greater. The Bank, Co-operative as well as any other, is an institution and being impersonal becomes all the more stable with age; personalities count far less; the depositor feels safer. In a way, it seems as if the Bank is much the better of the two for the depositor, the Shroff much the better of the two for the borrower. Though the Bank transactions are as much confidential as dealings with the Shroff, the borrower ever desiring secrecy and hating publicity, though one does not understand what shame there can be in borrowing for productive purposes, such as trade and business developments obviously are, feels his secret safer when entrusted to the keeping of one man, the Shroff, than when it has to be entrusted to many persons as in a Bank, where the papers have to pass through the Manager and the Managing Director, the Directors and the clerks and accountants also. The fear of publicity in dealings with Banks makes small borrowers quite willing to pay, if need be, a higher rate of interest to the Shroffs. Apart from publicity, borrowers feel annoyance, if not resentment, when particulars of this and of that are asked for by the Bank and are discussed by so many persons, Directors and others; his self-respect, may be his false pride, is wounded. The Shroff thinks and decides whether to grant a loan or not; the powers that be at the Bank

talk and discuss his solvency and decide; and the borrower feels that these are things which had better be thought out but not spoken. The impersonal system, the rigidity or the comparative inelasticity, are further features which might act as deterrents in the case of a Bank. When however all is said, there remains the fact that the co-operative bank, unlike the shroff, and the other banks, is his own institution; he has a voice in its management; he has a share in the profits, not only in proportion to the number of shares he has in the bank, but also in proportion to his business with the bank, both as a depositor and a borrower. Both the agencies, thus—that of the indigenous banker and that of the co-operative bank—have their good and bad points and the ideal would be to bring about a happy co-ordination of the two and not the elimination of the one or the other. Co-operative commercial banks, for such indeed are the peoples' banks, after the Italian Luzatti pattern, might well take on their directorates and on their Discount Committees, representatives of the local Shroffs so that their experience in Banking may be made use of and an approximation to the personal system of the shroff may be devised, whereby without much fuss and chance of publicity, loans might be sanctioned with greater reliance placed on the Managing Director, who might be vested with special powers to sanction loans upto a certain limit; and arrangement might be devised, so that the surplus funds of the Shroffs might be utilised by the Bank and *vice-versa*. Even if no co-ordination be possible, it appears that the best way would be to allow both the systems to continue side by side, when in course of time, the inferior system would die a natural death. It is, however, unthinkable how shroffs could be recognised as agents of the Imperial Bank and vested with special privileges. The system of the future is evidently the co-operative system which must take in all the good points of the old system and function as the financing agency for the small traders in urban areas. The Co-operative structure in this direction ultimately would be the People's Bank at the

Taluka head-quarters and if necessary at other market centres, the District People's Bank, which would be a sort of a federation of the Taluka Societies, and a Provincial People's Bank. The Provincial Co-operative Bank, the District Co-operative Banks and the primary rural societies have completed the financial structure on the rural side; and People's Bank at the Provincial, District and Taluka headquarters would complete the financial structure of the movement in urban areas, so far as small traders are concerned.

2

PEOPLES BANKS.

By Rao Saheb V. C. Jadav, B.A.,

Managing Director, Surat Peoples' Bank.

The importance of Peoples' Co-operative Banks, promoted for the benefit of the inhabitants of urban areas without any distinction of caste or creed, is very great. Its potentialities for co-operative work in furthering the intensive development of the co-operative movement are considerable. All banking facilities in India being largely concentrated at important urban centres only, it is for the Peoples' Banks to undertake the finance of smaller merchants, artisans and craftsmen in district and taluka towns and in course of time stimulate trade and industries in and around those towns.

The principal business of these banks is short-term credit and in this respect they resemble largely the ordinary commercial banks. In the absence of any industrial co-operative bank, it is also for the Peoples' Bank to finance small industrialists and help the development of cottage industries, which still play a very considerable part in the industrial economy of India. Another very important function which falls to Peoples' Banks is the financing of the marketing of the

produce of the land from the field to the port or to the principal market centres and thus assist in the development of the internal trade of the country.

In all provinces there are, no doubt, many urban co-operative credit societies and when these grow and have a fairly large working capital, these societies call themselves as banks ; but if we examine the functions performed by them, we find that very few of these are really peoples' banks. They are largely based upon the tie of common occupation or caste and restrict themselves mainly to receiving deposits and advancing loans for short terms to a member, not simply for productive purposes but also to enable him to tide over a bad period. It is only in the Bombay and Bengal Presidencies that we meet with some good institutions functioning as Peoples' Banks.

In the Madras Presidency the non-agricultural credit societies number 1,144 with a membership of 209,682, and a share capital of about 38 lacs, a reserve fund of about 16 lacs and a working capital of about 2½ lacs. Most of these societies are not real Peoples' Banks. Those, however, with a working capital of 20,000 and over are required to maintain fluid resources, the number of such societies being only 107. In the Punjab there are 944 unlimited liability non-agricultural credit societies and only 69 limited liability societies. Of these 329 are Class Societies and 105 Christian Societies. The membership of these is 45,170 and the working capital is 81 lacs. Even here we hardly find any development of real Peoples' Banks. There are some societies in this province which shopkeepers have joined as members and the universal tendency among them is to live on borrowed money, a fair portion of the credit limit being used as fixed capital and never repaid. In Assam the non-agricultural societies number 63 with a working capital of a little over 20 lacs. In Bihar and Orissa there are 79 such societies which have a working capital of 25½ lacs.

In Bengal there are 340 limited liability urban credit societies. They have a membership of 119,918, a share capital of about 46 lacs, a reserve fund of about 11 lacs and deposits of about 130 lacs. These societies seem to have won public confidence and are able to attract a sufficient amount of local capital. The peculiar feature of these societies is that the most important of them are salary earners' credit societies. Almost all important government offices and private firms in Calcutta have got societies of this type. Mention may also be made of the Sweepers' Societies which have succeeded to a remarkable extent in promoting temperance among the members and improving their economic condition. In this presidency we also find the development of real Peoples' Banks. Some of the divisions, especially the Chittagong Division, have several big concerns working on sound lines, but separate statistics of the working of these banks are not available and it is not possible to supply any details in connection therewith. The department recognises the importance of the development of such banks but deplores the inadequacy of the staff at its disposal for the work of organisation.

In the Central Provinces there is considerable scope for the promotion and development of Peoples' Banks, particularly in view of the decline of industries such as cotton-weaving, bleaching, dyeing, bangle-making and oil-pressing. There are only 26 urban credit societies in this province with a working capital of about 10 lacs. Hardly any one of these societies does banking business on modern lines.

In the Bombay Presidency, institutions which have a working capital of 50,000 and more, are classed as urban banks. Such banks have to submit a quarterly financial statement to Government and their position about fluid resources is watched by the department from the point of view of banking with the object of guiding them in the right direction. Since 1922 the department has been very keen on having a full-fledged peoples' bank in every taluka town and looking to the progress

so far made in this direction, it could be said to have succeeded in its efforts to no small extent. With the proper development of urban co-operative banking, there is no doubt that the various units will come into touch with each other and with mutual settlement of terms, they will be able to work in co-ordination and harmony and will assist greatly the development of inland trade and industries. The working of Peoples' Banks in the Bombay Presidency has been described in details in Chapter VII of "*Co-operation in Bombay*"* and need not, therefore, be repeated here. It is enough to point out that if urban banks are to undertake all the functions mentioned above, become a repository of people's savings, a nucleus for co-operative activity, and an institution giving facilities for internal remittance, it is quite necessary that their share capital must be pretty large, and co-operative banks will, therefore, do well to encourage their members to acquire more shares than one. The need, however, of building up a strong reserve fund, is also apparent as it helps to consolidate the financial position of the bank. Under the Co-operative Act the reserve fund in the case of a successful bank will largely be the surplus assets and as such it cannot be distributed among the shareholders in proportion to the number of shares held by each. The tendency, therefore, of regarding the reserve fund as something belonging to Government and not to the bank and therefore to find out some excuse for using it up, must be checked if the bank is to prosper as a co-operative society started with the object not of making profit but of rendering service and of making that service as cheap as possible. A well conducted urban bank should really be able to win the confidence of the people within its area of operations and attract deposits. With the leading citizens of the town in charge of the management and with the moneys of the bank loaned out for local trades and industries, the local patriotism is bound to assist the develop-

* "Co-operation in Bombay" by Prof. H. L. Kaji pages 173 to 193.

ment of the institution and the increase of deposits In the Bombay Presidency on the 31st March 1930 there were in all 76 urban banks most of which are fairly successful. The total membership is 174,820, the working capital 282 lacs, and the reserve fund 19·4 lacs. It can be said without exaggeration that the development of urban co-operative banking has been a contribution of Bombay to the co-operative movement in India and other provinces might well follow Bombay's example in this direction. "Nothing perhaps is so much required in modern India, if the country is quickly to develop to the fullest of its possibilities and to take its place in the line of progressive countries, as a properly developed indigenous banking system. It is felt by Co-operators that the co-operative movement is quite as well fitted to meet this need as any system of joint stock banks and it is obvious that Co-operative Banks will have the further advantage of being democratically managed by the people themselves, and of dividing all the profits equally among customers as well as shareholders".* If these banks are really to take the place, as Peoples' Urban Banks, and to open out the almost virgin field of banking outside the presidency towns, it is necessary not only that they should be linked up with the Bombay Provincial Bank but that they should also be laterally connected with other banks in neighbouring districts. Until the existing banks show their knowledge of, and capacity for, business, they cannot hope to be quoted as models for primary societies, which one has a right to expect from them. One of the tasks which urban banks might also set themselves to with advantage would be the promotion of true producers' societies under the protection and guidance of many craftsmen working in their own area at home or at small local factories.

It must be remembered that loans advanced by urban banks should generally be short-term loans for 3, 6 or 9

* Annual Report of Registrar of Co-operative Societies, Bombay Presidency, for 1922-23.

months and one great fault of these banks in this presidency from their inception has undoubtedly been the granting of a disproportionate amount of long-term loans. Long-term loans would no doubt be required to a small extent; loans for the construction of business premises or even for private uses or for reasonable domestic requirements might also have to be allowed. But in a soundly conducted business of this kind, the majority of transactions must certainly be for short-term loans which are not only more profitable to the banks but also more profitable to the community as a whole, assisting, as they would, production and raising the general wealth of the local area. Another point that deserves emphasis in connection with the business of urban banks is that of rapid turnover and of the employment of an efficient and well-paid staff. It must be accepted and realized that big business must imply an efficient, honest and contented office establishment. In Bombay the Provincial Co-operative Institute, through its Central Education Board, has in recent years, been conducting schools in each linguistic division and arrangements are being made for the training of the staff of urban banks. It is, however, too premature to say that the staff employed by the urban banks in the presidency has now really reached the desired degree of efficiency. In Bombay, the Karnatak and Gujerat are the two areas where the urban credit movement is best developed. One of the best of its kind is the Hubli Urban Bank and in Gujerat the Surat Peoples' Bank has very satisfactorily performed its functions as a real peoples' bank of the Luzzatti type. It gave a rebate on interest to borrowers, bonus to its depositors and worked like a real bank by giving short-term loans and overdrafts for financing trade and doing exchange business. These two banks can well stand comparison with some of the best Luzzatti Banks in Europe.

In 1926 the urban banks of Gujerat formed themselves into a supervising union for the purpose of inspecting the

accounts of its constituent banks and helping them in the development of the business. The Bombay Provincial Banking Enquiry Committee have recommended the formation of similar unions for the urban banks in the other divisions of the presidency, which would be useful not only for the supervision of the existing banks but also for the guidance of the newly formed banks.

The Banking Enquiry Committees—both Central and Provincial—have explored the ways and means of extending banking facilities into the smaller urban areas of the country and the importance of the place which the urban shroff should occupy in this extension has been recognised by them. It is, however, for the co-operators to prove that the urban co-operative banking has no less important a place in the scheme of banking expansion in the country and that the best hope of the small craftsman, the artisan and the salary-earner lies in the healthy development on sound lines of urban co-operative banks promoted on non-communal and non-occupational lines.

NON-CREDIT CO-OPERATION.

I SOCIETIES FOR CONSOLIDATION OF HOLDINGS.

II CO-OPERATIVE ANTI-MALARIAL SOCIETIES.

III CO-OPERATIVE IRRIGATION SOCIETIES IN BENGAL

IV CO-OPERATIVE HOUSING SOCIETIES.

V WEAVERS' CO-OPERATIVE SOCIETIES.

VI CO-OPERATIVE PRINTING SOCIETIES.

VII CO-OPERATIVE MILK SOCIETIES IN BENGAL.

VIII CO-OPERATIVE STORES.

I

SOCIETIES FOR CONSOLIDATION OF HOLDINGS.

By M. Bashir Ahmed Khan, Esq.,
M. A., LL.B., M. R. A. S.,
Secretary, Punjab Co-operative Union, Lahore.

India is predominantly an agricultural country. A very large majority of its population depends for its subsistance on land. If the country is to be prosperous, it is of utmost importance that all the land, which can possibly become available should be brought under the plough. But land is limited, and the population is increasing rapidly. New land is becoming scarce, and the burden on the existing land is growing heavier. The standard of living is rising. This necessitates the adoption of scientific methods of cultivation and also the stoppage of wastage of land. But the methods of cultivation are still, to a large extent, primitive, and a lot of cultivable land is wasted.

The Laws of Inheritance:—The laws of Inheritance amongst the Hindus and the Mohammadans in India, except where the Hindu joint family system is in operation, enjoin the succession to immoveable property by all the heirs, usually in equal shares, except where there are sons by different wives, when it sometimes happens that the sons of each wife inherit an equal share and divide amongst themselves. The law of primogeniture, by which the eldest son alone succeeds to the property of his ancestor, and which is in force in some European countries, does not obtain in India; and in the peculiar conditions of this country its adoption is apparently not advisable. There is no inherent defect in the law of inheritance by which each son gets an equal share in the ancestral property. But the customary method, in which this law is applied in the division of property amongst the heirs, results in great economic loss.

Fragmentation of Holdings :—Each heir is given a proportionate share of each item of the inherited property and not a share of the whole equivalent to his portion. Thus, if a father owning three separate fields of one acre each dies leaving three sons, the latter will take not one field each but one third of each field in all the three. This is due to the fact that each plot of land may vary in fertility, and division of each plot is hence considered necessary to secure an equitable division; each heir seeks to ensure his getting a portion of the best land even if this involves his taking a share of the worst. The result is that successive generations descending from a common ancestor inherit not only smaller and smaller shares of his land but inherit that land broken up into smaller and smaller plots. This continuous partition of each field amongst heirs leads to what is known as fragmentation, as the holding inherited is scattered throughout the village area. Fragmentation is accentuated by the expansion of cultivation irregularly over the waste, by purchase and sales, and by the extinction of families in default of direct heirs and the division of their property amongst a large number of distant relatives. It has been also the result of the break up of the joint family system and the custom of cultivation in common.

Evils of Fragmentation :— The disadvantages of fragmentation are obvious. A part of land is wasted owing to fragmentation being so excessive as to prevent any agricultural operations, and another part is lost in boundaries, which could be abolished if the fragments were consolidated. Even where cultivation is possible, fragmentation involves endless waste of time, money and effort; it restrains the cultivator from attempting improvements; it prevents him from adopting scientific methods of cultivation; it discourages him from carrying out intensive cultivation; it enforces uniformity of cropping, and especially restricts the growing of fodder crops in the period during which cattle are usually sent out to graze on the fields. The economic loss due to this system can

be easily imagined. The unhappiest of all the cultivators is he whose fields are scattered in tiny patches and thin strips all round the village, the most fortunate is he whose land is collected in one block. The former wastes his time and the strength of his cattle in passing from field to field ; he cannot protect his crop against theft ; fencing of each separate plot against wandering cattle is impossible ; and quarrels with his neighbours about the boundaries are frequent, involving him not infrequently in litigation.

Consolidation of Holdings:—While the evils of fragmentation are obvious, the remedy is not easy to find. Various attempts have been made to cope with the problems arising from fragmentation of holdings, but almost all of them have failed. The only measure that appears to promise relief from the evils of fragmentation is what is generally known as the consolidation of holdings.

This most difficult, important and interesting experiment originated in the Punjab in the year 1920. The Punjab is a province of peasant proprietors. Holdings are small and scattered over a vast area, and fragmentation of holdings is a great obstacle in the path of the peasant's adopting of the scientific methods of cultivation. Therefore the introduction of the consolidation of land holdings has been a boon to the cultivators.

Procedure of Consolidation :— The procedure adopted in establishing a Co-operative Consolidation of Holdings Society is to call together all persons directly interested in land in a given village, persuade them to accept the bylaws whereby a majority in a general meeting might approve a method of repartition, and then carry out actual adjustment of fields and holdings in such a manner that no single individual might have any grievance. In the beginning, when the experiment was started, the new land taken in exchange for his old land by each member of the co-operative consolidation society was to be retained for only four years, after which, if the members

were discontented with what had been done, the proceedings could be cancelled and each man could revert to his former holding. But now exchange of land has been made permanent.

Objects :— The objects of a Consolidation of Holdings Society are to promote the economic interests of its members, and more particularly to secure a beneficial re-arrangement of holdings and to prevent loss and waste by fragmentation. It is necessary that every member of the society must be a land-owner or occupancy tenant or a person having an interest in land in the particular village.

Every member, on being admitted to the society, has to sign a statement that he agrees :—

(1) to the principle of the re-arrangement of scattered holdings so as to secure more compact blocks of fields for each owner ;

(2) to submit to any arrangement approved by two thirds of the number of members in a general meeting ;

(3) to permit the re-arrangement of his lands in accordance with any such scheme and to give possession in accordance therewith for ever ;

(4) to submit to arbitration all disputes touching the business of the society (including disputes as to rights, boundaries, rents, responsibility for land revenue and cesses and possession of the lands affected by any such scheme) that may arise during the existence of the society;

(5) to submit to any arrangement approved by two-thirds of the number of members in a general meeting in case of any future partition on re-arrangement of the consolidated area in which he may be concerned.

As in every other form of co-operative society, the supreme authority in a consolidation society rests in the General Meeting. All important matters are decided at a General Meeting and confidence is gained by strict adherence to democratic principles. The General Meeting discusses the method of partition and decides on the main principles to be observed,

such as the kinds of lands, the retention of former possession, and decides whether minor differences as to trees, etc. should be made good by money payments and so on. When a method of partition is decided upon, the Managing Committee prepares a scheme for the re-arrangement of holdings in accordance therewith. This scheme is placed before the General Meeting for approval. If two thirds of all members accept it, it becomes binding on all, otherwise it is discarded. Another plan is drawn up and so on until almost every body is satisfied. When the scheme is approved, members are bound to give up and accept possession in accordance with it. A member, who feels aggrieved can refer the matter to arbitration. When this scheme was introduced, reliance was placed on preaching and persuasion and not upon the element of compulsion.

In this scheme, no one loses; no one need receive less land than he held before. No attempt is made to oust holders of petty plots; no compulsion is used, no restrictions are imposed; and the whole process is kept as simple as possible and is easily within the comprehension of the ordinary cultivator. No one is asked to agree to the re-arrangement until he has a new holding marked out on the ground.

Till recently society was not registered unless an area had been consolidated, possession exchanged and mutation sanctioned, or in other words, till its work was virtually finished. But now a society is registered when its work begins. The primary object of consolidation is not the prevention or cure of sub-division but the cure of fragmentation by bringing the fields of each holding together, whereby intensive cultivation can be practised if the cultivator wishes to do so.

Achievements:—Although for many years settlement officers in the Punjab had made repeated attempts to use their influence to bring about consolidation, no success was attained and it was not until the scheme described above and which is now in operation, was devised by the Co-operative Department, that people could be persuaded to give consolidation a trial. As the result of patient work which has now extended over ten years, some very striking results have been achieved,

and the movement for consolidation in the Punjab has assumed the dimensions of an important agricultural reform. It is steadily gaining in popularity, and, as more staff is trained and the people become better educated to the advantages of the system, the figures for the area consolidated are mounting up year by year. This work began in 1920–21 and in the 10 years that have elapsed since, then, 2,63,462 acres have been consolidated by the end of July 1930* out of the whole cultivable area of about 30 millions, at an average cost of Rs. 2–5 as. per acre. The total cost has been Rs. 6,14,830. The interest of these figures lies not so much in their amount, which in respect of the whole Province is very small, but in the fact that this work which began at a very slow pace is now acquiring momentum. This is shown vividly by the fact that whereas in the first 8 years the total area dealt with was 1,62,000 acres odd, in the following year alone the area consolidated was 48,079 acres, and last year (ending 31st July 1930) the are was over 50,000 acres. The following figures show the progress of consolidation during the last two years:-†

	1929	1930
New Societies	115	113
Societies cancelled because of the refusal of members to exchange posesssion.	3	4
Area consolidated (in acres)	48,709	50,105
Number of blocks of land		
(a) before consolidation...	87,942	97,645
(b) after consolidation	14,667	16,760
Average size of block increased from (in acres).	·55 to 3	·51 to 2·9
Number of owners concerned	7,630	7,651
Number of villages in which work was proceeding.	204	194
Staff employed (paid by Government)		
(a) Inspectors	8	10
(b) Sub-Inspectors	115	128

* Annual Report for 1930

† Annual Report for 1930

Staff:— The staff, which is employed to carry on this difficult work of consolidation, is drawn from the revenue subordinates. A Patwari or village accountant, whose ordinary pay is from Rs. 20 to Rs. 30, is chosen and his services are lent to the Co-operative Department as a sub-inspector on Rs. 60/-. Similarly a Revenue Qanungo, ordinarily paid Rs. 40 to Rs. 50, is employed as an Inspector on Rs. 100/- and draws travelling allowance at the usual Government rates. Since the Sub-Inspectors are required to stay for long periods in one village, and since it is important to prevent them from imposing a burden on the villagers, they receive a fixed allowance of Rs. 30 per mensem. Sub-Inspectors, who are found to be unsuccessful, or in any way untrustworthy, are reverted to their former duties as revenue subordinates on their former scale of pay, and this threat appears to be sufficiently deterrent.

Sub-Inspectors are supervised in their work by Inspectors. There is one inspector for every 10 to 15 Sub-Inspectors. At present one man is expected to consolidate about 500 acres a year. There are now 10 Inspectors and 128 Sub-Inspectors and they are working in 11 districts. The work is progressing smoothly and successfully. In tracts where co-operative consolidation has become well-known, the amount of work that can be undertaken is limited only by the staff that is available. A good many spontaneous applications for consolidation are received from villages. "Yet nowhere are people sufficiently keen to be willing to pay for it. The whole cost (last year 1·52 lacs) has therefore to be borne by Government and it would be difficult to find a better example of the beneficent activities of Government."*

A critic will perhaps consider that the cost to Government of the consolidation in question is considerable, while the benefits accrue, entirely, to the owners and cultivators. The following instances will disprove this opinion. When

* Annual Report for 1930.

the Ghazipur Consolidation Society was registered in 1921, the 254 acres of unirrigated land, to which the repartition applied, were paying a revenue of Rs. 1–9 as. per acre. The cost of consolidation was Rs. 157–8. Without bringing the fields of a single owner together in one place there was no hope that wells would be sunk, and this rate of revenue would presumably have been maintained at the next settlement, which is due in 1945. As a consequence of consolidation 15 new wells, irrigating 150 acres, have already been sunk and still larger number are likely to be constructed. The rate of revenue on irrigated land in the adjoining village is Rs. 4–9–6, and without taking account of other possible wells, the revenue on 120 irrigated acres at this rate if it be not increased at the next settlement, will be Rs. 551, as compared with Rs. 187–8 at present. Allowing interest at 6 per cent. for 24 years (1921 to 1945) on Rs. 157–8 as. the cost of consolidation, the total charge to Government rises to Rs. 384–8. The total cost of consolidation plus interest will therefore be recouped by Government in the first year after the new settlement, and will continue to be repaid in each successive year.

Take another instance. In the village of Ballok a Sub-Inspector and an assistant were employed for 20 and 11 months, respectively, in the consolidation of 1912 acres at a cost of Rs. 2,390. Adding interest for 21 years, the total cost rises to Rs. 5,401. The owners have already sunk 13 new wells, which irrigate 130 acres. A further area of 84 acres, formerly unirrigated, has now been brought within the circle of irrigation by means of repartition. In addition to 214 acres thus irrigated, 470 acres, which were formerly uncultivated since it was not worth while to attend to remote and scattered plots, have now been cultivated, and will be assessed at the next settlement. At the present rates of revenue, and without allowing for a possible increase, the addition to the irrigated and the cultivated area will yield a revenue of Rs. 1,552–12 as., and the cost to Government will therefore be

recouped in 3½ years. It is, however, probable that more wells will be sunk, and the gain to Government will be greater and more rapid.

Here is another example. A small village was consolidated. As a result of consolidation 140 acres out of 148 have been brought under irrigation by new wells. The revenue on irrigated land is 9 annas above that of unirrigated, and the cost of consolidating the village was Rs. 225/-. If the district be re-settled after 20 years, and the assessment on irrigated land still stands 9 annas above that of unirrigated, Government will recoup the whole cost in less than 7 years.

The average cost of consolidation in the Punjab is Rs. 2–5 as. per acre as against Rs. 176/- in Japan, Rs. 5/- in Sweden and Rs. 3–12 as. in Norway.*

Advantages of Consolidation.—Economic Results :—It may perhaps interest the readers to understand the value of the consolidation of land holdings. The advantages already secured to the Punjab are conspicuous.

" The two commonest effects of consolidation are the sinking of wells and the bringing of waste land under cultivation. Last year 933 new wells were sunk, and 5206 acres were brought under cultivation, 3193 acres were also irrigated for the first time. In Gurdaspur nearly 2000 trees, including over 400 fruit trees were planted, and 49 manure pits dug."† About 600 old wells have been repaired and brought into use since consolidation began.

Improvement of agriculture is general, where holdings have been brought together. New ploughs and other implements are used, new crops or new varieties of an old crop are sown, sand is removed from light soil, and planting of trees or seeds

* Article on Consolidation–Strickland, in Agricultural Journal of India March 1927 issue.

† Annual Report 1930.

is carried out. The Agricultural Department has wisely concentrated its efforts in a number of villages where consolidation has been effected, realizing that cultivators who will risk their land—their most precious possession—in so novel a manner will also be willing to accept new doctrines from them. One or two villages in Sialkot and Jullundur have been converted wholesale, every cultivator using a Meston plough, the wheat seed recommended by the Department and the methods of cultivation and interculture which they think adequate. The result is a general increase of rents and together with this a general contentment among the tenants. Take two instances at random ; the share of produce paid by a tenant of five acres in Gurdaspur has risen from Rs. 100 to Rs. 150, and an absentee owner of another small area receives 80 maunds of wheat instead of 55. A tenant can naturally cultivate better a holding which is conveniently situated in one or two blocks than if he had to travel from end to end of the village in search of each field. He willingly pays a higher rent, and the share which he retains for himself is nevertheless of greater value.

Causes of quarrel and litigation are at the same time reduced. Civil suits and revenue proceedings for partition naturally lapse when the boundary rights to which they refer are swept away by a general re-allotment. A local authority has had occasion to observe that a cattle pound in Gurdaspur District may have to be abolished on account of the decrease in cattle trespass. As in Japan the removal of field boundaries increases the total area of the village, paths are provided, giving access to each man's holding, and the general economy of time and labour will readily be understood. It is by no means uncommon for an owner to find his 30 or 40 blocks united in one large holding, and there is an instance of a landowner whose land, formerly scattered in more than 200 places, has all been brought together in one block. A landowner in Sialkot District, who owned 10 acres in 84 separate

fields, found them unprofitable to cultivate, and preferred to live in Lyallpur as a tenant. His holding was consolidated and allotted to him in 2 blocks, and he returned to his home and bought a well to irrigate his holdings.

There are a few cases of enclosure, one owner in Gurdaspur having grown a thorn hedge round his 200 acres, while another has built a mud wall. Owner-cultivators who leave the village site and build their houses on their land, are becoming fairly numerous, and where cattle theft is not unduly rife, this tendency will no doubt be accentuated. Cultivators who have hitherto had to till the land of others in neighbouring villages have been able to give up this practice and make a living out of their land alone, now that it has been consolidated; one family has been able to pay off an old debt of Rs. 300/- owing to the increase in their income; a land-owner has made a pakka water channel 400 feet long for his newly organised estate. Another has constructed a drain, 1000 yards long, in a Hoshiarpur village. In tehsil Phillour, the rain water on the larger blocks is now conserved by building *bunds* in a manner which was impossible with the tiny fields. In Ghazipur, which is one of the show places, the occupancy tenants have purchased ownership in the consolidated land.

A welcome community spirit is now making appearance; for villages are beginning to set apart fair plots of land for the digging of manure pits, for grazing grounds, gardens, school buildings and play-grounds. In Jullundur a village added three acres to its grave-yard in 1930, another set aside half an acre for school, and a third, two acres for a play-ground, four acres for grazing and 2½ acres for manure pits.*

The general effect of consolidation is to increase rents, and decrease causes of litigation and quarrels. We sum up the results which have already accrued in consequence of

* Annual Report 1930,

consolidation. Rents have risen, out-turn of crops has increased, new land has been cultivated and dry land brought under irrigation. New wells have been sunk, old ones repaired. Access has been obtained to the roadways, farming has become more intensive, and fruit trees have been planted.

Difficulties :— The Registrar of the Punjab remarks in his interesting Annual Report for 1930:

" It is easy to chronicle these results, but most difficult to produce them; where every one has to be satisfied and all conflicting interest reconciled; where the poor, the weak, and the speechless have to be as much regarded as the rich, the strong, and the vocal; where the ignorant have to be enlightened and the stubborn conciliated; and where the only weapon is the tongue, and the only means persuasion. Technical difficulties too abound, and underlying all is the peasant's passionate love of his land with the jealousy of neighbours that passion breeds. In such circumstances the work must be slow but the marvel is that it is done at all."

Difficulties of course abound in this complicated and intricate task of consolidation. Every owner fancies his ancestral plots are the best and dislikes the idea of exchange, old men hate to be disturbed, minors require special consideration; the very small owners see no advantage, the bigger men have sometimes got more than they are entitled to and repartition would take this away; mortgagees oppose any alteration, and occupancy tenants fear that their rights will be lost if their possession is disturbed; some owners have migrated in search of work and their consent cannot be obtained. All these difficulties must be met and surmounted with patience and tact. Other difficulties are of a different order; the village Patwari sees his income from disputes, from copies for court use, and from other little sources threatened with reduction; he also fears that with compact holdings the number of Patwaris will be reduced and his conscience suggests that

if the worst men are dismissed, he will not be a survivor. The higher revenue authorities, however have shown much interest in the work, and as success is achieved, this interest should grow.

The work demands the utmost sympathy and patience, nothing must be rushed through, nothing left unexplained; every man's objection must be removed, even if he be the smallest owner in the society. A village well satisfied with its experiment in consolidation will be of more value for propaganda than many lectures. The cultivators readily grasp the advantages; each is ready to take his neighbour's land, but not so ready to give up his own. The main elements of co-operative action must be carefully preserved. The agreement to join in such a society must be voluntary and based upon the realization of a common need and of the desirability of securing it by common action. Within the society, everyone, be he a big owner or a small one, must have an equal voice; the smallest man must be allowed to make the loudest complaints.

To bring the scheme of consolidation to a successful conclusion, careful education in its advantages, unending patience in attending to every grievance and objection, and skill in combating obstinacy and suspicion, are called for. Failures are many. It sometimes happens that the refusal of one or two individuals at the very last moment, when the entire repartition has been planned and nearly completed, out of stubbornness or malice, wastes the entire labour. Even in the most favourable districts disappointments have to be faced. In 1926 a dozen villages had to be abandoned after wasting a good deal of time, the obstacle in one case, being a single owner out of 264. In Ludhiana, in 1927, a non-agriculturist mortgagee, and in Hoshiarpur a retired official, held up the whole process through mere perversity, and in Jullundur not less than 8 apparently completed villages failed at the last moment and the scheme had to be abandoned. According to the by-laws every member on joining a consoli-

dation society agrees to submit to any arrangement approved by two-thirds of the whole number of members in general meeting. But it may be noted that this power of the majority under the by-laws to coerce the minority, has never been exercised, and it is advisable to refrain from any attempt to use it, so long as illiteracy and short-sightedness of the rural populations leave dangerous power in the hands of a grumbler. It is better to lose time rather than to risk the evil effects of unjustified criticism.

It was proposed, in 1928, to enforce experimentally the arrangements accepted by a 90 per cent. majority owning at least 74 per cent of the land under consolidation. The object of this was not so much to coerce a minority as to prevent a few members, often not more than three or four, from unduly protracting or nullifying the proceedings. In 1927 there were two cases of this in Jullundur, and the staff had to be withdrawn after six or seven months' fruitless labour. The difficulty is sometimes met by leaving out the land of those who object. This was done in one case and was on the point of being put into effect when the two members concerned, realizing at last that their obstruction would be fruitless and that the village was about to receive a benefit in which they would have no part, journeyed the 17 miles from the village to Jullundur again and again to try and persuade the staff to draw up a fresh scheme of consolidation. Their petition was finally granted on condition that they deposited the cost of working out a new scheme, and Rs. 180 were deposited in the local central bank accordingly. "It would be difficult to find a better example of the new attitude towards consolidation in the central districts of the Province."* In 1930 when the work in a consolidation society was completed a member rebelled and had to be proceeded against, but later on realising that he was bound by the bylaw to accept the decision, he acquiesced.

* Annual Report for 1928.

Consolidation through Legislation :—It has often been remarked that co-operation alone cannot make the consolidation of land holdings successful and that therefore some special measures should be adopted for this purpose. The question whether co-operation should be re-inforced, or replaced, by legislation has been anxiously considered. The conclusion reached is that co-operation has such advantages that it should not be abandoned as long as its resources can be further developed. It may however be remarked that in the districts where consolidation is taking root, opinion is beginning to crystalize in favour of legislation. But the time for any element of compulsion through legislation has not yet arrived; there must be a long period during which the measure gains in popularity and acquires the confidence of the majority; public opinion in its favour will grow as more and more instances of the practical advantages can be published abroad. It is not wise to advocate any legislation at this stage. There are difficulties in the way. Under the present system the work can be carried out by the Co-operative Department, which is welcome to those concerned because the Department is entirely disinterested in the matter and has indeed no power, even if it wished to do so, to abuse its interest in the matter. But if action by legislation were to take the place of co-operation, the co-operative officials would be bound to withdraw and leave it to the revenue staff to continue the work and this is a change that might introduce great difficulties. The question was considered by the Registrars in their Conference in 1928 and the resolution passed by them runs as follows :—

"So far as the local conditions permit, consolidation of holdings should be attempted on a co-operative basis ; but the general opinion is that co-operation alone without special legislation is not likely to be generally successful in bringing about consolidation on a large scale."

It may however be remarked that a feeling was strongly expressed by certain members of the Conference that there

were advantages in approaching this very difficult problem on co-operative lines. When you want to touch the cultivator's land, you are touching something which is very dear to him; he is surrounded, as it were with a cactus hedge of prejudices, customs and traditions which it is very difficult to break through without trampling on his feelings. If we were to approach the subject initially by legislation there might be difficulties; therefore it is best to approach it at the outset on co-operative lines in order to familiarise him with what is an entirely new idea and to acquaint him, by practical demonstration, with the immeasurable advantages which can be derived from consolidation.

The great disadvantage of consolidation through co-operation is that the pace is slow compared with the area to be consolidated. Therefore compulsion will be necessary for a wide extension and its introduction is only a matter of time, but it is better to await the growth and development of a strong public opinion in its favour rather than incur the risk of a premature resort to legislation which might bring the scheme into odium. In the meantime the concession of the remission of land revenue by the Government will accelerate the pace of consolidation. The Punjab Government has already framed rules regarding the remission of land revenue, as an inducement to consolidation of holdings. 'To encourage the consolidation of owners' holdings through co-operation, in cases where for any reason such consolidation is exceptionally difficult, the Financial Commissioner of Revenue, may remit half the land revenue demand for two harvests in any village or part of a village which has been consolidated on co-operative basis.' This concession was granted in March 1930 and will remain in force for three years. It is believed that the progress of consolidation will be quickened by this concession.

The attached statement shows the progress of consolidation in the Punjab from the years 1921 to 1930.

Progress of Consolidation of Holdings in the Punjab.
1921 to 1930.

Year.	Number of Societies.	Members.	Area in acres.	Number of Blocks and Area of each Block (in Acres.)		Staff.		Cost.			
				Before Consolidation.	After Consolidation.	Inspectors.	Sub-Inspectors.	Total Rs.	Per Acre Rs.	Per Consolidated Acre Rs.	Per Member. Rs.
1921	49	1683	7,571	9685 0·8	1894 4	2	10	5,866	0-13—5	3—2—4	3—7—9
1922	93	3609	6,983	22652 0·7	3670 4	2	10	14,562	2-11—4	3-15—6	4—0—7
1923	123	5624	5,376	31858 0·65	5241 3·8	2	10	16,292	2—0—1	3—1—9	2-14—4
1924	153	7723	8,120	43739 0·65	7395 3·8	2	10	17,651	1—6—2	2—6—2	2—4—7
1925	192	10349	11,707	63056 0·65	11135 3·6	2 (5)	10 (50)	29,865	1—6—3	2-11—0	2-14—2
1926	255	12649	21,258	88710 0·7	16458 3·6	5 (7)	50 (70)	70,534	3—5—1	4—4—6	5—9—2
1927	314	15387	38,071	45165 0·85	8861 4·3	7	70	93,240	2—7—2	10—8—4	6—1—0
1928	428	20495	64,699	55655 1·16	8883 7·3	8	85	1,13,048	1-12—0	12-11—7	5—8—3
1929	543	28305	48,709	87942 0·55	14667 3·3	8	115	1,36,463	2-12-10	9—5—0	4-13—0
1930	654	35778	50,105	97645 0·51	16707 2·9	10	134	1,51,927	3—0—7	9—1—6	4—4—0

Consolidation in Central Provinces:—In the Central Provinces some success in consolidation has been achieved in the Chattisgarh Division where scattered holdings are particularly common and it is not rare to see 10 acres broken into 40 plots. The question has been examined by the local Government several times in the past, and officers of the Revenue and Settlement Departments have attempted to consolidate holding in a few villages in the Chattisgarh Division. Speaking generally, the work was not a success for several reasons. The attempts were sporadic; the officers had no special staff at their disposal; and for both these reasons the work was not sustained. Consolidation was also undertaken in the same division at the instance of the land-lords or Malguzars; that, too, was not a success, since the people did not favour it; the reason being that in good many cases the Malguzars did not always adopt fair methods and helped themselves to the best land in the village. There were also legal difficulties in the way of consolidation which were enhanced by the complexities of tenure as well as by differences in the quality of the soil. In view of all these difficulties the local Government found it desirable to resort to legislation, and a Bill was introduced in 1927 and passed into as the Central Provinces Consolidation of Holdings Act 1928. The Act applies to the Chattisgarh Division only for the present. Any two or more permanent holders in a village holding together not less than a certain minimum prescribed area of land, may apply for the consolidation of their holdings but the outstanding feature of the Act is that it gives power to a proportion, not less than one half of the permanent right-holders, holding not less than two-thirds of the occupied area in a village, to agree to the preparation of a scheme of consolidation, which scheme, when confirmed, becomes binding on all the permanent right-holders in the village and their successors in interest.

There is a special consolidation officer with a small staff to carry out the work of consolidation. The scheme

prepared by the consolidation officer may be confirmed by the Settlement Officer or Deputy Commissioner if all objections are removed, or by the Settlement Commissioner in other cases. No appeal lies but the local Government has power to revise. Civil courts are barred from jurisdiction. The Act is yet new and the little experience gained in its working goes to show that this legislation should prove of value. About 10 villages have been consolidated. It may be remarked that in the Central Provinces the work of consolidation is done by the Revenue Department and the Co-operative Department has nothing to do with it.

The Bombay Small Holdings Bill:—In Bombay a Bill was introduced in the Legislative Council in 1928 to deal with certain features of the problem. When this Bill was introduced a good deal of opposition was created. The political agitators caught hold of this Bill and preached to the people that the aim of this legislation was to deprive the poor ryots of their lands and turn them into labourers. The agitators further told the poor ryots that the holders of small pieces of lands would be compulsorily deprived of their lands, that they would be turned into daily labourers and that they would have to go to the mills in Bombay and spoil their health and ruin themselves. The prejudice created in the minds of the poor ryots was so great that about 10,000 of them collected together on the day the Bill was to be moved and went in a big procession to the Council Hall in Poona. Thus nothing came out of this Bill.

Consolidation in the United Provinces :— There are 11 societies for consolidation of holdings in the United Provinces. They are based on the Punjab model. But difficulties are considerably greater than in the Punjab because not only are there varying classes of soil in one village, but also different kinds of tenures and Zamindari rights in the same village. There are different kinds of tenancy rights and it is to be

provided that exactly similar rights should be given in corresponding areas to each individual as he had before consolidation. Again tenants cannot themselves construct wells and have not the enterprise to invest much money in the land; the result is that not much improvement is visible after consolidation. It may be mentioned here that the experiment is new in the United Provinces and if progress is made on the lines already chalked out by the Punjab the resulting benefit of consolidation is sure to be of immense value.

Consolidation in Baroda State:— There were 11 consolidation societies in December 1928 in Baroda State.* The following statement gives a bird's eye view of the work done by these societies. The statement shows that the work of consolidation of agricultural holdings is progressing from year to year slowly and steadily.

* Annual Report 1928.

Statement of Consolidation of Holdings in Baroda State till the end of the year 1928.

Period.	Number of Villages.	Before Consolidation. Number of				After Consolidation. Number of				Approximate number of reduction in the number of blocks.	Before Consolidation		After Consolidation	
		Holders.	Survey Numbers.	Bighas.	Blocks.	Holders.	Survey Numbers.	Bighas.	Blocks		Average of Survey number in each block.	Average of Bighas in each block.	Average of Survey number in each block.	Average of Bighas in each block.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
From April: 1924 to March: 1925	1	53	267	780	214	53	272	780	149	31	1·2	3·6	1·8	5·2
From April: 1925 to March: 1926	1	5	81	194	47	5	81	194	43	9	1·7	4·1	1·9	4·5
From April: 1926 to March: 1927	2	13	184	1008	43	13	188	1008	37	30	7·3	36·16	7·7	41·98
From April: 1927 to March: 1928	5	91	1007	7265	1597	91	1990	7265	1373	96	14·9	10·32	18·6	119·2
From April: 1928 to December: 1928	5	39	471	1494	358	39	453	1494	309	45	5·7	25·2	6·3	28·1

Conclusion :— In other provinces and states the evil effects of fragmentations of holdings are recognised but measures to cope with them have not yet been decided upon. In several provinces and states opinion seems to be in favour of action somewhat on the lines which have proved so successful in the Punjab. Fragmentation of holdings is in many parts of India one of most important of the factors tending to prevent agricultural improvement. There seems to be common agreement that its evil effects are so great that action to remedy them can no longer be delayed. The example of the Punjab can serve as a torch-light in this dark and difficult path.

II

CO-OPERATIVE ANTI-MALARIAL SOCIETIES.

By Mr. H. K. Sanyal, M.A.,

Lecturer, City College, Calcutta.

In Bengal, malaria claims the heaviest toll of mortality. Since it first appeared in the seventies of the last century, it has carried off, every year, incredibly large numbers of the inhabitants of this province, wiping out the entire population in many places, and it is going as strong as ever. No remedy has yet been devised for fighting this scourge. Not that measures have not been proposed; but those that have been suggested involve such costly schemes as can only be worked by Government or a big public organisation. But neither the Government nor the public at large seem to be awake to its duties in the matter and thanks to their apathy malaria rages unchecked and village-life dissolves apace. But could not the victims, actual or prospective, of the disease themselves devise means to keep it in check, by combined effort on a small scale in each locality where the disease is rampant ? The measures generally proposed to fight malaria either overlook this possibility or rest on an assumption that malaria offers a problem which can only be solved by large-scale and costly measures the carrying out of which is beyond the resources and capacity of local bodies. The victims, therefore, in a particular locality must consider themselves as helpless. They are in the grip of an evil of such immense magnitude and such sinister power that no effort, however brave or clever, of individuals or small groups, will avail against its infernal influence.

Now this blank fatalism has been induced to a great extent by theories as to the cause and spread of malaria. It is well known that the malarial parasite is carried by the Anopheline mosquito which breeds in stagnant water. If the breeding of

this mosquito can be checked by filling up or kerosining all stagnant pools in a locality—surely a task which is neither too costly not too difficult for the people of a village to accomplish by combined effort—malaria can be controlled. But when the carrier of the malaria bacillus is believed to have a range of operation of nearly eight miles—as experiments conducted at the instance of the Government of India in the beginning of the present century were claimed to prove—then no spot can be considered to be safe until all possible abodes of the anopheline mosquito have been disinfected or destroyed within a radius of eight miles—a far too formidable a proposition for a small body of villagers to tackle.

Dr. Gopalchandra Chatterjee, a physician with a distinguished record in Government service, however, thought otherwise. As a result of study and observation he was convinced that mosquito does not travel ordinarily more than half a mile from its source of origin. This theory, it may be mentioned, is now fairly established, having been confirmed by many experiments and accepted by eminent authorities all over the world, thus giving the lie direct to the results of the Government of India's experiments. It follows that a village can be rid of malaria if all breeding places of mosquito within a distance of half a mile all round it are kerosined or filled up. To Dr. Chatterjee the most economical and the most practical way to carry out anti-malarial measures on these lines appeared to lie in the organisation of voluntary labour on co-operative basis.

In order to educate public opinion with a view to fighting malaria on the lines indicated, Dr. Chatterjee, with two friends, founded, in 1912, an organisation called the Anti-Malaria League. This League at once started vigorous propaganda by the publication of leaflets and arranging lantern lectures on malaria, its cause and its prevention. An opportunity came soon after, to translate the precept into practice. In the year 1913 a severe epidemic of cerebral malaria broke

out in Sukchar, a village nearly ten miles off Calcutta, taking a toll of 450 lives in the space of three months. Dr. Chatterjee was then a Commissioner of Panihaty Municipality within the jurisdiction of which Sukchar is situated. He at once set about organising a society for carrying out anti-malaria measures within the village, even in private holdings, with the help of the villagers. A nucleus was formed early in 1914 but it was not till March 1928 that the Panihaty Co-operative Anti-Malaria Society—the first of its kind in this country—was launched and registered under the Co-operative Societies Act II of 1912. Within a year it was followed by the registration of two other societies in the same area. In the first year of their working these three societies spent, between them, a sum of Rs. 2,000 raised by voluntary contributions, on anti-malaria measures, which included the distribution of quinine, the cutting of jungle, the filling up of ditches, the levelling of drains and the kerosinisation of insanitary collections of water. A doctor was also maintained on Rs. 100/- a month. As a result of these measures the incidence of malaria in the area after a year was decidedly less.

The idea then occurred to Dr. Chatterjee of having a central organisation in Calcutta for guiding the work of these local agencies. A public meeting was accordingly called in Calcutta where Dr. Chatterjee's resolution for forming a central organisation to devise and adopt measures based on co-operative principles for the eradication of malaria from Bengal was unanimously carried by a large audience consisting of about 60 medical practitioners besides other prominent public men. A committee was formed for framing the bye-laws which were adopted at a general meeting held in June and on 5th July 1919 the society was registered under the name of "The Central Co-operative Anti-Malaria Society, Limited."

The Central Society has got about 50 individual members most of whom are medical men of repute and 600 society-members. The members of the Central Society have to pay

Rs. 6/- each as entrance fee, and an equal amount as annual subscription; they, however, do not enjoy any benefit from the membership. The rural societies do not hold shares in the Central Society. Many of the members have paid handsome donations ranging from Rs. 500 to Rs. 1000 in furtherance of the objects of the society. The management of the Society is vested in a Board of Directors at least one third of whom are co-opted from the members of the rural societies. The total Working Capital of the Central Society amounted, at the end of 1928-29, to Rs. 21,533/- consisting of a Reserve Fund of Rs. 19,283/-, Share Capital of Rs. 2,235/- and deposits from societies amounting only to Rs. 15/-. The Society spent during the year, in addition to the expenses incurred for the publication of a monthly journal, Rs. 3,706 for propaganda work, Rs. 2,741 on contributions to village societies for anti-malaria work, Rs. 3,159 on anti-Kala-Azar work, Rs. 148 on the training of midwives and Rs. 884 for the sinking of tube-wells. The society obtained a grant of Rs. 9,176 from government during the year.

The aims and objects of the Central Society as defined in the byelaws are:—

(1) To organise, or help in the organisation of, a net-work of autonomous Co-operative Anti-Malaria and Public Health Societies throughout Bengal for taking effective measures for the eradication of epidemic diseases, and to group these together for effecting larger sanitary measures and medical relief.

(2) To initiate and guide the rural societies, to take preventive measures against Malaria, Kala-Azar, Cholera, Small Pox, Tuberculosis, Leprosy and other preventible diseases and to make sanitary improvement of their respective villages.

(3) To carry on propaganda work in furtherance of the aims and objects of the Society.

(4) To provide for a regular and efficient system of guidance and supervision over the rural societies as funds permit.

(5) To act generally as an expert advisory body and guide of the Public Health Societies and to further their interests in every way without assuming any controlling authority.

(6) To organise branches of the Central Society at suitable centres such as District or Subdivisional headquarters in furtherance of the objects of the Society.

(7) To co-operate with organisations having similar motives.

The Central Co-operative Anti-Malaria Society, at the start having only three rural societies affiliated to it, could easily perform its function of supervision of the societies and encouraging them to keep proper records. With the rapid rate of increase of rural societies whose total number reached about 600, dotted all over the province, at the end of 1928-29, and which are situated often in inaccessible places, the Central Society has had to climb down from its previous position to a mere organising society, as it is no longer able to remain in direct touch with majority of the societies. The task of supervision has to be given up, as the help, which the Government is still giving to the rural societies, is being given through the Local Bodies without any reference to the Central Society, this supervision work has automatically passed from the hands of the Central Society to those of Local Bodies.

The rural Co-operative Anti-Malaria Societies are the agencies by which anti-malaria work is actually carried out under the general direction of the Central Society. Each member of rural society has to pay a monthly subscription of an amount varying from four annas to a rupee. Each society tries to maintain a medical man, on the subsidy system and he

attends to the families of members free of charge. The Central Society in many cases pays a monthly contribution and may also issue loans to rural societies for helping them in carrying out big anti-malaria projects. Many dispensaries and schools are being maintained—some on a share basis, and some on charity basis. The total fund of all the existing rural societies amounts to over Rs. 40,000. Many of these societies have succeeded in bringing the services of qualified medical men within the reach of the inhabitants of inaccessible rural areas.

As soon as a number of Anti-Malaria Societies are formed in a certain locality, in order to strengthen their hands and to put them on a firm footing, the Central Society tries to group them together. A group-committee is formed of representatives of all the societies of the locality and its office-bearers are elected from among these representatives. These group societies or committees have nothing to do with the internal management and finance of the constituent societies, but they use a portion of the income of these societies to maintain a medical officer jointly on subsidy basis for all the societies. These medical officers become regular practitioners in the locality on condition that they attend to the families of members of the societies at a concession fee. Besides, if there are Kala-Azar cases within the locality, they treat all the cases at suitable centres, opened by the committee, free of charge, the medicine being supplied by the Central Society. These medical officers act also as preventive officers when Malaria, Cholera, Small Pox etc. are raging and thus the control of epidemic diseases is facilitated to a great extent. These committees meet periodically and settle the duties of the medical officers and take precautionary measures against epidemics. They often discuss matters which cannot possibly be solved by any individual society.

The actual anti-malarial work is divided into two parts, one part consists of filling up all stagnant pools and ditches

within the village areas, grading the drains properly and placing bed bars along the beds of the drains. This portion of the anti-malaria work is done during the dry season. It takes a long time, and has to be carried out from year to year on a definite plan. The second portion of the work consists in kerosining all stagnant accumulations of water likely to be the haunts of anopheles mosquito, the operation beginning immediately after the rains and being carried on for three months. A special feature of the work is that each householder is given a printed book in which he enters every week the number of days for which the members of his family suffer from fever. From this a fever index of the village is prepared by the secretary of the society, which enables the members to judge for themselves whether the operations undertaken by them really reduce malaria or not.

How rural societies raise funds to start work with can be best explained by a concrete illustration. Let us take the Anti-Malaria Society at Ghola, a village near Calcutta. The Society was started some ten years ago with 15 members who agreed to pay a monthly subscription of 8 as. each. Within a short time by propaganda work, the society gathered strength till the number of members swelled up to 27. It is a small village consisting of 500 souls. Practically all the adult earning villagers became its members. At one of its meetings the Society discussed the question of water supply. A large tank belonging to several parties which served as source of drinking water was overgrown with weeds and was shallow. Every previous effort to excavate it was frustrated on account of the eight owners of the tank not coming to terms. The eight owners, some of whom were members of the society, now moved by a better sense of public spirit, gave up their title to the tank by executing a deed of gift to the society. Shares were issued by the society for excavating the tank. This, together with the subscription and contribution from the Central Society, amounted to Rs. 300/- and the balance of Rs. 600/- was given

as loan by the Central Society. Besides this, the society drew up another scheme costing about Rs. 1,000/- for filling up all insanitary hollows and ditches within the village with the earth excavated from the tank and also for grading all the drains of the village, placing bed bars along the beds of the drains. For this the society secured a grant of one-third of the total expenditure from Government through the Sanitary Board.

Anti-malaria societies, it will be seen, depend on subscriptions, donations and grants, from members, benevolent individuals and Government. They do not pay their way—that is precisely where their weakness lies. In order to remove this shortcoming an organisation was started in 1927 called the Bengal Co-operative Home Crofter Association Limited as an offshoot of the Central Anti-Malaria Society. Its aim is to make anti-malaria work productive by planting kitchen gardens in reclaimed lands of members of village societies and organising the sale of the products of these gardens. Under this Association a set of men who have specialised in different branches of agriculture and who have a laboratory at their disposal to carry out research work, such as seed-testing and chemical examination of soil and fertilisers, have formed themselves into a committee. They periodically visit the farms of the members, which are small plots of land where the members grow with their own money all the vegetables required for the use of their families. These are the Association's demonstration farms. They serve as information centres not only to the owners of the farms but also to the people living in the neighbourhood. The Association also carries on correspondence with organisations concerned with the promotion of scientific agriculture all the world over.

III

CO-OPERATIVE IRRIGATION SOCIETIES IN BENGAL.

By Mr. H. K. Sanyal, M.A.,
Lecturer, City College, Calcutta.

The irrigation problem in Bengal falls under one of the following classes :—

(a) Conservation of water (either rain-water or water flowing down streams) for irrigation.

(b) Works undertaken with the object of protecting tracts of the country from floods, particularly by the control of the discharge of large volumes of storm water flowing down rivers. These may further be divided into the following classes :—

(i) Embankments for flood protection.

(ii) Construction of reservoirs in the higher reaches of rivers, which discharge large volumes of storm water, after comparatively short courses. Such reservoirs not only control floods but also ensure a constant supply of water for irrigation.

(c) Construction of embankments in the Sundarbans tracts where land is still below high water level, to prevent the ingress of salt water which is unfavourable to the growth of crops.

(d) Drainage schemes for the improvement of agricultural and sanitary conditions of stagnated areas for flushing these areas with silt laden water.

Co-operative societies can take up, with the greatest expectation of success, small schemes affecting limited areas where there is some unity among the residents. Generally speaking, it is not possible to undertake work of the kind referred to in (b)(i) and (ii) by co-operative effort. Con-

siderable success however has been attained in the construction of embankments in the Sundarbans tracts referred to in (c) above. No work under class (d) has yet been taken up. The greatest progress has so far been made in the construction of small irrigation works, falling under class (a), in the districts of the Burdwan Division.

The schemes taken up are:—

(a) excavation and re-excavation of tanks,

(b) erection of irrigation embankments for the storage of water flowing down from higher levels,

(c) construction of masonry weirs across small perennial streams and conserving the water for irrigation.

All works of this description come within the domain of private effort, and it has been recognised that the best chance of success lies in grouping persons interested in irrigation work into co-operative societies and in securing the execution of such works by co-operative effort. The control of the co-operative societies through the Registrar is easier than the control of a non-descript collection of person by a local body. Co-operative societies form a corporate body with legal rights. There is less likelihood of civil suits within the body as the signature of all the members to the byelaws bind them to accept the decision of the General Meeting.

Irrigation is a necessity in the western districts of Bengal, where the country, for the most part, is elevated, undulating and easily drained, and there is no possibility of natural water-logging. There are no natural marshes which might serve to keep up the sub-soil water up to the requisite level for the growth and maintenance of crops, trees and vegetation generally.

The normal annual rainfall in the area although very small as compared with other parts of the province would be

sufficient for the needs of the crops if its distribution were even. The distribution, however, is extremely variable and very frequently there is a superfluity of rain during the early monsoon, followed by a drought in autumn when the ripening paddy is in sore need of moisture. The result is that frequently the paddy crop fails over large tracts and there is famine with all the distress which it brings in its train, for the alleviation of which Government has to spend large sums.

If the surplus rain-fall of the early monsoon, which is carried away by the rivers into the sea, could be conserved for use in the dry season, the problem of crop failure could be solved. To guard against the vagaries of rainfall and to conserve the water falling from the sky, a past generation of Rajahs and land-lords, considering it as their religious duty, provided the area with a net-work of reservoirs for the storage of water of the monsoon rain. In the undulating tracts of western Bengal these reservoirs are known as *bandhs*, which are constructed by throwing up embankments across sloping ground for the conservation of water flowing down from the higher levels. It is an easy and effective method of storage of water for the purpose of irrigation and drinking. These *bandhs* were supplied with inlet channels for the reception of water from the catchment areas by a carefully worked out system of distributaries for carrying the water to the lands protected by them. These *bandhs* were constructed with a thoroughness and skill which excites admiration even today.

Owing to a variety of reasons this elaborate system of *bandhs* later fell into decay and nothing was done to repair and re-excavate them even when the cost was negligible. Besides this passive neglect, landlords and tenants alike have encouraged the foolish practice of converting the silted up *bandhs* into paddy fields with the result that many of them have been ruined out of recognition. But many still exist in the form of shallow silted up pools of water. During the dry spells of the harvest season these pools are drained to the last drop of water

to meet the demands of the fields and there is nothing left for men and cattle. Scarcity of clean drinking water is responsible for frequent epidemics which carry away thousands of lives. The cultivation of fish is an impossibility in such tanks and *bandhs*. Consequently fish has become scarce in this region. Time was when there were at least half a lakh of these *bandhs* and tanks in this area; to-day hardly a tenth of them are in a good condition. The population of this area is on the decrease and in another hundred years it may die out altogether—a fear which the census figures amply justify. The irresistible conclusion is that in this area famine and poverty, disease and crop failure are all alike the direct consequences of the decay and destruction of the *bandhs* and tanks with which the area is studded.

During the year 1919, when there was famine in the district of Bankura, the Commissioner of the Burdwan Division requested the Registrar of Co-operative Societies, Bengal, to depute an Inspector of Co-operative Societies for organising societies to relieve the distress of the people. Accordingly the Registrar posted an Inspector to the District who after careful study of the situation came to the conclusion that credit facilities would afford little relief to people, whose income was uncertain on account of the loss of harvest almost every year, and who were overburdened with debt. The idea of organising credit societies was therefore abandoned, and it was proposed to tackle the problem at the very root by inducing the people to combine in an organised manner with a view to the permanent solution of the irrigation problem in the area. The scheme of the re-excavation of the irrigation tanks and *bandhs* by the tenants themselves, by rateable contributions in proportion to the area of their lands, was accepted at the suggestion of the Inspector as the basis for the organisation of Co-operative Irrigation Societies. The difficulties in organisation were various and in some places they seemed almost insurmountable. The right of fishing,

the right of irrigation, the apathy of the land-lords, who were the proprietors of the tanks and *bandhs*, and above all the dissent of a few tenants where the majority had agreed to this proposal, presented obstacles which could only be got over by strenuous effort on the part of the organisers. At first, societies were organised in places where there was little obstruction and where both landlords and tenants were sympathetic and willing to help. The success attained by some of these pioneer societies encouraged the formation of groups of societies in those areas. Starting with three societies, organised in the year 1919, the irrigation movement today claims about a thousand societies in the western districts of Bengal. These societies fall under two classes: societies for new construction and societies for reconstruction and re-excavation. Under the latter class fall societies for the excavation of irrigation tanks and *bandhs*.

There are small perennial streams in the region which are fed by springs of sub-soil water. From time immemorial cultivators used to erect *bandhs* of a temporary nature across these streams to conserve water in abundance for the purposes of irrigation. They used to give temporary relief when the fields dried up for want of rain, but in almost every case they were unable to withstand the rush of water of the streams after a shower in the catchment area, and in this way *bandhs* would be washed away every year and had to be re-erected annually at considerable expense. But even this was not possible where there were party factions and jealousies among the tenants concerned.

Several schemes of a permanent nature were taken up by Co-operative Irrigation Societies with the help and under the guidance of the Irrigation Department. But the experiences of these enterprises were far from encouraging as in the case of one of them the works were twice washed away, in another numerous leaks appeared necessitating reconstruction at a considerable expense, and a third scheme had to be abandoned after

a portion of the works had been constructed, as it was found that the scheme was an impossible one. The poor villagers who provided the fund and were ignorant of irrigation schemes got frightened and the idea of such societies has been abandoned for the present.

The societies for the reconstruction of tanks and *bandhs* however have become very popular as the work of construction has been carried out in every case under the guidance of the villagers themselves, who it is gratifying to note, have showed skill and workmanship in the construction of the works and in the control of the water conserved.

The objects of the Irrigation Societies, at Bankura, as stated in the model by-laws, are :—(a) to irrigate lands, (b) to dig, cut, maintain reservoirs, canals, water-courses, *bandhs* or any other works, to facilitate the irrigation of such lands, (c) to hire or purchase modern scientific appliances for the irrigation of the aforesaid lands, and (d) generally to do all such other acts as are incidental or conducive to the above objects or any of them. The main features of these societies are:—(1) societies are formed on a limited liability basis, but in order that they may be in a position to offer adequate security to their creditors, the liability of the members is fixed at a certain multiple of the nominal value of their shares; (2) the number of shares to be subscribed by members is fixed with a view to meeting full costs together with incidental charges; (3) the number of shares which a member purchases is based on the quantity of the land which will be benefited, (4) in the case of societies where members are not able to pay the full value of shares in one instalment provision is made for the execution of irrigation schemes by means of deposits and loans to be repaid from payment of share-calls as they fall due; (5) provision is made for satisfying the creditor of societies that members have sufficient assets against which the liability they have undertaken for the debts of the societies can be enforced; (6) provision is made for the proper maintenance of

completed schemes either by a levy of water-rate or by a levy of the capital cost of maintenance.

The share money is generally paid in four or five annual instalments, the first one being paid at the time of organisation and before work is taken up. The remaining instalments go to the repayment of the loan which is taken from the central banks. The vegetable grown on the embankments and the fish in the *bandhs* are sources of a handsome income which is utilised for the repayment of the loans taken from the central banks. Some Societies, however, require no loan. There are several societies which have constructed *bandhs* and tanks; but the majority of them have been established for the re-excavation and repair of existing old tanks and *bandhs*, the cost of which is negligible in proportion to the benefit derived. There are at present about one thousand Irrigation Societies in the province with membership exceeding twenty thousand, with paid up share capital over two lakhs and working capital over four lakhs. The irrigable area of these societies is nearly 150,000 bighas and the increase of production can be estimated at not less than five lakhs of rupees a year.

All these societies are in the districts of Burdwan Division in Western Bengal, barring three in the Sunderbans tracts in the district of Khulna, which have constructed embankments for the protection of over 4,000 bighas of land against the crop-destroying salt water. It is interesting to note that the embankment of one of these societies was partly constructed by the voluntary labour of about 800 persons belonging to 10 different villages interested in the project.

There is a great demand for irrigation societies in Western Bengal, especially in the district of Bankura where hardly five per cent. of the numerous silted up tanks and *bandhs* have been taken up by the societies in existence.

IV

CO-OPERATIVE HOUSING SOCIETIES.

By Rao Bahadur S. S. Talmaki, B.A.,LL.B.,

Honorary Secretary, Provincial Co-operative Institute, Bombay.

The Co-operative Housing Movement had its origin in England in the beginning of the nineteenth century. As in the case of the co-operative store Movement, which was intended to be a campaign against the high prices charged by the shopkeeper, the Building Society Movement, also, was the result of another spontaneous effort made by the labouring classes to free themselves from the oppression of high rents levied by the landlord. It was in a sense a varient of the Friendly Societies Movement, the collection of subscriptions being, however, used from time to time for advancing loans to members for building cottages.

In India the movement had its origin in the Bombay Presidency after the Co-operative Societies' Act of 1912 was passed, which legalised the formation of societies for purposes other than credit.

There are two main systems of Co-operative Housing, one is known as the Individual Ownership System and the other as the Co-ownership or Tenant Co-partnership System. These systems may be varied to suit local conditions.

I The Individual Ownership Society:—This is the older system of the two, and the societies formed under it are known in England as the Mutual Benefit Building Societies, or more commonly, as Building Societies. They are merely loan societies, somewhat like our Credit Societies, but having the sole object of making loans for erecting or purchasing a residential house. There are two varieties of this system, one is known as Terminating and the other as Permanent.

(1) The Terminating Building Society :— The Terminating Building Society is one which takes only a limited number of persons as members who want a house, each of them undertaking to contribute weekly or monthly subscriptions. A fresh member would be taken only if any existing member ceased to be one for any reason. As subscriptions accumulate, the amount would be lent to each member by turn, the selection being made by lot or agreement. The loan is made on the mortgage of the house, the borrowing member being required to repay it with interest by monthly instalments. When all the members have been helped by loans to build or purchase houses, the society waits till all the loans are repaid or adjusted. The accounts would then be made up, the profits distributed, and the society would be dissolved.

(2) The Permanent Building Society :— The Permanent Building Society is one, the membership of which is not fixed. It is based on shares, and receives deposits and loans. It goes on enlisting new members and making loans as funds come in. Some bigger societies employ a staff of engineers, surveyors and architects to advise and assist members on technical matters on payment of a fixed fee. Loans are made to members of varying amounts according to their needs on the mortgage of the property, and the period of repayment would also vary upto about 20 years. Each borrowing member has to provide a margin of safety, say to the extent of one-fourth or one-fifth, and the remaining amount only would be advanced by the Society. In the case of a house to be newly built advances are made in instalments from time to time upto the sanctioned amount on producing certificates of progress. Every building has to be insured for its full value, the policy being assigned to the society.

(3) The Hire Purchase System : — In this system the Society builds houses on its own account to suit the requirements of its members who occupy them as ordinary tenants with the option to purchase them by paying the price by small instal-

ments along with the rent. As the rent includes interest on capital and also other charges, the tenant has to pay only the the price, and when the full amount is paid the house is conveyed to him. Such a system is possible in the case of those bodies which have large unused surpluses on hand. The ordinary building societies do not undertake this kind of business. But the Store Societies and the Friendly Societies of England employ their surplus capital on such enterprises.

One important drawback of the ownership system is that the members of the society have an unrestricted right to transfer their property to any persons, with the result that many houses built with the help of co-operative money, have passed into the hands of speculators. In order to remove this defect Bombay has entroduced a new scheme known as—

(4) The Tenant Ownership System :— In this system the society takes a large plot of land on lease or by purchase, and after laying out roads, if they do not exist already, divides the land into smaller plots and distributes them among the members, reserving some land for common purposes, for erecting a common hall and for a play-ground. The cost of development is a charge on the members' plots. The price of each plot varies according to its situation. The members hold the plots on a lease from the society with the condition that in case of sale of his holding, before or after erecting a building, he will give the first choice to the society or to a member recommended by it. If the society holds the land on lease, the term of the members' lease will be for a period less by at least one year than the period allowed to the Society. If the society purchases the land, the members' lease will run for a period not exceeding 999 years. Government undertakes to advance loans to members of this type of society to the extent of twice the capital paid by each member, repayable within 20 years, the maximum amount allowed to a member being Rs. 10,000. The society may undertake the construction of the buildings for the members or may

allow members to construct them on their own account on plans approved by the society. When all the houses are built, the society would look after the common property, settle disputes between members and generally do the work of a municipality for the colony.

II. The Co-partnership or Co-ownership System:—We have so far dealt with the different forms of individual ownership system. We will now deal with the joint ownership system. In this system the society takes up a large area of land and constructs buildings thereon for the residence of its members and makes provision for their common amenities. Where the land is dear, two or three floors are added to the building, and each member lives in a floor or part of it. Where the land is cheap, a separate small building can be given for the residence of each member. Members reside in the buildings as the tenants of the society. They contribute capital to the extent of $\frac{1}{6}$ to $\frac{1}{3}$ of total cost, in proportion to the gross residential area provided. Thus a member who takes up a building with 6 rooms will be required to contribute a larger amount than one who resides in a building of 4 rooms. Any member may contribute more than his due share, but there is no compulsion. The remaining capital, in addition to that contributed by the members, will be raised from outsiders by way of a loan. This loan must be for a long period, otherwise the society would not be in a position to repay it when due. The loan is taken on the security of all the buildings. No bank will issue a loan for such a long period. Hence in England the societies of this type issue debentures or long term bonds, each of the value of Rs. 20 to Rs. 50, bearing interest at 1 per cent. above the bank rate. Such bonds are very popular among the investors in that country and are readily taken up. In our country they have not yet become popular, hence the Government of Bombay has undertaken to advance loans to the housing societies of this type to the extent of three-fourths the paid up capital repay-

able in 40 years by annual instalments with interest at 5½ per cent. Governments of other provinces have recently commenced to advance long-term loans to housing societies at about 6 per cent.

In this system the position of the society as well as of members is secured. The society holds a substantial stake of the members, and there is no chance of default. Though no member is the owner of any building or its part in which he resides, yet all the members are joint-owners of all the buildings. It is something like the ownership of a Hindu joint family, but without the right to ask for a separate share by partition. It is a socialistic ideal in which the ownership rests in the community as a whole and not in individuals. The society is managed by the members themselves and though they are tenants, the society itself is the landlord and thus the rights of tenants and the land-lords are merged in one body, and hence the system is called Co-partnership or Co-ownership System. No tenant can be evicted except for offences defined in the rules, and adjudged by the Committee formed from among the members of the Society.

There is no chance of the rent being enhanced at the caprice of the landlord. It is fixed on certain principles such as:—

The total annual charges are calculated on account of (1) Interest on the capital, including that contributed by the tenants, (2) Ground rent, if any, (3) Municipal rates and taxes, (4) Repairs and upkeep, (5) Sinking fund on the cost of the buildings, (6) Insurance of the buildings, and (7) Contingent charges. This total amount divided by 12 will be the monthly rent for all the buildings, and this latter amount, again, will be subdivided among the tenants according to the space occupied on certain agreed principles. The rate of interest on the outside loan is fixed by agreement, and that on the members' capital is fixed by rules of the society and is not more than 4 to 5 per cent., though the latter takes the name of dividend payable annually.

Thus there being a fixity of tenure and of rent, the position of the tenants is quite secure. As members are required to pay only a part of the capital the system is within the reach of a class of people who are not in a position to own a house. One important point to be noted is that any tenant may quit his premises after giving the stipulated notice of 2 to 6 months fixed by the rules. There must always be some members coming in to occupy the vacant buildings. The contribution paid by the incoming tenants is repaid to the outgoing members if they ask for it. The Saraswat Co-operative Housing Society, Bombay, started in 1915, has successfully adopted this system. Many more societies have come into existence thereafter in Bombay.

A belief seems to be entertained by some that under the Co-partnership system a member after paying rent for a number of years will become the owner of the house or its part in which he resides, or at any rate he may not have to pay rent thereafter. Such a notion is inconsistent with the very idea of the system. For, in the first place, the scheme allows a change of tenants, and if any of the earlier tenants leaves a building at any time after giving notice of the stipulated period, the supposed rent-free residence will not fall to their lot at all. Secondly, no tenant is entitled to transfer his right of occupancy. If he does not want to continue he has to surrender his holding after giving the stipulated notice. His heirs may continue to reside or may vacate. Thus the so-called rent-free period may not fall to the lot of any tenants. One important feature of the system is that it does not tie down the members to their buildings as in the case of ownership buildings, but gives them freedom of motion, whenever better chances in life come in their way, to other places. That is the reason why the system is popular among the working classes in England.

The notion of the rent-free period has arisen by reason of the sinking fund charges levied on the tenants. But that

fund is intended as a security—firstly, to the loans and deposits borrowed by the Society, and secondly, to the Share-Capital paid by the members,—so that when the buildings become useless through depreciation there may be enough capital to repay all the liabilities of the Society or to reinvest it on fresh buildings in place of the old ones.

Variations in the above system :— Some societies are started in Bombay in which some well-wishers have contributed large amounts and have thereby enabled members to reside in the buildings on taking up only one share of Rs. 50. But the members do not show as great an interest in the economical management of the society as in the case of those where members have contributed one-fourth or more. There is an element of philanthropy in this modified system.

Another variation that is possible, is where a number of tenants would join together to take one or more buildings on hire for a long term of years from a landlord for letting them out to the members after collecting one or two months' rent in advance. Though such a form of society was contemplated in Bombay none has come into existence so far.

Some of the societies in Bombay have combined both the joint and individual ownership systems. At times, however, a conflict of interest arises in such a combination.

The Housing Societies in the Bombay Presidency at the end of 1930 numbered 67 with a total working capital of 93 lakhs. Of the 67 societies, 23 are in the City of Bombay and its suburbs, 19 in Ahmedabad, 9 in Karachi and the rest in other parts of the province. Of the remaining provinces, Madras has 130 societies with a total working capital of 40 lakhs, and the rest of the provinces have only one or two. Among the Indian States only Mysore has 12 societies. The societies outside the Bombay Presidency are mere lending societies and do not undertake the construction of buildings as those in Bombay do.

House Reconstruction Societies :— The disastrous floods of 1927 having destroyed a number of villages in Gujerat and

Sind, several housing societies under the name of Co-operative House Reconstruction Societies have been started in the villages of both the divisions with the help of Government grant. The scheme is based on Tenant Ownership System, but terminating after a certain number of years, about 15 to 25. Government advanced loans to the extent of 80 p.c. of the Society's capital, free of interest for the first two years, and bearing interest at 4 p. c. thereafter. No dividend can be paid on share capital in the case of these societies, and all the profits are to be carried to the reserve which on the termination of the society is to be used for the common good of the members. There are 25 such societies in Gujerat and as many in Sind.

The Co-operative Housing movement had its origin among the working classes of England as in the case of the Co-operative Store Movement. Great efforts were made in that and other European countries since the beginning of the Industrial Revolution for a systematic development of thrift among the working classes even in times when the standard of wages ruled very low. The Friendly Societies for affording relief to workmen on death or during unemployment or sickness and the co-operative store societies are all the result of these efforts. Unfortunately no aspect of thrift has received any thought in the working class movements started in our country. No housing societies nor any benefit societies have yet been started in this country for the working classes, nor have the few store societies started for them proved successful. The housing societies started so far are confined to the middle class men such as Clerks, Pleaders, Traders and the like, and are all on communal basis. The organisers of labour movements in this country should study the various forms of thrift adopted among the working classes of Europe and America which have greatly strengthened their economic position and improved their social condition, with a view to ameliorate the conditions of labour, especially, in the industrial towns.

V

WEAVERS' CO-OPERATIVE SOCIETIES.

By Ghulam Hyder, B.A.,

Assistant Registrar, Industrial Co-operative Societies, Punjab.

India is a vast sub-continent inhabited by scores of different castes and creeds. Being a land of ancient culture and civilization, it has the relics of past glory. Not very long ago, the country was self-sufficient as regards her economic needs, and had a considerable amount of export trade with other countries. The export of fine cloth was one of her chief trade activities.

The weavers in the country are estimated between two and three crores. Giving allowance for exaggeration, the number of weavers even then is sufficiently high in the country. The population of weavers is not scattered. They are found mostly living in groups in towns and villages. They are either cotton weavers or silk weavers—the crafts they have inherited from their forefathers.

Of the raw materials they use, cotton, silk and wool form their main requirements. For generations they have been following a method which their ancestors did in their times. The chief, or rather the main, source of their supply has been the Sahukar, who is often both a money-lender and a dealer in cloth. The weavers get raw material from him in the following ways :—

1. Cash transaction.

2. A weaver goes to him and gets raw material on credit. In this case the weaver has no choice regarding the sale of finished goods. He must sell to the same Sahukar who lent the material at the price fixed by the latter. After deducting the price of the raw material, the balance is paid to the weaver.

3. The Sahukar advances the raw material for a certain number of days without charging any interest. After the expiry of that period a sort of delay-fine is imposed, and a further extension is granted. If the second term expires without the accounts being squared, interest is charged.

4. The weaver works as a wage-earner. The Sahukar pays him per day or per yard. In the case of per day wages, the amount of work to be done in a day is specified.

Dyes are purchased by the weavers and they are unable to dye their yarn in fast colours. The result is that fugitive colours dominate. Before the War, German dyes had captured the Indian market, but since then Japanese and English dyes came into prominence. The price of Japanese dyes being low, the weavers began using them. Subsequently, however, these too were given up. The weavers are generally ignorant of making fast colours. They use their own indigenous methods.

The weavers' methods of work are old and the implements used still primitive. The output per loom has not increased. Hours of labour, too, have remained the same as before.

For the sale of finished goods, the weavers depend on the Sahukar, who has shops at important centres. He purchases goods from the workers, as they come one by one, and fixes the price himself. The workers sell their product and go back with raw material or cash as the case may be. They are not in touch with the consumer and to them, the middleman i. e. the Sahukar is everything. They do not know what kinds of goods are required in the market, nor do they know when or how to prepare the fabrics.

Says Sir Alfred Chatterton in his 'Agricultural and Industrial Problems in India', "The weavers are exceedingly poor and in the main rely on the middleman for the small amount of capital actually employed in their trade. They are ignorant and narrow-minded and averse to enquiries regarding their

trade. They are ignorant and narrow-minded and averse to enquiries regarding their trade. Each man works for himself and there is little or no co-operation among them." Much the same are the conclusions arrived at by a survey of the textile industry in the Punjab, recently published by the Department of Industries. It says, "For centuries they have had to contend with a serious lack of proper organisation.....It is an undoubted fact that the weavers as a class are handicapped from working on a commercial scale, and one of the principal reasons for this is that their resources are very limited. They never possess the capital and even in times of prosperty they save none—for they neither feel the impulse of thrift nor do they realise that they can make opportunities for the promotion of their interests.....they suffer themselves to remain un-organised and even devoid of facilities for the disposal of their products."

Weavers' Co-operative Societies:—There are about two lakhs of weavers in the Punjab. The Weavers' Co-operative Societies, which number 192 at present, were formed to cope with the above difficulties. The Societies are formed at places where the population of weavers is sufficiently large. Only weavers are enlisted as members, and a limited area is chosen for the purpose.

Aims and Objects of Weavers' Societies :—The objects of these societies are the following :—To promote the economic interests of members, more particularly to (a) procure funds for the needs of the members, (b) purchase raw material for the members according to their needs, supply implements and arrange for the sale of finished goods of the members, (c) arrange for the education of members, (d) adopt means to inculcate a spirit of self-help, mutual help, and thrift among the members and to improve their industry.

The Societies after having brought its members under a system of organisation, try to solve the problem of funds.

The societies affiliate themselves with a central financing agency, which advances them loan on agreed terms. In some cases different societies have affiliation with different institutions, while in some a common central institution does all the work. In the Punjab, for instance, there is a separate Co-operative Industrial Bank at Amritsar, to finance the weavers' societies. Besides this Bank there are six Unions at places where there are weavers' societies. The area of operation is limited in the case of these Unions.

The societies become share-holders of these institutions and then borrow money, according to the limit, allowed to them. Besides outside loans, the societies raise their own funds. This is done by means of shares and compulsory deposits of the members. The payment of these two amounts is regarded as a means of inculcating a spirit of thrift. The societies receive deposits from non-members also.

Two more items also go to make up the financial position of the societies. The difference between the rate of interest paid to the central institution and the rate the members pay to the societies, constitutes the societies' profits. This profit is generally indivisible and no member can claim a specific share in it. The other item concerns the income the societies get in the purchase and sale of raw material and finished goods. For instance, a society purchases a bundle of yarn at the rate of Rs. 2/-. It sells to the member for Rs. 2–2 as. The sum of 2 as. is what the society earns in the bargain. The same is the method of sale of finished goods.

In very few cases, the weavers' societies have made themselves independent of any outside financial assistance. Their working capital suffices for their requirements. In other cases, the societies depend on central institutions for financial aid.

The members of the societies, whether financially independent or not, find that the societies can meet their requirements

and that there is no necessity to go to the Sahukar for loans. So far as economic independence from the Sahukar is concerned, the members have it, but exceptions there are. Some members who find the loans given by the Society inadequate for their needs, borrow from the Sahukar and when this is done, it is done in all secrecy. Such exceptions, however, only prove the rule.

Purchase of Raw Material:—The question of the purchase of raw material and the sale of finished goods next forms the most important item. The societies try to purchase raw material collectively. They find it profitable in two ways. In the first place so far as the institution itself is concerned, collective bargain ensures profitable rates and good quantity. The Societies, in the second place, make some profit when selling the material to the members. The arrangements for the purchase of raw material differ according to the conditions that obtain. In the Punjab, for instance, the Co-operative Industrial Bank, referred to above, helps the Weavers' Societies in the purchase of raw goods. The Bank is situated in Amritsar, which is the most important commercial centre in the Province. A business branch of the Bank, Sales Depot, is situated at Lahore. The Societies send indents of goods they require to the Bank and the Bank advises the Depot to arrange for the purchase. The Depot sends to the Societies weekly quotations and keeps them in touch with the trend of the market. If the market is favourable at Amritsar, goods are purchased and despatched to the Society. The Bank makes payment on behalf of the Society and debits to the society the value of the goods. If, however, Amritsar market has not the required goods or the price has gone up, then the depot makes arrangements direct from Ahmedabad or Bombay and goods are sent direct to the indenting societies. Sometimes when the local market is favourable, the societies make purchases themselves. For the Societies that are affiliated to the Unions, the process is very much the same

except that the Unions help the societies in the purchase of raw goods and whenever they find it difficult, the help of Lahore Depot is freely sought.

Sale of Finished Goods:—For the sale of finished goods, the societies help themselves. The help of the Unions is negligible. Being ignorant of market conditions and being out of touch with the consumers, they seek the help of the Depot mentioned above. The Depot helps the societies in the disposal of finished goods in the following ways:—

1. Purchase of goods for cash and then re-sale of the same to the public.

2. Receiving goods in deposit from the societies, on condition that they would be sold within a reasonable time. The Depot gets a commission at the rate of $\frac{1}{9}$ per cent. This is sale on commission.

3. Securing orders from other departments for the goods of the societies.

The Depot advises the societies to prepare cloth of the pattern most in demand in the market. New designs are sent to the members and the goods prepared accordingly are purchased by the Depot.

Improved Appliances:— Great stress is laid on the use of improved labour-saving appliances, and now the societies generally use fly-shuttle looms. In some cases, power-looms are also being tried. The societies wish to increase the output of the members. In some places Salvation Army's "Auto hand looms" are in use. The societies lay great emphasis on their members producing cloth of 54 inch width as this width fetches better price. The Pit-loom or the primitive loom cannot turn out a cloth of more than 27" in width. As regards cotton, "Spun silk," wool and artificial silk, fly-shuttle looms are in great use. The Pit-loom is used invariably for pure silk fabrics, which cannot be prepared on the fly-shuttle or power looms, the reason being that the weave

cannot be closed except on Pit-looms. The societies that prepare such kind of cloth, in the Punjab, do not advocate the use of other looms.

Dyes:—The societies feel greatly handicapped in the proper use of dyes. Except in rare cases, dyes are fugitive. The members are ignorant of the method of dyeing the stuff in fast dyes. The Societies are, therefore, encouraging the members to learn the art.

In some societies, fugitive colours are used intentionally. Bright colours attract the customer more than dull fast colours. Secondly, the cloth with non-fast colours sells comparatively cheap.

Since the advent of artificial silk, fabrics of pure silk have disappeared. Artificial silk is a cheap commodity and the cloth also sells cheaply. Cheap sales are always ready sales and the Societies have therefore taken to artificial silk. Even cotton weavers began using artificial silk; pure silk being costly and consequently difficult of sale, has been relegated to an unimportant place, and little is seen of it. In the Punjab, *daryai*, a pure silk close woven fabric with fast colours and of different shades, has lost customers and the societies have given up producing pure silk cloth. It is only in rare cases that the *daryai* of pure silk is prepared on order. Artificial silk *daryai* is common.

Difficulties:—The Societies have not been able to cope successfully with the problem of sale. The sale of goods is a difficult question in view of the following obstacles:—

1 Absence of organization for sale.

2 Lack of knowledge of markets.

3 Competition with mill-made goods.

4 Technical defects.

Present Conditions:—The Societies have organised sales depots and shops in various places to help the sale of goods. These shops and depots work as a sort of middlemen charging

a nominal commission as stated above in the case of the Punjab. Much of the finished goods are sold by the societies themselves as the depots cannot manage the affair. The Sahukar or the middleman has not been eliminated. The societies are not in the know of markets for their products. It is only in very rare cases that market for goods prepared is found close at hand. The goods are generally exported from the place of its manufacture. Being ignorant of real market conditions the societies sell to the dealers, who know the markets and resell it to others. The weavers know what kinds of goods are generally in demand in places they move about. Rural market is known to them. In some cases they also know the articles that are required in a neighbouring town or towns. What they do not know is the market beyond their rural or urban area. They are ignorant of what is required in other parts of the country or province. For this they depend on the middleman who has full knowledge of such markets. The weavers go on producing things whether actually in demand or not.

The mill-made goods offer a very keen competition. The goods prepared on large-scale production basis, can be sold cheaply. The hand-made goods cannot be disposed off so cheaply for obvious reasons and therefore the goods prepared by the weavers are regarded as dear in the market.

The designs and the finish are not up to date. Goods are not properly calendared. Unless one person finishes a piece, the weave differs with the change of hands and such goods are not saleable. Dyes are not fast and goods of fugitive colours are not popular in the market.

The question of sale is an "ever-lasting difficulty" in the presence of adverse circumstances. Experience has however made the Societies wiser. They know that it is an impossible task to enter the field of competition with the mill-made goods. They find an avenue of escape in specialization, and produce goods which do not compete with mill-made ones. Goods of

artistic value are prepared by some societies and since they do not compete with any mill-made goods, their sale is comparatively easier.

In the Punjab the Societies specialise in the preparation of goods of artistic value. In some districts, *daryai* and *sarees* are prepared. In others pure-silk lungies (skirts for males and females) with nice borders and strips are manufactured. Bed and floor durries of beautiful designs are prepared at Karnal and Panipat. These durries are of two kinds of weave (a) Ordinary and (b) Pinja. The weave in the second case is more close and strong. Besides these, Kheses (bed spreads of check design and shades), pure silk handkerchiefs, are also prepared and they compete with no mill-made goods. "Hand-weaving seems only to have a permanent future, where hand-work has some artistic value which does not pertain to the manufactured products." In some cases such goods are prepared which are not produced by mills and the societies find it easier to sell them. Dhoties, shirtings, suitings, dasuti, curtain cloth, upholstery material are prepared by the societies. These goods are made on up-to-date designs and patterns. The departure from old practice is new and the societies are waiting to see the results. The present day slump in the market has affected the weavers as well. Their earnings have been reduced. The Swadeshi movement has been giving them life. The members do not feel the pinch because on the one hand their goods do find a sale at a moderate or low price, and on the other the price of grain has gone down.

The societies are making efforts to arrange for the sale of finished goods, and with this as an accomplished fact, the future of the weavers' societies is certainly bright.

VI

CO-OPERATIVE PRINTING SOCIETIES.

By Mr. V. Venkatasubbaiya, B. A.,
Honorary Joint Secretary, Madras Provincial Co-operative Union Ltd.

Considering the number of co-operative societies that are in existence in India and the amount of work needed for them, and the amount of printing work done generally in the country, it cannot but be said that co-operative printing societies that are in existence are exceedingly few—only about half a dozen in all. Four of them are in the Madras Presidency and the other two are in Bihar and Orissa. Of these one is at Patna, but it is a branch of the Bihar and Orissa Co-operative Federation and not a separate society. The other one, Sri Radhanath Co-operative Press, is at Cuttack; no particulars about it could, however, be obtained. Two societies were started in Bombay, but both of them had to be wound up.

The four societies of Madras are those of the consumers' type and not of producers': that is to say, the members are not workmen but co-operative societies and individuals who want printing to be done for them. About the year 1920, a workmen's society, a self-governing work-shop like those existing in England and other countries, was started in the city of Madras, though not registered under the Co-operative Societies' Act. It had, however, to be liquidated very soon for lack of discipline and lack of capacity of management. Some time ago there were six printing societies in Madras and only last year the oldest of them, the Sadananda Co-operative Printing Works of Mangalore, had to be liquidated.

The main object of these societies is the supply of account books and forms to co-operative societies. There are so many of these latter—in Madras alone more than 15,000—that if only they resolved to get their requirements from Co-operative

Printing Societies, there should be work enough for quite a number of them. The difficulty, however, is that an impersonal society cannot work so cheaply and so efficiently as a proprietary concern. The causes that operate against the success of co-operative stores operate even more strongly against that of printing societies.

Below are given particulars of working of the four Madras societies during the co-operative year 1929–30:—

	Central Co-operative Printing Works, Madras.	Trichinopoly Co-operative Printing & Publishing Society.	Tanjore Printing & Publishing Society.	Ghumsur Co-operative Printing Works, Russelkonda.
Year when started.	1920	1922	1926	1927
Number of members				
Societies ...	255	22	...	92
Individuals ...	...	100	107	...
Share capital Rs.	15,745	8,690	3,806	2,275
Borrowings from District Banks and others Rs.	...	7,131	3,000	4,270
Work done Rs.	25,628	10,959	4,960	1,340
Plant, etc. Rs.	8,346	13,120 (including cost of building)	...	4,164
Reserve Fund Rs.	6,159	2,800	385	...
Profit or Loss Rs.	2,129	1,087	707	1,108 (loss)

Obviously the most successful of these societies is the Central Co-operative Printing Works at Madras. Its membership is confined to co-operative societies. It was organised by the Madras Provincial Co-operative Union Limited, and has

all along been able to pay a dividend of 9% on share capital and some rebate, usually 9 pies in the rupee, to its members on the work done for them. It is working entirely on its own share capital and reserve fund. The market value of its plant is believed to be far more than what is shown in the books, owing to a liberal percentage of depreciation being allowed in past years. The machinery is worked with electric power. It has proved to be of very great convenience to the Madras Provincial Co-operative Union in bringing out punctually *The Madras Journal of Co-operation* and other publications. It keeps a stock of books and forms needed by co-operative societies, but their sale is not considerable. Out of 255 member societies only 82 gave any work in 1929-30 and of these perhaps only half a dozen deserve mention—chief among them being the Triplicane Urban Co-operative Societies, popularly known as the Triplicane Stores, the largest consumers' society in India, and the Madras Provincial Co-operative Union. Nearly half of its work is done for non-members, that is, for the general public. Though there is some complaint about its rates, its work is considered quite good. One of the most satisfactory features of its working is that its establishment and labour are better paid and better treated than in corresponding proprietary concerns, and enjoy, among other benefits, the benefit of a provident fund. Indeed, this is also true of the Triplicane Stores, the Provincial Bank and some other co-operative concerns in Madras.

The Trichinopoly Printing Society, where the individual members predominate, also appears to be working satisfactorily. But it has made the mistake of going in prematurely for a building of its own and is therefore unable to repay its loan to the District Bank which has become overdue. The Tanjore Society is a small one, but appears to be economically managed and was able to earn very good profit in 1929–30. The Society at Russelkonda is in a bad way, not having enough work. Its loss during the last year alone amounted to 50 % of its share capital, and it may have to be closed very soon.

VII

CO-OPERATIVE MILK SOCIETIES IN BENGAL

By Mr. H. K. Sanyal, M.A.,
Lecturer, City College, Calcutta.

Tastes in food, as in other matters, differ the world over. But there is one exception, and that is milk. One of course need not mention air and water, for their consumption is implied in the very fact of living. This universal fondness for milk is accounted for by its supreme excellence as a food—a fact established both by empiric experience and scientific experiment. No wonder then that where the quality or the quantity of milk is below the required standard, the health of the people is seriously affected. Bengal affords a glaring instance of it. The whole province suffers from a scarcity of milk. The price of good milk, where it can be had, is prohibitive, except for the rich. The quality of cheap milk, if cheap milk can be had at all, is very bad. Good milk costs one dear—in money; cheap milk costs one dear—in health. This state of things is nowhere more appallingly revealed than in big towns. The bigger the town, the worse the condition of the milk-supply there. And, Calcutta, the capital of the province, being the biggest of all towns, is the greatest sufferer. The production of milk over the whole province is certainly insufficient, and that is bad enough. But the position is made worse for the inhabitants of a big city like Calcutta by the fact that the sources of supply are in villages many of which are miles away. How that affects the milk-supply has been graphically described by Mr. J. T. Donovan, I.C.S., who, in collaboration with Rai J. M. Mitra, Bahadur, organised the first Co-operative Milk Society of Bengal in 1917. In a most interesting paper on "Co-operation and the Milk Supply of Calcutta" read by him at a public meeting in Calcutta in 1920, Mr. Donovan thus details the system on which the *goalas*, (milkmen) of villages from which Calcutta derives its milk-supply, work.

"*Goalas* are ordinarily supposed to be men who keep cows but the *goalas* of those parts seldom keep cows. The cow-keeper is called the *Geyel*. The *goala's* function is to collect and sell milk or to convert it for sale into *dahi*, *chhana* or some other form.

"The *goala's* system is every six months to advance to the cow-owner a sum of money against the probable supply of milk for the subsequent half year. He then sends round his milkers every day to milk the cows of his various clients. The amount of milk supplied by the customer is shown by notches over the joint on a cleft bit of thin bamboo, half the bamboo remaining with the milker and other half being left with the owner of the cow, and difficult as it might seem to falsify an account kept in this way it is reported that the *goala* sometimes manages to do so. The milk is thus collected from various clients and brought to the *goala's* house. The *goala* either takes it to Calcutta for sale or converts it into *dahi*, *chhana* or some other preparation. We are only concerned with the milk taken as such to Calcutta for sale and we shall follow it in its journey. Very few *goalas* take the milk as it is. Most of them add water to it and the supply of water in the villages is not of the purest kind. The milk is collected into large open cans and a filthy bunch of straw or leaves is placed in it to keep it from splashing and from being churned. It is then carried a mile or two to the railway station, two open cans being slung on a bamboo across the shoulder of the carrier. In the can, will be his measure too. Arrived at the railway station the *goala* will be fortunate if he has not to propitiate some potentate of the platform with a present of some of the mixture in his cans. If he has to change his train *en route* there will be more propitiation of platform potentates. He will have a monthly ticket which allows him to travel as often as he likes and to carry 1½ maunds of milk with him. On some trains he will find a special third class carriage for *goalas*, on others not. In any case he will come in a carriage with about 25 or 30

other perspiring, unclean comrades. There will be *pan*-chewing, smoking, spitting, coughing and sneezing going on and the numerous open cans will be placed about the carriage in such a way as to give no microbe or bacillus in the neighbourhood the slightest excuse for missing the opportunity of settling down in ideal circumstances for propagating its species in the mixture in the cans. Arrived at the Calcutta terminus, the *goala* will propitiate more potentates. He will plunge his dirty hand and arm right up to the shoulder into his can to get the measuring vessel when he wants it. He will then carry his open cans through the polluted atmosphere of the city to the market or to houses of customers where he will probably have to propitiate still more potentates. The only way to make up for those propitiatory sacrifices is to add more water. The *goala* spends most of the day in Calcutta and returns with his dirty cans and dirty comrades in a dirty carriage in the afternoon. Any one may go and see the process, I have described, any day. The *goala* is not ashamed of dirt or adulteration. They both come naturally to him.

"To the bacteriologist who goes to see the process, it will be clear that it would be impossible to find a system more calculated to get bacteria into the milk than that which I have described from life. To the dairyman who goes to see it, it will be clear that no worse system of dealing with dairy produce could be invented. To the businessman who goes to see it, it will be clear that no more unbusinesslike methods could be devised. The system of advance makes it necessary for the *goala* to raise money at high interest and offers no inducement to the owner of the cow to get a larger production of milk. The necessity of sending one man to Calcutta with, on the average, one maund or less of milk, to waste a whole day and to feed himself expensively in the City, to subject himself to extortion, as well as to pay railway fares, tends to complete the process by which the business of supplying pure milk is rendered unavoidably unprofitable."

What a system! Neither producers nor consumers of milk stood to gain by it. Could not co-operation offer a remedy? At least, it could be given a chance. Such, probably, were the thoughts which led Mr. Donovan and Rai J. M. Mitra Bahadur, nearly fourteen years ago, to preach the gospel of co-operation in the villages of Barasat, a subdivision near Calcutta, from which comes most of the milk that Calcutta consumes. Their appeal fell on deaf ears, but their mission was not altogether unsuccessful, thanks to a lucky accident, lucky, that is, from the co-operative point of view. Unceremoniously pushed out of one village after another, they had sat down by the roadside, when ..... but let Mr. Donovan describe it.

"Troubled and disappointed as we were we saw a man come down the road looking even more troubled and disappointed. Judge of our surprise when on being questioned he told us that his trouble too was all about milk. In his village they had boycotted the *goala* for refusing to come to one of their marriage feasts and had endeavoured to supplant him by one of themselves. He was a Hindu and they were Mahommedans. The *goala* had looked on amused while the Mussalman cultivator endeavoured to take the milk of the village to Calcutta for sale. The experiment of the cultivators was a lamentable failure but their pride would not allow them to return to the *goala*. They were losing the milk and they did not know what to do. We accompanied that cultivator two miles across the fields to his village and without waiting for the registration of a society we arranged for the sale of the milk in Calcutta under the aegis of the Co-operative Department. Soon we had our first society registered and working but we could get no more than 15 or 20 seers of milk a day." That was in the beginning of 1917.

The co-operative system that was introduced adapted itself as much as possible to the local customs. The *goala* always counted a maund as 50 seers. The co-operative society adopted this standard but instead of offering Rs. 6–8–0 a

maund, it offered Rs. 7–8–0 and even more. The bamboo system of account keeping was gradually replaced by the pass book system. The society also employed its own milkers who had no possible incentive to cheat either the members who owned the cows or the society.

In the first few months of its working the pioneer society made a profit of only three rupees—by no means a magnificent sum, but it demonstrated two facts, the value of which no money could measure. The first was that the co-operative society paid its members, the cow-owners, a better price for the milk and the second was that it provided the customers with pure milk. Thus the utility of co-operation was established, both for the producer and the consumer, so far as the milk-supply went. But all the same the society had to encounter considerable opposition in the neighbourhood, for vested interests were strong and prejudices die hard. However, impressed by the successful working of this society, people were gradually converted to the co-operative faith. Five more societies were formed in 1918 and the daily supply of milk rose from 20 seers to 6 maunds. By March 1919 it had risen to 9 maunds and there was an increasing demand for societies in the mofussil and for the milk in Calcutta. Thirteen new societies were added in 1919 and the daily supply rose to 18 maunds. In that year the societies federated themselves into a co-operative union (The Co-operative Milk Societies' Union) at Calcutta. Since the establishment of this Union the progress of the milk co-operatives has been phenomenal. To-day the Union consists of 108 societies, with a membership of 6,414. The daily supply of milk to customers in Calcutta only, averages abouts 140 maunds. The milk produced per head of members has been doubled since the start.

An immense organization has thus been built up for the co-operative sale and supply of milk, consisting of, in the first place, the rural societies which are the producing centres, and, in the second, the Milk Union which is the distributing centre.

The rural society which is the unit of the organization, generally covers a village, and its members are *bona fide* milk producers whose primary occupation is agriculture with milk production as their secondary occupation.

As in all co-operative societies, the supreme authority is vested in the general meeting at which each member (farmer) has got only one vote, irrespective of the number of shares he holds, or cows he possesses. This general meeting elects the managing committee including the Chairman, the Secretary, and the Manager, from among its members. The society is governed by registered bye-laws. The power of the general meeting, and of the committee of management and the duties of the office-bearers are laid down in the bye-laws.

The societies, which are all of the limited liability type, are affiliated to the Milk Union, which is a central society. It supervises, controls, and finances the individual societies, and arranges for the distribution and sale of their milk in Calcutta.

Just as only milk producers are enlisted as members of milk societies, so only milk societies can be members of the Calcutta Milk Union. It is thus a pure type Central Society, which does not include any individual shareholder.

Here also the supreme authority is vested in the general meeting of delegates or duly accredited and elected representatives of societies. Each society has one vote and on all questions the opinion of the majority prevails. The executive business is transacted by a board of directors. The general meeting of the Union elects from among its members all the members of the board of directors with the exception of the Chairman and the Deputy Chairman.

The Union takes delivery of milk at certain stations or collecting depots from societies. The Union maintains, at group depots, managers who transport the collection by rail direct to Calcutta. In Calcutta a responsible officer of the

Union takes delivery of the consignment and distributes the milk among consumers.

The Union is divided into sections for the purpose of supervision of the working of the societies, and for the examination of their accounts, each section being under the charge of a supervisor.

The societies are arranged in groups for the purpose of collection of milk by paid milkers and carriers, each group consisting of 6 or more societies. The milk obtained from the societies in a group is collected at a depot which is under the charge of a depot manager, whose duty it is to receive the milk in properly sterilized cans, measure it, note the general condition and the lactometer point, and give a receipt to the carrier. The working of the depots is looked after by the depot supervisor.

Above the supervisors there are the depot manager and the society managers. There is also the Veterinary Inspector who examines and treats the cattle belonging to the societies and looks after the milking arrangements and the sanitary condition of the cowsheds. Above them all is a Government officer, placed on special duty in the Co-operative Department. He is the Superintendent of Milk Societies all over Bengal and the Chairman of the Calcutta Milk Union.

The Union has devised very careful measures to ensure the purity of milk supplied to its customers. These measures include the installation of a pasteurising plant and a boiler. The milk of rural societies is transported by rail from collecting centres in heavily tinned sterilized milk churns. On its arrival at the dairy factory, every churn is checked for cleanliness, tested for specific gravity, fat and acidity and samples are kept for further examination, if necessary. The milk after being filtered and weighed in the weighing scales, passes through a channel into the pasteurising coil vat, where it is heated to 145° F and held at that temperature for 32 minutes,

thereby destroying injurious micro-organisms in the milk. It is then pumped on to the top of the "cooler" and is cooled down to 40° F. This completes the process of pasteurisation. From there the milk is taken into a tank which fills bottles in the automatic bottle-filling, discing and capping machine. It is then kept in the refrigerating room till delivery. The milk containers are thoroughly washed, cleaned and sterilized before use and to facilitate cleanliness, customers are requested to rinse the milk bottles with cold water immediately after they are emptied. The price charged for every seer of milk is 5 as. 3 ps. on cash payment and 5 as. 6 ps. including delivery charges on monthly payment. One pice extra is charged for sealing each bottle with hood and ring.

The Union has got a motor lorry and has also introduced the cycle lorry system of delivery. The milk is also carried by hand carts and coolies for delivery to customers. The Union at present supplies milk to most of the big Calcutta hospitals and to such fashionable restaurants as Peliti's and Firpo's and a large number of individual customers, through a number of depots and distributing centres, scattered at convenient places all about the city. The agency for distribution at present consists of the following three classes :—

(1) Salaried staff of the Union.

(2) Staff of the Union who are paid certain commission on the sales effected by them.

(3) Agents who purchase their supply outright and then dispose of it on their own account.

Milk is distributed both in special cans and in sealed bottles.

A word now as to the finance of the societies. When the first society was started it had to borrow Rs. 300 for its working expenses. A sympathiser in Calcutta lent the money at 9¾ per cent. per annum—not at all a high rate if we consider the enormous difficulties with which money can at all be raised to

finance a new undertaking by unknown cultivators. Each member of a society pays Re. 1/- towards a share of Rs. 10/-, the balance to be paid up when called.

The financial position of the societies at the end of 1929-30 was as follows:

Number of members		6,414
Share capital	Rs.	16,448
Reserve Fund	,,	53,476
Owned Capital	,,	83,347
Total working Capital	,,	83,731

Out of 108 societies 73 societies have built up their own capital. They have also been able to deposit Rs. 28,906 in the Milk Union.

The milk producers received, in 1928-29, Rs. 113,298 as advance for their produces while the societies realised from the members, Rs. 2,88,259 by sale of the produce, and earned a profit of Rs. 23,457.

When the Milk Union was formed, it borrowed Rs. 14,000 from Government for the purchase of motor lorries. The history of this loan is curious. The amount was promised as a grant and on the strength of this promise motor lorries were ordered from the United States of America. But complications developed, and what was to have been a free gift was turned into a loan! Later, the Union secured from the Calcutta Corporation a loan of Rs. 50,000/- free of interest. Both these loans have since been paid off and outside liabilities of the Union have been reduced to a small fraction of its total liabilities. On 31st March, 1930, the working capital of the Union was Rs. 2,15,767-2 as. An analysis of it reveals the following figures:—share capital, Rs. 14,220; loan from the Bengal Provincial Co-operative Bank, Rs. 10,000; deposits from individuals and societies, Rs. 91,960-9as.; funds created out of profits, Rs. 95,137-13 as.; undistributed profits Rs. 38-12 as,

The cost of management of the Union during 1929–30 was Rs. 1,25,574; while its receipts from the sale of milk totalled Rs. 6,36,720. The financial independence of the Union seems assured. Its reserve fund (included in the working capital) stood at Rs. 57,000 at the end of the year 1929–30, during which it earned a net profit of Rs. 20,172.

No account of the working of the Union and the societies would be complete without a reference to the part played by them in promoting the economic and moral welfare of the people in their areas of operation. Since its establishment, the Union has, every year, contributed out of its profits to various schemes of public utility. During 1929–30 one Secondary School and 10 Primary Schools received grants amounting to over Rs. 1000/–. About 50 tube-wells have been sunk by the Union and its affiliated societies for the supply of good drinking water both for members and their cattle. A dispensary is being maintained by an affiliated society while the Union meets the initial expenditure and provides the land and medicine free of cost. The Union also distributes stud bulls to improve the breed of cattle, and seeds to improve the fodder crops.

Outside the pale of the Calcutta Milk Union there is only a small number of milk co-operatives—76 on 30th June 1929 —all of very recent origin. But a movement, which owes its inspiration to the success of the Calcutta Union, is now on foot, for the co-operative marketing of milk, and though still in its infancy, signs are not wanting that it will before long attain major dimensions. Five other unions have also been formed and two of these, at Darjeeling and Dacca, have already attained a fair measure of success as the following table will illustrate. The figures are for the year ending 30th June 1929.

	Working Capital Rs.	Reserve fund Rs.	Profits Rs.	Proceeds from sale of goods Rs.
Darjeeling Milk Union.	13,248	11	356	6,610
Dacca Milk Union ...	24,730	184	2,095	21,486

The Darjeeling Union owns a four-storied building where it has a factory, equipped with suitable plant working on the gravitation system capable of handling about 100 mds. of milk and producing 5 mds. of butter and the same quantity of ghee every day. The factory is the only one of its kind in India.

These mofussil unions, unlike their model in Calcutta, admit both individuals and societies to their membership. They are, therefore, mixed type central societies. The primary milk societies, with a few exceptions, are all of the limited liability type. Many of these societies still await federation under a central organisation for facility of finance and marketing.

The Milk Co-operatives in Bengal owe their existence to the initiative of the Co-operative Department of the Government of Bengal; they have grown up under the fostering care of the Department and in all matters relating to control and management they are in the leading strings of the Department, the Superintendent of Milk Societies, Bengal, who is a Government officer being responsible for their working.

The milk co-operative societies are societies of producers, though the desire to make pure and cheap milk available to consumers may have been mainly responsible for their birth. Whenever they had a chance they have justified their existence by ensuring a better price for producers, while they have proved their utility to consumers by providing pure milk at a reasonable rate. Co-operative marketing of milk, therefore, links together producer and consumer—so often set against one another in sharp conflict—in a harmonious relationship calculated to promote the interests of both.

VIII

CO-OPERATIVE STORES.

By Rao Saheb T. K. Hanumanta Rao, *Madras.*

The co-operative movement was launched into existence in India by Government in their Co-operative Credit Societies Act, No. X of 1904 which was the result of their deliberations regarding the best method of reducing the indebtedness of the Indian ryots, who like the agricultural workers all over the world are the forlorn hope of the world's existing economic system in relation to land. This Act did not recognise, much less encourage, the formation of "Co-operative Stores" which under various names—distributive societies, consumers' societies and the like—forms the backbone of the co-operative movement of the civilised West, particularly of Great Britain.

The origin of the co-operative store system can be traced to the Rochdale Equitable Pioneers Society established in England in 1844 and immortalised by the veteran co-operator George Jacob Holyoake in his famous 'History of the Rochdale Pioneers'. Several hundreds of working men's co-operative stores owe their origin, it is said, to the Rochdale Pioneers and to their wonderful progress.

It is common experience in the history of co-operation that whatever be the form of co-operative activity first introduced in a particular locality, sooner or later, other forms of co-operative activities naturally come into existence, particularly the co-operative store. In the same manner co-operative credit societies in India were found to be insufficient in themselves to accomplish the purpose for which the principle of co-operative credit was introduced. Societies for the collective purchase of manure and other agricultural needs, marketing societies and the like were found to be necessary to supplement the good work done by the credit societies. Accordingly the India Government revised their first Co-operative

Act X of 1904 and introduced the new Act II of 1912 which was wider in its scope than the first one. It was called the Co-operative Societies Act, thereby recognising all co-operative societies, unitary and federal, and among others, the co-operative stores. But luckily the initiative was not taken by Government directly or indirectly to help the birth, growth and development of the co-operative stores organised for the benefit of the consumers as distinguished from producers, the workers in agricultural or manufacturing industries—luckily, because co-operation must be the result of self-reliance and mutual help among the people.

But India had not to wait for the new Act or for initiative from Government before the first co-operative store was established on the Rochdale plan with the same fine ideals and methods as those of the Equitable Pioneers. Non-official workers intent upon serving the people with a view to better their economic conditions were found, who stumbled across the Rochdale system of co-operation, accidentally though it may be, even before the passing of the first Co-operative Act. The Triplicane Co-operative Store established in one of the suburbs of Madras—laterly dubbed as the Triplicane Urban Co-operative Society Limited—was the result of one such non-official effort. Its humble beginnings, although unknown to written history beyond its own narrow circle of activities, was, strange to say, discerned by western co-operators, who through their International Co-operative Alliance projected their search-light far and wide to seek for co-operative efforts and extend their helping hand to co-operators, however humble, in all the nooks and corners of the world. The first mention of the Triplicane Store in a printed document of any consequence is to be found in the report of the Sixth International Co-operative Congress held at Budapesth, Austria-Hungary. One Ambika Charan Ukil, M. A., a Bengalee Professor of Philosophy in a Benares College, contributed to that report, among other things, an account of the Triplicane Store and its origin.

A narrative of the humble beginnings of the Triplicane Store has been given by one of the pioneers of this Society in a very lucid and concise form in the Proceedings of the "First Co-operators' Day" celebrated in the year 1908, that is four years after the formation of the Society. Considering the high place the Triplicane Store now occupies in the co-operative store movement in India, it may be of interest to reproduce that simple narrative for the benefit of co-operators in general, in Appendix A.

The Triplicane Store has always supplied the co-operative movement of the Madras Province with a fair number of leaders. It may be mentioned that Mr. V. Venkatasubbiah, the Managing Director of the Triplicane Store is the Secretary of the Provincial Co-operative Union and Mr. S. K. Yegnanarayana Iyer, M. A., a member of the Educational Committee of the Triplicane Store, is at present editing the Madras Journal of Co-operation, which a few years ago was called the Madras Bulletin of Co-operation. It is worthy of note that this bulletin of co-operation, originally published by the Co-operative Department, was handed over to the Management of the Triplicane Store, as the fittest body to conduct this medium of propaganda. It did that work very satisfactorily till the Provincial Co-operative Union, formed a few years later, took up the editing of that Journal. The late Rao Bahadur Professor K. B. Ramanatha Iyer, the first President of the Triplicane Store, was also the President of the Provincial Co-operative Union and most of the other members of the Triplicane Store are also active workers in the general co-operative movement of this Province.

The story of the Triplicane Store is considered worthy of narration in such detail as it disproves the almost unanimous verdict of the official workers that the store movement which has gone on in every other country like a good chronometer is, so far as India is concerned, a failure. The Triplicane Store is a human institution with nothing exceptional

about it except that its founders had implicit faith in action and persistent propaganda and education calculated to awaken the consumer to the mighty potentialities lying dormant in his purchasing power, of however small value it may be, for determining and directing the economic destinies of his fellow countrymen.

At every conference, co-operative or economic, held in Madras, the delegates from other places have honoured the Triplicane Store with a visit and must have carried away useful impressions of distributive co-operation and helped in the organisation of similar institutions in their several localities.

The society celebrated its Silver Jubilee on 25th January 1930 when His Excellency the Governor of Madras laid the foundation stone of a jubilee hall, estimated to cost nearly quarter of a lakh of rupees. A jubilee souvenir volume has been published, containing a full account of the history of the society and many special articles by eminent co-operators on consumers' co-operation. Appendices B & C indicate the progress of the Triplicane Store in its various aspects.

Between the passing of the Act X of 1904 and Act II of 1912, there were registered, in Madras, besides the Triplicane Store, four other store societies, namely, (1) the Coimbatore Stores, (2) the Madura Stores, (3) the Madanappalle Stores, and (4) the Kurnool Stores. After the passing of the new Act, the number of store societies grew from 11 in 1914–15 to 127 in 1927–28.

The following observations in the Report of the Townsend Committee on Co-operation, in Madras, are of interest in this connection :—

"*Store Societies and Trading Unions.*—The abnormal increase in prices in the period immediately following the war stimulated the formation of a considerable number of store societies. The eleven societies in existence on June 30th, 1915,

had grown to 103 by 1921. But the fall in prices in subsequent years reduced the margin of profit, and this factor, coupled with bad management in many cases, heavy establishment charges and disloyalty on the part of the members, brought about the failure of many. By 1923, the number had fallen to 85 and during the next two years no new store society was registered. At the close of 1926–27, there were in existence 143 societies classed as stores. Only 86, however, of these are stores properly so called. Practically all are situated in urban areas. The remainder are societies for providing school and college stationery (26 in number), trading unions and a few societies dealing with cottage industries.

"The most successful of these societies is the Triplicane Store, which operates through its 21 branches in Madras City and whose fame extends throughout India. Its sales during 1926–27 were, in value, Rs. 11½ lakhs and it made a profit during the year of Rs. 17,300.

"The total working capital in 1926–27 of all the store societies was Rs. 5·71 lakhs; purchases, including stock on hand amounted to Rs. 24·72 lakhs and sales to Rs. 21·97 lakhs; and such as did well made a total profit of Rs. 43,000. Others unfortunately made a total loss of Rs. 20,000 during the year. Much of the success of some stores has been due to the fact that Government have allowed corporate bodies such as "Devasthanama" and colleges to become members; these bodies make very large purchases."

In Travancore, there were 12 consumers' societies in the beginning of the year, and one society was registered during the year. Of these 12 societies, 4 were school societies. The societies purchased articles to the aggregate value of Rs. 1,31,149 and sold for Rs. 1,39,529. The Trivendrum Co-operative Distributive Society maintained its leading position. The society made purchases for Rs. 1,02,394 and sales for

Rs. 1,10,256. The gross profit this society earned was Rs. 6,124. This society has a fine building of its own, and its secretary was once an enthusiastic member of the Triplicane Store.

It may be noted that 14 rural societies have combined distribution with credit.

In Coorg, there are two co-operative stores. Of these the Teachers' Co-operative Store is progressing well and doing good work, the other having been only recently started.

In H. E. H. the Nizam's Dominions the following stores are reported to be working satisfactorily : the Market Store, the Chadderghat Store, the Pioneer Store, the Karana Store, the Great Expectation Store and the Automobile Store.

During 1928–29 the number of consumers' societies in Bengal increased from 58 to 69 with an increase in membership from 9569 to 10532. The total sales went up from 4·68 lakhs to 5·36 lakhs and there was a slight increase in profits. The Registrar of the Province is of opinion that the consumers' movement has not yet attained success, but in this matter Bengal is not singular.

The prospect of consumers' stores in Bombay according to the official opinion is very gloomy. The number of societies is dwindling. It is consoling to find, however, that the leading co-operators there are agitating for organised propaganda in relation to this movement. A few articles of grocery with a salesman and an accountant will no sooner become a co-operative society than a matchbox on two wheels with a funnel fixed at the top will become a steam-engine. The success of the co-operative movement as a whole and of the store movement in particular depends upon insistent propaganda by earnest co-operators with an apostolic fervour and faith in the efficacy of the co-operative idea.

The total number of store societies in Assam stood at 20, the number of members was 2475 and the working capital was

Rs. 1,11,833. The societies are not thriving and some of them are working at a loss. Some are in the course of liquidation.

The above account of the co-operative store movement in India is necessarily very incomplete and scrappy. The official Administration Reports containing statistics mix up pure consumers' societies with other similar concerns and it is not possible to extract from them reliable information relating to consumers' societies as such. Further, very few societies enjoy the amount of prosperity that is necessary to print and publish their history, growth and development. It is indeed true that the store movement has made poor progress. But it is no use crying down the movement as a failure because those who cry it down are to be considered not helpers but the highwaymen of co-operation, who unlike the highwaymen of the road ask us to stand and deliver not our "goods" but our "hope". The movement is new to the country. The masses are unaware of its potentialities for the regeneration of our country and so have to be awakened to its possibilities. Well-wishers of the movement will do well to be up and doing forming a separate organisation like the Consumers' League of America for the sole benefit of the store movement and start special magazines for carrying on propaganda collecting statistics and for mutual exchange of ideas between the several store organisations. The next thing, when a sufficient number of stores are established in any area, is to federate them into a Wholesale for efficient purchase, because the history of the store movement has been always a history of failure until the Wholesale comes into existence to supply the needs of the various stores.

The hour is come but not the man to awaken the "consumer" in India from his eternal slumber. May we not hope that in the near future a few co-operative leaders will rise everywhere to the occasion and carry on the gospel of Consumers' Co-operation which is another name for Brotherhood, Peace and Prosperity?

[It is refreshing to find that Rao Saheb Hanumantrao continues to be enthusiastic about consumers' co-operation, despite the tale of failure from all parts of India. Indeed, well he might! Himself one of the Triplicane Pioneers, he and his colleagues brought enthusiasm, faith and patience to their aid in their efforts for attaining success.—*Editor.*]

APPENDIX A.

OUR STORY.—Then Mr. S. Venkataramana Iyer, B. A., B.L., Superintendent, Accountant General's Office, gave the following history of the Triplicane Urban Co-operative Society, Limited :—

In the early part of the year 1903, about a score of young men formed themselves into a Sunday Class, for the study of economic subjects. Mr. Chamberlain's hobby of preferential tariffs was the burning question of the day and we began by discussing it. Our first few meetings were held in the premises of the Triplicane Literary Society, but we grew somewhat rapidly both in number and in fervour and wished to breathe a freer air. We then met at the house of each member by turns. Very often the member turned host, so that in time the social side of our activity became more attractive than the war of intellects. Some members left the city and some the class, and others fell off, despairing that our theories would remain such for ever and never manifest themselves in practice. Towards the end of the third quarter of the same year the class had ceased to exist, but not, however, the perseverance and enthusiasm of two gentlemen to whose inspiration the class had owed its temporary success. I refer to Messrs. V. S. Srinivasa Sastriar and T. K. Hanumantha Rao. Our torpor was like a smouldering fire and lasted no longer than three months. Mr. Ambika Charan Ukil, who was the then Secretary of the Co-operative Union at Calcutta, had come to Madras as a delegate to the Indian National Congress of that year, and by way of renewing our

old economic class, Mr. Srinivasa Sastriar invited a large number of his friends in the first week of January 1904 for a chat with Mr. Ukil. The conversation naturally turned on the subject of Co-operation of which Mr. Ukil was a devoted advocate. Some of us subjected him to a searching cross-examination and even dared to disapprove of some of the principles that guided the Co-operative concern at Calcutta. The warmth of the discussion, irrespective of its results, and the convincing personality of Mr. Ukil himself, kindled in us an ardent desire to reduce to practice the theory of Co-operation with which most of us had then become familiar. Mr. Ukil invited us to become members of his Co-operative Union, and gave us gratis ten blank admission registers to be used for that purpose. Mr. Ukil then left Madras, and we continued to deliberate on Co-operation. Some of us thought that instead of joining as absentee members of a Co-operative Union at Calcutta, we might do much better by making a start on co-operative lines in the very locality in which we lived. We had learnt that a distributive store is the first and finest flower of co-operation and we therefore resolved upon organising what is commonly called a Co-operative Store. Towards the end of January 1904, preliminary business meeting was convened at Mr. Srinivasa Sastriar's residence. A provisional Secretary and a Committee were elected, about a dozen rules, unencumbered by technical verbosity, were passed, and it was decided to open the Stores as soon as a capital of Rs. 1,000 was collected. There were friends who called us dreamers and others who said that we were precipitating ourselves into hasty action. But we derived enough assurance and encouragement from the example of those that had gone ahead of us in other countries. In order to popularise our project, two public lectures were delivered under the auspices of the Triplicane Literary Society. "The History of the Rochdale Pioneers" by Mr. Hanumantha Rao and "Some Aspects of Co-operation" by myself. The effect of these lectures was imperceptible. Even the soul-inspiring narrative

of the 28 Flannel Weavers of Rochdale who were driven by poverty and persecution to seek independence by self-help, sounded as a mere fiction to our audience. April came and only 14 of us had combined together with a capital of Rs. 310, all told. We thought that any further delay would be dangerous, and remembering that even the Rochdale Pioneers began with a capital of only £ 28, we were not diffident regarding the still smaller sum we were able to get together. It is a matter for congratulation that the foremost to pay his share and become a member was Mahamahopadhyaya Pandit, V. Swaminatha Iyer Avergal. It proves beyond doubt that the principle of co-operation is able to captivate at first sight even minds nurtured essentially in the traditions of our own land. This has been fully borne out by subsequent experience, and need I say that we are proud of it.

At 7-30 A. M. on the 9th April 1904, the Triplicane Co-operative Stores was opened, in the very premises in which we have met this evening. Dr. C. V. Krishnaswami Iyer was our first Honorary Secretary. Our establishment numbered two, a manager and a salesman, each on Rs. 8 a month. The manager was new to the business, but the salesman, a Chetti by caste, had good experience in the grocery line. Through the latter, we got a loan of a pair of scales and a set of weights and measures for the opening day. The late Pandit S. M. Natesa Sastriar was asked to bless the undertaking by purchasing at the outset some turmeric, betel-nut, sugar-candy. Our sales that day amounted to the satisfactory sum of Rs. 90-9-8 ! Persons who formerly considered the call for co-operation as a cry in the wilderness now saw an actual working model before them, and began gradually to shake off their scepticism and distrust. Our numbers increased, but only very slowly. The first few months of our activity were discouraging in the extreme. I well remember a gloomy evening when we counted up the day's sales at only 8 annas and 4 pies. Mr. Hanumantha Rao stirred up the des-

pondent manager by reciting the poem "Good times are coming, boys". Once the store was an accomplished fact, we had to give up all thought of educational and intellectual activity and had to devote all our attention to the practical management of the 'Stores' in all its infinite details. Some of us spent all our available leisure at the Stores, and occasionally even acted as manager and salesman when those functionaries were away to make purchases. And some of us carried our ideas of economy so far as to preserve all packing paper and twine and return them periodically to the Stores to save it so much expenditure. We even economised by using the admission registers given to us gratis by Mr. Ukil. There was enough of criticism, as there has always been, concerning the bad quality of the goods and the defects in management. Of course, good work is but the mere discharge of duty which deserves no special recognition; bad work alone requires any notice at all! Our Secretary had wonderful patience and his equanimity was never disturbed. We, too, became gradually inured to both flattery and censure. We knew that co-operation had come to stay with us, we saw before our vision a slow but steady progress, and felt that the movement had gone on far enough to be no longer the concern of an interested few, but the property of the public, safe from all fear of defect or extinction. And thus we got on.

Simultaneously with our activity, the Government of India was working in an allied but different direction, namely, the organisation of agricultural banks. A cyclopædic report on the subject by Sir F. A. Nicholson and a pamphlet by Mr. Dupernex at Allahabad, had both been published at the instance of Government. The Co-operative Credit Societies Act X of 1904 was passed into law on the 25th March 1904. It must be remembered, however, that our enterprise was entirely unconnected with this official movement, because to our minds then, there was little or nothing in common between them. Ours was the first step in co-operation, and banking was only the next step, and we were, therefore, of

opinion that Government had made a wrong beginning. But, in the early part of the year 1905, the idea occurred to us that we might endeavour to bring the Stores also within the purview of the Act. A deputation of five of us waited on Mr. P. Rajagopalachariar, the then Registrar of Co-operative Credit Societies, with the above object in view. The difficulties raised by him seemed at first insuperable. It was pointed out to us that our dealings were in cash whereas the Act was for Credit Societies, and that the distribution of grocery had nothing to do with co-operative banking. But, thanks to the courtesy and good nature of Mr. Rajagopalachariar we were able to convince him that ours was not only a right step but a necessary foundation for a system of co-operative credit. We were then called upon to frame a set of by-laws with a view to registering the Stores under the Act. Two or three of us drew up a skeleton of the by-laws and approached the Registrar once more to get his informal assent to them. He gave us much valuable advice, and many by-laws were either added, re-written or modified to his dictation. In this shape, the by-laws were placed before the general body of the members but that body rightly insisted that they should be printed and circulated beforehand. Some of us thought that even the printing charges were too much for our resources then. Anyhow the by-laws were printed in a single night, amendments were invited and tabulated, and the by-laws were finally passed at two long sittings on a single Sunday and submitted to the Registrar with an application for registration. At a subsequent meeting of the general body, held on the 16th of April, 1905, these by-laws were given effect to from the 1st of that month. The order of registration was issued on the 20th September 1905 under the special authority of Government under section 21 of the Act. We assumed the title of the Triplicane Urban Co-operative Society, Limited, but this appellation has not even yet extended beyond business and official limits, and our Society is still known by the familiar name of the "Store" in every household.

Appendix B.

Statement showing the Progress in Business of the Triplicane Urban Co-operative Society Ltd. 1904–1929.

Number.	Period.	Number of Members.	Branches.	Share capital.	Total distribution of goods.	Net profits.	Reserve Fund.	Common Good Fund.	Amount paid away as dividends.	Employees Provident Fund.	Rent paid by the Society for Houses.	Establishment charges.	Number of Employs.
				Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1	Opening Day 9th April 1904	14	1	310	...	...	...	...	...	...	...	...	...
2	Year ending 31st March 1905	184	1	1160	19,942	765	259	193	360	...	37	213	6
3	,, ,, 1906	408	3	3153	1,04,826	2,583	1,045	800	1,114	...	156	449	...
4	Period ending 30th June 1907	637	4	4945	1,79,527	4,349	2,554	2007	2,170	...	856	2,455	...
5	Year ending ,, 1908	797	4	6682	2,41,469	6,754	4,373	3688	3,077	...	937	3,103	...
6	,, ,, 1909	1375	8	11,969	4,41,473	7,519	6,439	5407	3,318	...	1,705	4,826	...
7	,, ,, 1910	1430	9	13,253	4,15,959	8,343	8,659	7550	3,472	...	2,816	9,168	52
8	,, ,, 1911	1649	9	16,677	4,46,711	15,072	12,692	9741	7,402	...	2,742	8,232	56
9	,, ,, 1912	2024	10	23,546	5,37,211	19,978	18,188	14,469	10,338	...	3,016	10,028	66
10	,, ,, 1913	2335	13	29,271	6,16,772	20,876	23,799	17,015	9,896	...	3,191	11,148	83
11	,, ,, 1914	2739	14	37,343	6,40,644	18,252	24,026	14,904	8,189	1,635	3,598	12,771	86
12	,, ,, 1915	2795	14	37,274	5,63,004	18,716	26,694	15,510	7,934	...	4,039	13,505	90
13	,, ,, 1916	2806	14	41,161	5,04,587	10,956	29,244	16,878	4,436	3,783	4,585	15,260	86
14	,, ,, 1917	2798	14	42,554	4,74,049	15,807	39,484	20,656	6,748	5,932	3,841	14,843	...
15	,, ,, 1918	2899	14	48,799	5,37,073	20,931	44,932	23,017	9,879	7,893	4,026	15,148	87
16	,, ,, 1919	3559	15	54,566	9,34,099	26,601	51,555	26,484	11,404	9,681	4,719	15,287	106
17	,, ,, 1920	3902	15	64,744	10,78,589	101	59,583	31,245	...	12,006	5,335	25,946	...
18	,, ,, 1921	3875	16	57,710	9,44,698	360	59,583	30,424	... ...	13,007	5,679	31,098	...
19	,, ,, 1922	3914	16	55,808	8,93,816	2,2661	61,161	28,480	10,209	15,050	7,192	30,293	...
20	,, ,, 1923	3853	17	53,458	7,82,576	20,448	62,200	27,288	11,880	17,715	7,054	30,800	...
21	,, ,, 1924	3935	18	59,325	8,72,131	23,268	64,620	30,614	14,313	22,479	8,318	30,192	...
22	,, ,, 1925	4195	20	66,702	10,15,912	21,439	70,044	31,858	...	29,258	9,219	31,901	104
23	,, ,, 1926	4578	...	...	11,42,723	...	...	...	...	...	...	...	...
24	,, ,, 1927	5032	...	...	11,33,721	...	...	...	...	...	...	...	...
25	,, ,, 1928	5137	...	...	11,09,852	...	...	...	...	...	...	...	...
26	,, ,, 1929	5781	...	...	11,15,128	...	...	...	...	...	...	...	...

APPENDIX C.

The growth in the number of branches is evidenced by the following table :—

Name of the branch.		*Date of opening.*
Triplicane	(owns a building) ...	9-4-1904
Chepauk ...	... ...	1-8-1905
Mylapore I ...	... ...	21-8-1906
Egmore ...	... ...	3-2-1907
Saidapet I	(owns a building) ...	3-12-1908
Car Street ...	... ...	13-11909
Nungambakkam	(building in the course of construction)	31-11909
George Town I	... ...	5-4-1909
Purasawakkam	(building of its own)	1-8-1909
Saddapet II ...	... ...	2-10-1909
Perambur	(building of its own) ...	25-7-1911
Mylapore II ...	... ...	19-12-1912
George Town II	... ...	10-3-1913
Royapuram ...	... ...	4-1-1914
Tiruvataswaranpet	... ...	21-12-1916
Komaleeswaranpet	... ...	20-6-1921
Kilpauk	(building of its own)	9-5-1923
Mambalam ...	... ...	9-3-1924
Royapettah ...	... ...	12-9-1924
Sowcarpet ...	... ...	24-4-1925
Vepery ...	... ...	21-8-1925
Gopalapuram ...	... ...	1-10-1928
Madhavapuram	... ...	1-12-1928
Villivakkam ...	... ...	1-2-1929
Muthialpet ...	... ...	28-4-1929

PROPAGANDA AND EDUCATION.

I. PROVINCIAL CO-OPERATIVE INSTITUTES.

1 INSTITUTES.

2 DEVELOPMENT OF BRANCHES IN BOMBAY.

II. CO-OPERATIVE EDUCATION.

III. UNIVERSITIES AND CO-OPERATION.

PROVINCIAL CO-OPERATIVE INSTITUTES.

1
INSTITUTES.

The co-operative movement in India owes its origin to the initiative of the State, unlike other countries where the people realizing their economic weaknesses associated themselves into organisations and adopted the principles of co-operation for their economic uplift. In India, the people, illiterate and ignorant, and steeped heavily in debt, were unable to evolve measures for their own betterment; the impact from other countries with their new economic organisation and political power led to the breakdown of old economic institutions in the country and the people lay prostrate at the power of the economic order ushered in by the Industrial Revolution in the West. The unusual number and unprecedented severity of the famines towards the close of the last century accentuated these effects and measures of relief like the Agriculturists' Loans Act and the Land Improvement Loans Act failed to meet the situation. The State could not wait for education to prepare the ground for the evolution of a movement from within by the people themselves and took the initiative by passing the Co-operative Credit Societies Act of 1904. The Co-operative Movement with the ideals of self-reliance, mutual help and thrift is essentially a movement of the people, for the people and by the people and is not only a theory of economic reconstruction but a great moral force. The spirit of association, of group action and of self-reliance cannot be legislated into existence nor made to thrive by governmental agencies and yet under the circumstances of the case it was the State in India which had to take the initiative.

Of this movement, the Registrar naturally became the centre. For, on him fell the duties of arousing public interest,

enlisting honorary workers as well as of guiding and supervising the movement. He is not merely a Registrar of Co-operative Societies but rather a director; his powers and responsibilities are indeed far greater than those of a registering officer like the Registrar of Joint Stock Companies. He does not merely register and tabulate statutory returns of the registered societies but does many more things besides. A society which has got for its object the promotion of the economic interests of members along co-operative principles has to be registered with his consent. Its by-laws are framed subject to his approval. He audits or causes to be audited the accounts of the society at least once a year. He may hold an enquiry or authorise some person to enquire into the working of a society, and he has the power to cancel its registration if after enquiry or inspection he deems it proper to do so. Further he is also invested with the power of hearing and settling all internal disputes occurring in a society. Besides these duties of registration, audit, supervision, inspection, arbitration and cancellation, he is also expected to be continually studying the literature on co-operation at home and abroad, to keep in touch with economic conditions and practices at least in his own province and be conversant with the law and practice of banking. He is also expected to do propaganda work through his staff, stipendiary or honorary.

It will be clear from this that the burden imposed by all these onerous duties is too much for any one single person to bear. With an expanding movement with substantial increases in the number, membership and working capital of co-operative societies and the development of new ventures, a larger and larger staff becomes necessary, entailing an increasing amount of expenditure by the State and imposing too many responsibilities on the Registrar. In the initial stages of the movement, besides, the State itself financed the societies to some extent. It was, therefore, very necessary to intro-

duce means for the progressive non-officialization of the movement and the devolution of the various functions into other hands. Finance was early removed from the Registrar and with the establishment of Central and Provincial Banks, the Registrar was freed from the financial reponsibilities for the movement. Yet so many other functions remained with him. The Co-operative Movement ought to be a self-contained movement. The deposits from members and non-members ought to provide the necessary finance; supervision ought to be exercised on the working of the societies by the members of the managing committees themselves; audit ought to be arranged for by the societies themselves; co-operative education, similarly, ought to be a matter of internal arrangement; and as regards propaganda the successful working of societies ought to be itself the best propaganda for the further spread of the movement. Unfortunately this ideal of a self-contained movement is not quite possible, for the villagers are ignorant, illiterate, suspicious and fatalistic, besides being heavily in debt and having practically no desire to better themselves. Such conditions among the rural population coupled with the anxiety of the State to develop co-operation and the enthusiasm of its early officials to show a rapid progress have led to the villagers regarding Societies as some charitable or philanthropic institutions and not as pure business concerns. What connot be, however, achieved by a single society for itself can be achieved by groups of societies and the further progress of the Co-operative Movement in India is associated with the creation of unions for taking over some of the functions for which the Registrar was originally responsible.

For the working of propaganda, non-officials were requisitioned and in most of the provinces they came to be appointed as honorary organisers. In Madras they were called Honorary Registrars and in the Punjab Honorary Inspectors and Sub-Inspectors. The propaganda carried on by these workers in their respective areas is largely in the direction of organising

new societies and of keeping an eye on the societies already organised by them. Their work is largely controlled and directed by the Registrar or his deputies or assistants. It was perceived, however, that propaganda should be systematised and distinguished from organisation and that it should therefore be handed over to a separate body composed largely of non-officials. With this view provincial co-operative institutes came to be established in the various provinces. These bodies have different names and different functions in the various provinces, but they have all been entrusted with the work of co-operative propaganda. In Bombay there is the Provincial Co-operative Institute. In the Punjab, Madras and the United Provinces there is the Provincial Co-operative Union ; in Bengal and Assam they have the Co-operative Organisation Society ; in Bihar & Orissa and the Central Provinces and Berar they have the Provincial Co-operative Federation ; while in Burma they have the Co-operative Council. Some of these organisations are unitary bodies carrying on propaganda on well directed lines and reaching the masses through their divisional and district branches as in the case of Bombay, some are unions of societies undertaking certain functions on behalf of these societies, while others are federations of the societies. Even in the case of unitary bodies like the Institute at Bombay, the primary societies are quite well represented on their managing and executive bodies by a system of election through the district and the division. With the establishment of such institutes, the Co-operative Movement in India works through its three main arms,—the administrative as represented by the Registrar and his staff, the financial as represented by the Central and Provincial Banks, and the propagandist as represented by the non-official institutes. It must be noted however that these institutes while being largely non-official have in some of the provinces the Registrar as its ex-officio chairman.

The Registrar still has left to himself the other functions, namely, supervision, audit, inspection, arbitration and educa-

tion. Of these inspection has been entrusted, and very properly, to the central financing agencies. Audit is the statutary responsibility of the Registrar and he carries on the work through a paid staff, but in some of the provinces like the Punjab, the United Provinces and Bihar & Orissa this work has been entrusted to the Institute. It appoints, for the purpose, auditors from a list of persons approved of, and licensed by, the Registrar. This practice is worthy of adoption in the other provinces as well, giving as it does an important rule to the Institutes in the working and watching of the Co-operative movement and thereby introducing a more pronounced non-official character to the movement as a whole. Supervision, as distinguished from audit and inspection, is a function which is not properly arranged for yet. The departmental auditor is supposed to do something in that direction, The inspector of the central financing agency is likewise expected to do a bit of supervision. The Institutes while carrying on propaganda are supposed to assist and improve bad societies. But in some provinces like Madras and Bombay, there has come into existence a special institution called the Supervising Union. A few—about 20—primary societies form the union and appoint a paid secretary or supervisor. Supervision to be effective must be friendly and constant and must proceed from within. It must not be associated in any sense with the pressure of officialdom or of the creditor and the supervising union appears to be indeed the best agency for the efficient performance of this very important function in the co-operative world. The supervising unions however ought themselves to be supervised and a suitable system must be devised for this purpose. The Registrar is supposed through his assistants to control, guide and supervise the supervising unions. But it appears as if the control of these unions by the Institute would be more proper in as much as they are after all non-official representative bodies. Co-operators also feel that it is not very necessary to separate supervision from audit, provided the number of societies and

trusted to each auditor is not unduly large. This problem was considered by the All India Co-operative Conference held at Hyderabad (Deccan) on the 4th and 5th April 1931 and the resolution on the subject aims at merging supervision in audit and creating district audit unions under the control of the Institutes.

As regards co-operative education, the Registrar is still in charge of it in many provinces though he organizes training classes for the purpose with the assistance of the Institutes. But in Bombay Co-operative education has been definitely handed over to the Institute. We shall speak later in more details of the different systems of co-operative education that have developed in different parts of the country.

The institutes have thus a very important part to play in the healthy development of the co-operative movement in the country. Charged with the duty of propaganda it is taking on to itself more and more duties also, such as co-operative education, supervision and even audit, so that it will complete the Trinity of Co-operation with the Registrar in charge of administrative functions, the Banks in charge of finances, and the Institutes in charge of developmental, educational and supervising functions.

The mission of these institutes must be that of bringing back to the movement the popular touch in the place of official paternity. The active interest taken by officials in the movement and the haste with which the movement was pushed on by rapid multiplication of societies, the readiness with which Government came forward with advance of capital, the state initiative and state organisation—all these instead of evoking an eager response from the people have created an atmosphere of suspicion about the movement, and, obviously, this suspicion ill augurs with progress. The work ahead of the institutes, however, is not a little difficult in view of the dearth of rural leadership. But there is every hope that their intensive work,

which must win the confidence of the people, will not fail to evoke response when one only remembers what awakening the political agitation could bring to the masses in a short time in recent years. Adult education must indeed be the basis of the Co-operative Movement. The success of the movement in other countries such as in Denmark and Ireland has not been a little due to this important asset. It is in this sphere that the Institutes then can be of very great help not only to the Co-operative Movement but also in the work of rural reconstruction which is one of the most important problems to-day. We shall now examine the working of the Institutes in some of the provinces.

Bombay:—While the provincial institutes in most other provinces owed their inception more or less to official initiative the Bombay Provincial Co-operative Institute was formed, very much as in Madras, by non-official endeavour and registered in 1918. Different non-official bodies had already taken up the work of publishing a weekly (Commerce and Co-operation), of maintaining a library and of promoting other forms of Co-operation such as co-operative housing societies.

The work of the Institute falls under the following heads (i) Education (ii) Propaganda (iii) Voicing public opinion (iv) Supervision and (v) Welfare. Its membership extends to societies and individuals; in 1929-30 out of a total membership of 5758, 4858 were societies and 900 individuals. The funds of the Institute consist of subscriptions from member-societies and fees from individuals and a grant of Rs. 30,000 from Government. It is interesting to note that several Local Boards and Municipalities have also given grants to the Institute. It has established branches in almost every district. In the sphere of supervision for strengthening and improvement of the movement the system of Guaranteeing Unions, at one time favoured by the Institute, is now replaced by the system of supervising unions and in the place of District Branches, District Federations are organised in order

to make the Institute a Central Federation instead of the unitary body which it is at present.

The work of education is entrusted to a Central Education Board which maintains Co-operative schools at different centres such as at Surat, Poona and Dharwar besides conducting a periodical class and a certificate examination at Bombay. In addition to a number of publications both in English and in vernaculars the Institute issues a Quarterly.

Propaganda work is carried on by Divisional and District Officers with the help of the Branches.

A number of enquiries in the different parts of the presidency are being instituted and a special enquiry in a group of 5 villages in each of the four linguistic divisions was undertaken before the Institute tendered evidence to the Royal Commission on Agriculture.

The Institute since its inception took over the work of the Bombay Co-operative Housing Association and has been promoting forms of co-operation other than credit such as sale societies in Broach, Khandesh and the Panchmahals and though no definite scheme for rural welfare has been formulated, a grant is made by the Institute for rural reconstruction work in the villages of Pilsa and the Panchmahals. The remarkable feature of the Institute has always been its non-official character. The Registrar is represented by ten members nominated by him on the Provincial Co-operative Council and by two members on the Executive Committee. This arrangement while preserving the non-official character of the institution makes for harmony and cordial relations between it and the department.

Punjab:—The Punjab Co-operative Union was established in 1918 with a view to create a central co-operative organisation in the province for propaganda, education, supervision and audit and to deofficialize the movement. Its objects are to

promote and extend Co-operation by aiding in the conduct of co-operative business, to take measures for the audit of its member societies, to establish and maintain a provident fund for all employees of the different co-operative organisations and also to provide for the purchase, printing and publication of literature on co-operation.

The Registrar is the ex-officio president and the Deputy Registrar, the Assistant Registrar and the Financial Advisor to the Registrar are its ex-officio members. The Union had a membership (in 1929–30) of 155 including 129 central institutions.

The Union engages a field staff of 500 persons. Since 1925 three whole time auditors are appointed for the audit of central institutions. During recent years the Union has separated the duties of audit and supervision in order to increase the efficiency of the work, chiefly of audit. The system of training provided by the Union was commended by the Agricultural Commission. Its propaganda work is done by Sub-Inspectors. Since October 1924, an Urdu monthly is published which is called "Co-operation". The Union also adopts other forms of propaganda such as cinema films, magic lantern lectures, demonstration trains, as also the publication of pamphlets and books. It also holds the provincial conference. There are two main sources of the income of the Union—audit fee and Government grant, the latter generally forming one quarter of the total expenditure incurred.

Madras:—The Madras Provincial Co-operative Union was first established as a registered co-operative society in 1914, with the object of propagating the principles of Co-operation, organising co-operative societies and watching their interests and of generally promoting the movement in the Presidency. The Union entered upon its second stage when it was reorganised in 1920 and the whole of its constitution overhauled.

Its objects so reframed are: (1) propagating the principles of Co-operation, (2) organising special types of societies,

(3) assisting the work of local unions and district councils of supervision, and (4) serving as the recognised exponent of non-official co-operative opinion in the presidency.

By the constitution framed in 1920 the Union restricted its membership to provincial societies, central banking unions, and supervising and trading unions, but persons of knowledge and distinction in the field of co-operation were invited to be its honorary members. In 1924 primary non-agricultural societies with a capital of Rs. 20,000 and above were admitted to membership. The by-laws of the Union were again amended in 1927 by which the District Federations and the supervising Unions in each district were given the right to send one representative each, to the Board of Management, the total strength of which is 51. The Central Banks send 8 representatives while Urban Banks, Primary Non-credit Societies and Honorary Members get 3 representatives each.

The work of administration is entrusted to an Executive Committee consisting of the President, Vice-President and Secretaries elected by the General Body and 8 members elected by the Board of Management.

The chief activities of the Union are : (1) publication of the Madras Journal on Co-operation (in English) and pamphlets dealing with co-operation, (2) conducting *panchayatdars*, training classes in Madras City, (3) organising co-operative propaganda tours and running rural reconstruction centres (4) encouraging non-credit co-operation and (5) the holding of the provincial conference.

A sum of Rs. 2000 is spent annually on each rural reconstruction centre, half of which is contributed by the central bank within whose area the centre is located and the other half by the Madras Provincial Co-operative Bank. The normal income of the Union, derived from affiliation fees, subscriptions from members and for the Journal, amounts to Rs. 10,000, annually. But of late the Madras Central Urban

Bank is rendering generous aid towards its finances. The Government gives an annual grant of Rs. 1200/- which is now spent on the training of the *panchayatdars'* societies in the City. The Union has also built up a library of books on Co-operation, rural economics and allied subjects and opened a free reading room for the public.

Bihar and Orissa :—The Bihar and Orissa Co-operative Federation was inaugurated in 1918 with a view to relieve the Department of its evergrowing burden of audit and to direct the progress of the movement in the right direction. It is a non-official agency for audit, supervision and control. All the registered Co-operative Societies are members of the Federation, as the application for affiliation has to be made along with the same for registration. They send their elected delegates to the Annual Congress which represents the opinion of all co-operative societies in the province. The central banks send one delegate each and the primary societies one for every fifty societies.

In each of the 5 divisions into which the province has been divided there is a Divisional Board consisting of two representatives from each central bank or union, secretaries of central institutions and representatives from limited liability societies with a membership of 75 or over. For the carrying on of propaganda work a Development Branch has been opened, the expenses of which are met by a levy of Rs. 2 per Rs. 10,000/- of working capital on the central institutions, 2 annas per Rs. 100/- of working capital on the primary societies and a grant by Government amounting to Rs. 5000/- annually. The Development Branch maintains 5 Propaganda Officers, one for each division. During the year 1928–29 a co-operative training institute was established at Sabour and a training class at Cuttack—both of which held only temporary training classes for three months in a year prior to 1929. The total cost of the scheme is estimated at Rs. 44,000, half of which is to be subscribed for by a levy of 9 pies per 100

of working capital of banks and societies other than the provincial bank and guaranteeing unions while the Government is approached to contribute the other half. The Federation publishes a quarterly—"The Bihar and Orissa Federation Gazette"—and a Hindi monthly called "The Bihar Sahjog."

The funds of the Federation are raised by getting 4 annas per cent. of the working capital of the Central banks, 6 annas per cent. on the working capital of primary societies and a Government grant of Rs. 15 per society of less than two years' standing and Rs. 3-8-0 per society of more than two years' standing which in the aggregate amounts to about Rs. 1,65,000 approximately.

Bengal :— The Bengal Co-operative Organisation Society has for its objects the organisation and development of diverse types of societies. The promotion of the study of all questions connected with the movement, by propaganda and training including the opening of libraries and the supervision of all registered societies affiliated to it. Both individuals as well as societies are admitted to its membership though the number of the former is restricted to 100. It publishes two journals: 'The Bengal Co-operative Journal' and 'The Bhandar' and maintains a Library and Reading Room in Calcutta. It sends out lecturers to tour in the districts who propagate the message of co-operation through magic lantern lectures. The society organises the Provincial Co-operative Conference and starts training classes for officers. It has also promoted the establishment of a number of Anti-Malarial societies.

The United Provinces :—The nucleus of the United Provinces Co-operative Union is the Standing Committee of Co-operators formed in 1919. The Oakden Committee recommended, in 1926, that central banks should be relieved of the duties of organisation and supervision and that this work be entrusted to a Provincial Committee. The Provincial Conference in the following year also passed a resolution recom-

mending the provincialization of the supervising staff. The present Union was brought, as a result of these proposals, into existence only on the 1st of July, 1928, replacing the old Standing Committee.

The Union has now an executive body controlling a number of supervisors (111 in 1928–29). The Registrar is the ex-officio president and the membership is mostly confined to central and primary societies though there are also a few nominated members. A society becomes its ordinary member when it hands over the control of the supervising staff to the Union and has to pay 1/8 of the interest accruing to it, annually towards its funds. The other additional members pay a nominal fee of Rs. 5/-. The Government also gives an annual grant which amounted to Rs. 66,000/- in 1929-30.

The Union is composed of three bodies: (1) the General Body consisting mostly of delegates returned by society members, (2) the Provincial Committee, and (3) the Executive Committee.

It maintains an audit staff of 110 local auditors and the receipts from this section amounts to Rs. 1,97,117/- including the Government subsidy of Rs. 75,625/-. The Union runs a press which of recent years has been making a profit and has a Provident Fund for all the employees of the Union and the Central banks.

Central Provinces and Berar:—The Central Provinces and Berar Co-operative Federation undertakes to provide for a regular system of supervision, training and control and to secure uniformity of practice and unity of effort and aim amongst the co-operative organisations in the province. Individuals interested in the movement as well as co-operative organisations are entitled to become members while the Registrar is an ex-officio member of the Federation.

Its general body, called the Congress, meets annually and elects the Governor and the Executive Council which conducts

the management of the Federation. The Registrar is an ex-officio member of the Executive Council.

Its work of training and supervision is carried on mainly through the Divisional Institutes—the Berar, the Jubbulpore, Nerbudda, Chhatisgarh and Nagpur—of which the Berar Institute is the most important. This Institute acting on the recommendations of the Royal Commission on Agriculture has launched a scheme for the reorganisation, education and supervision of co-operative societies. A well-qualified group officer is appointed for every 30 societies while the field staff works under the supervision of a local committee of each bank. A Central Committee, consisting of the Registrar and five leading honorary workers, represents the Institutes for the purposes of supervision.

The Federation also publishes a Hindi magazine 'Gram' besides occasional publications dealing with the different aspects of co-operation.

Assam :—The need for establishing a non-official organisation for propaganda work was emphasised in the first provincial co-operative conference of Assam and it was resolved to start an Organisation Society at its session of 1924. Accordingly the Surma Valley Co-operative Organisation Society was inaugurated in 1925 with the object of undertaking the work of propaganda, training, preparing schemes of new types of societies and acting as an information bureau for the province in all matters relating to co-operation.

Each Society has to pay an annual subscription ranging from Rs. 2/- to Rs. 10/- according to its working capital. The Government grant amounts to Rs. 1000/- annually. The membership extends to individuals besides the societies, who are classed as ordinary, associate or life members.

The society, taking in view the illiteracy of the people, has preferred lantern lectures as a form of propaganda to the

publication of pamphlets or journals. It has therefore been sending out preachers who visit the villages and instruct people in co-operation by lectures or by informal talks. But it has not altogether neglected the latter form and accordingly publishes a Bengali quarterly and co-operative pamphlets now and then. The society published a scheme for the improvement of public health in villages on a co-operative basis. A number of Public Health Societies have been started but only one—the Lakhai Health Society—has achieved success. A scheme for the improvement of milk supply is being experimented upon.

A pamphlet was issued describing a scheme for training classes and an attempt was made by the society at starting training centres for members and office-bearers in the year 1928–29 but it proved abortive.

The management of its affairs is vested in the hands of a Central Committee elected on a regional basis but the actual working of the society is carried on by a small localised body called the Working Council. A sub-divisional committee in each sub-division assists the Central Committee.

The Society has of late been made the standing body of the Provincial Co-operative Conference. Another society of the type the Upper Assam Co-operative Organisation Society was registered during the year 1928-29 and carries out almost identical function for the upper half of the province.

Burma:— The Burma Provincial Co-operative Council was inaugurated in 1918, with the objects of managing the co-operative audit funds, arranging for the holding of provincial conferences, encouraging co-operative methods in agriculture, industries and trade by furnishing information and offering advice to, and applying for facilities from, the Registrar. In 1924 the Council was non-officialised and since then the Chairman has been a non-official.

The income of the Council consists of audit fees and Council affiliation fees, paid by the primary societies and by

the district agricultural and co-operative associations. The latter are empowered by the Council to control the audit of societies and auditors.

The history of the Council on its financial side has not been a pleasing record especially after 1924. It came up for a very severe criticism at the hands of the Committee on Co-operation in Burma which submitted its report in 1929. The Committee concluded that the Council must either be strengthened or abolished. It decided to follow the former course in view of the fact that unions and district associations had proved a failure, and accordingly made numerous recommendations for its reorganisation under the chairmanship of the Registrar.

In consequence of the failure of the unions, the work of co-operative education which was undertaken by the Council has also been abandoned. Recently the Burma Provincial Co-operative Council has been taken into liquidation. Besides the Council, there was also brought into existence in 1921, thanks to the keen interest of members of its Committee, the Burma Urban Co-operative Federation with the object of undertaking the audit of urban societies, and of such central banks as elected to employ this machinery. It did not, however, attract the notice of the Department till four or five years later. The Burma Committee has recommended that the Department should assist the Federation with more funds in order to extend its activities.

2

DEVELOPMENT OF BRANCHES IN BOMBAY.

By Rao Bahadur S. S. Talmaki, B.A., LL.B.,

Honorary Secretary, Provincial Co-operative Institute, Bombay.

[The development of the Provincial Co-operative Institute of Bombay has been peculiar in this that while being unitary

in theory, it is trying to reach the primary societies by a system of branches in districts and divisions and by altering its constitution so that all types of societies and all types of workers are represented in the District, Divisional and Provincial headquarters thus fast approximating to a federal constitution. This development of the Bombay Institute will present interest to other provinces and has been therefore treated here in some detail by Rao Bahadur Talmaki.—*Editor.*]

Objects of the Institute:—The Provincial Co-operative Institute was started in the year 1918, having for its objects co-operative propaganda and instruction. The work of propaganda is being carried on through magazines, lectures, magic lantern shows, and conferences. The work of co-operative instruction is being carried on through classes organised in all the Districts, and through co-operative schools established at the three linguistic centres.

The area of operation and its divisions:—Soon after the Institute was started, the problem of carrying on its work in the districts presented peculiar difficulties. The Presidency of Bombay does not consist of a compact area, but is made up of a long strip of the western part of the country, extending from the borders of the Mysore State in the South, running along the Nizam's Dominions and the Central Indian States in the east, and reaching north upto Rajputana and Baluchistan. The province is formed of four distinct linguistic divisions, each having its own language, namely, Kanarese, Marathi, Gujerati and Sindhi. The three districts lying on the seaboard of Konkan, though formed of the Marathi speaking people, are not easily accessible to the centre of Maharashtra, and therefore form a distinct division of their own. The City of Bombay, formed of a cosmopolitan population of over 12 lakhs, is as good as a division in itself.

Decentralization of work:—The work of the Institute could not be conveniently carried on by sending out officers, paid

or honorary, from the Central Office in Bombay. The question came up before the Provincial Conference held in September 1919, and was proposed to be solved by the formation of Divisional Federations. A Federation was proposed to be formed for each of the six divisions of the Presidency, viz. 1. Karnatak, 2. Maharashtra, 3. Konkan, 4. Gujerat, 5. Sind, and 6. The City of Bombay, all of which were later on covered by the Divisional Branches of the Institute specified above. The following were the functions proposed to be assigned to each of them:—

(1) To organise a regular and effective system of primary audit carried by auditors paid and controlled by it.

(2) To assist, develop and expand the Co-operative Movement by undertaking all sorts of propagandist activities, for example, vernacular journals, conferences, exhibitions, training classes, lantern lectures, etc.

(3) To arrange, through its Council Members, or paid auditors or affiliated Unions, for the federal inspection, training and supervision of new, weak or illiterate societies.

(4) To create and organise the service of co-operative supervisors, secretaries and auditors, with definite rules of promotion, etc. who would also be eligible for transfer to the staff of Central Banks or Unions. And in this connection, to create a Provident Fund for all non-official co-operative employees.

Two courses were suggested—the federations might either undertake functions (2) and (4) only, or all the four. If the Conference decided that the federations should gradually undertake to bear the cost of audit, the latter should be adopted; otherwise, they must be content with the former only. As to finance, it was suggested that if the federations undertook all the functions, their funds would be derived from (a) the audit fees levied from societies, (b) grants from Government, (c) contributions to the Provident Fund,

and (d) grants from the Institute. As to control, it was suggested that in the exercise of function (1), the federations should work under the control of the Registrar, who is ultimately responsible for the efficiency of the audit under the Act. As to function (2), the federation would act mainly as the local agents of the Institute; and as to functions (3) and (4), they should be independent and self-contained.

In the course of the discussion at the Conference, though the scheme received support from some, it was on the other hand pointed by others, that it went counter to the Institute. Ultimately, a representative committee was appointed to consider the subject and to submit a report. This committee by majority reported against the scheme, and the idea was thereupon dropped.

Divisional Branches :— Decentralization of the work of the Institute was thereupon taken in hand by opening Divisional Branches, instead of independent federations. One such Branch for the whole City of Bombay was opened on the 24th October 1920, a second at Poona for Maharashtra on the 4th November, a third at Dharwar for Karnatak on the 7th November, the and a fourth at Broach for Gujerat on the 23rd November of the same year. At the third Annual General Meeting held in July 1921, Bye-laws were amended by adding the words: "It shall be competent for the Institute to open its Branches or Sub-Branches and to frame rules for their guidance," in Bye-law 3, and by allowing each Divisional Branch to elect 4 members on the Board of Management by a change in Bye-law 18. Even in electing the Standing Committee, one representative of each Divisional Branch was appointed, though the Bye-laws in this connection were amended later on. Two more Divisional Branches were started in the fourth year, one at Alibag for the three Districts of Konkan on the 22nd October 1921, and the other at Hyderabad for Sind on 5th March 1922. A separate Divisional Branch was formed for the three Districts of West Khandesh, East Khandesh and Nasik in October 1924.

The Scheme of Taluka Branches:— The idea of District Branches was not favoured at the time, but further decentralization was attempted by encouraging the formation of Taluka Branches. Co-ordination of the work of these smaller branches was proposed to be brought about by establishing a Council at each District Centre. Rules were framed and published in the fourth year for regulating the work of the Branches and District Councils. Two Taluka Branches were formed in the fourth year, and 16 more in the fifth year, some of them being called Taluka Development Committees.

District Branches:—It was, however, found in the same year that the Konkan Divisional Branch was unable to do any work on account of the inaccessibility of its different parts from the centre and from one another. District Branches were therefore started for the three Districts in Konkan, and rules were framed for their guidance. Later on, some districts in other Divisions evinced a desire to start similar branches, and they had to be encouraged to do so. Another event happened at this time, which strengthened the case of the District Branches. Taluka Agricultural Associations began to be formed from 1923. An annual grant to the extent of Rs. 1,000/- was offered by Government to each Association, in proportion to the amount locally raised. This offer was availed of by the leaders in several Taluka towns, and if a Taluka Branch of the Institute already existed at the place, its work occupied a secondary place. The Institute, therefore, began to encourage the formation of District Branches, wherever there was a call for them. In the revised constitution of 1926, Taluka Branches find no place and prominence is given to District Branches. Even a Divisional Branch may be abolished if a majority of the District Branches resolve to discontinue it. District Branches have since been formed for every District in the Presidency proper except in Dharwar, while in Sind, two such branches have been formed for Karachi and Larkana.

In the constitution, as revised in 1926, the following Bye-law was passed: "The work of the Institute shall be conducted, wherever possible, through Branches recognised by it and designated local institutes for their respective areas of operations. They shall be governed by the constitution of the Institute and such additional rules as may be framed by them and approved by the Provincial Co-operative Council on the model of the appended schedule, the area of the local institute being determined by the Provincial Co-operative Council in consultation with the societies in the area concerned."

Functions of a District Branch:—The functions of a District Branch are:-

(i) to hold Co-operative Training Classes;

(ii) to maintain a Reading Room and a Library on Co-operative and allied subjects;

(iii) to organise District and other Conferences;

(iv) to arrange for supervision of member societies and assist in developing Supervising Unions;

(v) to communicate the resolutions of a Conference held within the District to the Divisional and Provincial Institutes and take action on such resolutions;

(vi) to carry on general propaganda;

(vii) to assist in the provision of facilities for adult education; and

(viii) generally to promote and further the cause of Co-operation in its area.

Functions of a Divisional Branch:—The functions of a Divisional Branch are:—

(i) to hold co-operative training classes;

(ii) to maintain a Reading Room and a Library on Co-operative and allied subjects;

(iii) to hold a Divisional Conference;

(iv) to organise District Institutes where they do not already exist;

(v) to ascertain and represent the views of Co-operative Institutions within their area of operation on questions of general or public importance affecting the movement;

(vi) to perform all the functions of a District Institute for the area in which the District Institute does not exist; and

(vii) generally to promote and further the cause of co-operation in its area.

Management of the District Branch:—The Managing Committee of a District Branch shall consist of not more than 15 persons, including the Chairman and the Secretary, elected at the Annual General Meeting, at least two-thirds of the members to be representatives of societies, one of them being a representative of the financing bank or banks, and one representative of urban banks in the district.

Management of Divisional Branch:—The affairs of a Divisional Branch shall be managed by a Central Board which shall consist of not more than ten persons, besides the Chairman and the Secretary. One of the members shall be a representative of the Co-operative Department. Each District Institute under its area shall be represented in the Central Board by a duly elected representative. The rest shall be elected at the Annual General Meeting of the Divisional Institute, with due regard to all interests.

Boards of Supervision:—In the constitution of the Institute as revised in 1926, the work of supervision of the societies was included as one of the objects. The Institute's work in this respect, done through its branches, is at present confined to giving encouragement to the starting of supervising unions, wherever necessary. With a view to affording guidance and advice to the unions, local Committees, known as District

Boards of Supervision, have been started in each District, of which the Assistant Registrar, a representative of the Institute's Branch concerned, and one appointed by the financing bank concerned, are the members. In virtue of a resolution of the last Provincial Co-operative Conference, a Supervision Fund was proposed to be built for each district from a levy made on each rural credit society at the rate of half a rupee per cent. on its working capital, to be administered by the District Board, on which a representative of the Unions was to have a seat. It was expected that these Boards might ultimately develop into District Federations on which the urban banks and other non-credit societies in each district might also have a seat. But the scheme was upset by Government, who have, instead, ordered an audit levy to be made.

Constitutional Relation between the Institute and its Branches:– The work of the Central Institute is carried on by the Provincial Co-operative Council which meets at least twice a year, and by the Executive Committee which meets once a month. The Executive Committee consists of 16 members, including the Vice-President elected by the General Meeting, and the two Honorary Secretaries elected by the Provincial Co-operative Council. Of the remaining 13 members, 7 are elected by the members representing the 7 Divisions, 3 are nominated by the Registrar, 1 by the Provincial Co-operative Bank, and 3 are elected by the Provincial Council. The Provincial Concil consists of 120 members, of which each District elects one to four members, according to the number of societies, i. e. one member for every hundred societies, with a maximum of 4. Each Divisional Branch elects a fixed number of 3 members. The remaining 36 members are elected as follows: 5 by the Provincial Bank, 5 by the District Central Banks, 3 by the Urban Banks, 2 by the Housing Societies, 6 by the General Meeting of the Institute, 5 co-opted by the elected members, and 10 nominated by the Registrar from among the members of the Institute. Thus,

the District and Divisional Branches have a substantial voice in the deliberations of the Council.

Advantages of the Branch System :—In developing the branch system, the Institute has followed the example of the Co-operative Union of Great Britain, which also works in the districts through local committees. The advantages of the system consist in adopting a uniform policy for the guidance of the movement in the whole province, in voicing the opinions of all the co-operators in the area, and in making united efforts for the attainment of common objects. At the same time, the branch system develops local enthusiasm through local workers. In each branch of the Institute in Bombay the Chairman and the Secretary are the active workers, taking part in the work of the Institute in the local area.

Branch System adopted by banks in Bombay :—The Branch system in co-operative institutions is a peculiar feature of of the Bombay Presidency. The provincial Co-operative Bank has as many as 30 Branches to finance a number of societies in areas where Central Banks do not exist, and in certain parts of the districts where such Banks cannot finance the local societies. The Central Banks in other Provinces are in many cases organised for smaller areas than the District, while in Bombay they are organised for the whole district and they have formed branches for smaller areas. These branches are, however, worked through agents sent out from the Head Office. In the case of the Branches of the Provincial Bank, though they are also worked through the agents, they are helped by Advisory Committees elected by the representatives of the societies in the area of operation. In the case of some well-managed Advisory Committees, the Board of the Bank has granted powers to sanction loans to societies, keeping in view the ulterior formation of smaller Banking Unions for the areas under the guidance of the Bank.

In other Provinces :— In other Previnces, the tendency to decentralise the work has generally taken the shape of form-

ing independent federations. Thus in Madras, Andhra, Tamil, Malayal and Kanarese Districts have formed their own separate linguistic Divisional Federations, without being constitutionally linked with the Madras Provincial Co-operative Union. Recently, however, these Federations have been granted representation on the Union. In the Central Provinces, the divisions of Berar, Jubbulpore and Nerbudda, Nagpur and Chhattisgarh have formed their own Divisional Institutes which are not controlled by the Central Provinces and Berar Co-operative Federation. In Bihar and Orissa, the five Revenue Divisions have formed as many Divisional Federation Boards which are working independently of the Co-operative Federation of the Province. It is only in the Provincial Conferences, held in these Provinces, that the divisions come in contact with each other. Otherwise, they work independently of each other and of the central body. Recently, however, the five Divisional Federations of Bihar and Orissa have agreed to work as the Branches of the Provincial Federation.

II

CO-OPERATIVE EDUCATION.

The Co-operative movement in India has gathered enough momentum to secure its own progress. It is therefore now more necessary to look inward and direct more attention to its working and to the establishment of an efficient machinery of management and supervision. One of the greatest, perhaps the greatest, need of the credit societies in the rural areas is that they should be run in a business-like manner, the absence of which trait is reflected, for one thing, in the large proportion of over-due loans at the end of each year. It must be realised therefore that for the co-operative movement to yield the best results by instilling the ideals of citizenship and brotherhood in the people, the whole Co-operative fabric must be based on a sound system of education, and training, so that the office-bearers of the primary societies and the staff of the central organisations may efficiently carry out their duties.

Secondly, it is of the essence of a successful co-operative movement that it should be run by the people themselves. Consequently, in the de-officialization of the movement in its present form, co-operative education must needs play a very great part. Its aim will be to take stock of the worker's enthusiasm and direct it to proper channels, so that he might not only be an asset in the organisation and management of the movement but he may also evoke greater response from the peeple by intelligently directed propaganda. The staff has therefore not only to be given training in the methods of the working of societies but must also be kept in touch with the nature, purpose and progress of the movement, as a whole, at home and abroad.

It must be noted that Co-operative education is yet in its infancy and that only in a few provinces and states there are anything like regular classes. The Provincial

Co-operative Institutes play a very important part in this sphere by organising and conducting the classes often with the co-operation of the Departmental Officers. In Bombay, the Punjab, Madras, Bihar and Orissa, Hyderabad and Baroda and to a certain extent in the Central Provinces, there are regular classes held every year, while in Berar, Bengal and Burma more or less spasmodic classes are held. In most of the provinces and States where there are regular classes, the training is imparted not only to the departmental officers but also to managers and inspectors of central banks and secretaries of societies. The training takes two main forms: regular courses and refresher classes, the latter being meant for departmental officers. The provincial institutes such as in Bombay, the Punjab, Bihar and Orissa and Madras which conduct regular classes also hold examinations and award certificates. The subjects generally taught in the training classes include Co-operative Auditing, Co-operative Banking, Co-operative Law, Co-operative Book-keeping, Practical Agriculture and Rural Economics. It may be noted that in Cochin, the State Government has introduced Co-operation as a compulsory subject in the Training School and in all High School Classes and the Government conducts a Training Class in Co-operation for graduates.

We shall now review the arrangements for and the system of Co-operative Education in the leading British Indian provinces and States. There appear to be two chief systems —those of the Punjab and Bombay. The Punjab system is controlled by the Department; the Bombay system is controlled by non-officials. The systems adopted in Bihar and Madras are a mixture of the two while the systems in other provinces and Indian States consist of the organisation of training classes—a lecture series—the permanent good done by which is extremely doubtful. The time indeed has come to systematise efforts in co-operative education all over India and towards that end of establishing an All-India Co-operative

College, and in making it obligatory for the superior staff of the Departments and the central organisations to obtain a Diploma of that College. Without a broad cultural study of the Co-operative Movement as a great instrument of nation-building, particularly for the masses, and of its varied developments at home and abroad, workers cannot become the efficient ministers of the Faith and the administrators of its temples as one would expect them to.

Bombay :—In Bombay, the Bombay Provincial Co-operative Institute undertakes co-operative education and the Department has nothing to do with it whatever except that the Registrar and his staff always respond to the invitation of the Institute to deliver lectures or to act as Examiners. The system of co-operative education that has evolved in Bombay has its origin in the classes organised at Bombay for Secretaries of Societies in 1918. With the development of the Institute and its expansion through its branches, Divisional and District, the holding of these training classes was systematised, the Secretaries' junior training classes being held by the District Branches, the senior training classes being held by the Divisional Branches, while a training class for the general public with English as the medium of instruction was arranged every year at Bombay by the Provincial Institute itself. These classes indeed proved popular and co-operative education soon tended to become the chief activity of the Institute and its branches. At the training class at Bombay, the principal co-operative workers including the President and Vice-President of the Institute, the Chairman and Managing Director of the Provincial Bank and the Registrar and his Assistants are all requisitioned to lecture and the Directors of Agriculture and Industries and the Professors of Economics at the University and Colleges also gladly contribute to the lecture series. This training class achieved such a reputation that it attracted the attention of the neighbouring Indian States like Hyderabad and Indore which deputed some of their officers for training to it.

At the instance of the Registrar, several of the Honorary organisers also attended this class. The Banks deputed their Managers and Inspectors and the Institute arranged for a few extra lectures for the Honorary Organisers' Class and a few special lectures for the Bank Managers' Class. Examinations were held for all these training classes and certificates issued by the District, Divisional and the Provincial Institutes. The District Branches, besides, conducted several classes called the Managing Committee Training Classes. These were very elementary classes and led to no examination and no certificate, but gave general training to a very large number of rural people every year.

To systematise all these efforts and to standardise examinations and certificates, the Institute, at my instance, has appointed a Central Education Board, which has started three Schools for regular training for the three linguistic divisions of the Presidency, at Surat for the Gujarati speaking, at Poona for the Marathi speaking and at Dharwar for the Kanarese speaking peoples. The Karachi Coronation Commercial College has been also affiliated to the Central Education Board and it takes up the work for Sind.

These Schools carry on their work for the whole year and are staffed by local co-operators of repute, who receive but small honoraria. The Central Education Board conducts the following examinations :—

(1) The Rural Secretaries' Certificate Examination.

(2) The Urban Secretaries' Certificate Examination.

(3) The Bank Inspectors' Certificate Examination.

(4) The Urban Banks' Clerks' Certificate Examination.

(5) The Supervisors' Diploma Examination.

(6) The Co-operative Certificate Examination.

(7) The Co-operative Diploma Examination.

(8) The Bank Managers' Diploma Examination.

The Schools impart training for the first five of these examinations. District Branches of the Institute are not prevented from holding training classes as before for the benefit of those who cannot conveniently attend the schools. Training for the last three Examinations is reserved for itself by the Central Education Board which arranges, every year, an intensive course of lectures by experts for the purpose, and arranges for Co-operative excursions, visits of observation and practical training.

The Bombay system is good in itself, but the weak point in it appears to be the entire absence of recognition by the Department of the Diplomas or Certificates obtained as a result of this training. The Department lays stress on qualified persons being appointed as Supervisors of Supervising Unions and as Bank Inspectors and Managers, but does not make it in any sense obligatory or almost obligatory for these to possess any diploma or certificate of the Central Education Board.

For the staff of the Co-operative Department, no training classes or refresher courses are arranged by the Department or the Institute. The auditors are however required, before they are confirmed and before they could be eligible for promotion, to pass the Diploma Examination in Co-operative Accountancy, held every year by the Government of Bombay.

The Punjab:—The Punjab has realised, more fully than other Provinces, the need for co-operative education and training for co-operative workers official as well as non-official There are three Educational Inspectors appointed by Government and there are three Educational Assistants appointed and paid by the Punjab Co-operative Union. These six officials conduct almost all the classes in the Punjab. Training classes for Secretaries of Primary Societies are held at various centres in the circle of each Assistant Registrar; these classes last for a week and impart elementary principles

and practice of Co-operation and Co-operative Accountancy. A training class for Secretaries of Unions is held generally once a year. The class lasts for a month and its syllabus is a little more advanced than that of the classes for secretaries of primary societies. A training class for Managers and Accountants of Central Banks, lasting for a month used to be conducted separately, but since 1930 a combined one-month's class for the senior members of the clerical staff of Central Banks and Secretaries of Unions is now being held and the Syllabus includes (i) Co-operation and Co-operative Law; (ii) Daily routine work at the Lahore Central Co-operative Bank (iii) Book-keeping; (iv) Commercial Correspondence; (v) The Negotiable Instruments Act; (vi) The Law of Succession; and (vii) Practical Banking.

Inspectors receive careful training, since on them depends the adequate training of all co-operators. They undergo at least fifteen months' training. As soon as a candidate is accepted, he is sent to an experienced Inspector for three months and is made to read a few introductory books. The next four months are devoted to a special class in rural economics. He is also given one months' training in a Central Co-operative Bank and another month's in the office of an Inspector or Assistant Registrar. At the end he has to pass an examination of the M.A. Standard in the Law, Theory and Practice of Co-operation, when he is given a post as Sub-inspector under the Punjab Co-operative Union, until a vacancy as Inspector occurs.

A Sub-Inspector in the Punjab is the pivot of the Co-operative Movement, and great importance is therefore attached to his training. Every candidate has to undergo training for at least 6 months under an Inspector. In addition to practical training in the field he has to attend a training class of 2 months organised by the Union in the Division of each Deputy Registrar at least once a year. On passing he is given a stipend of Rs. 30 and his pay is Rs. 50 rising to Rs. 90. The

Sub-inspectors are recruited generally from matriculates of the agricultural classes, the idea being to send back into the villages, villagers, who have received special education in rural problems, rural economics and co-operation. A similar class is now separately held once a year for Sub-inspector candidates of the Industrial Co-operative Societies and another when necessary for the training of Sub-inspectresses.

Realising that it is essential for co-operators to have some training in agriculture, sub-inspectors and candidates are sent to agricultural classes conducted by the Agricultural Department twice a year each at Lyallpur and Gurdaspur, each class lasting for 6 months. The sub-inspectors and candidates are allowed their pay and stipends and get travelling allowances from the Provincial Co-operative Union which gets a grant of more than Rs. 10,000/- from Government for the purpose.

Besides these classes, a dairying class for one month and a Rural Economics class for one month, are organised by the Agricultural Department at Lyallpur once a year, to which sub-inspectors are sent for training if and when necessary. The Department of Industries organises a Weaving Class at Amritsar lasting for 6 months to which Inspectors and Sub-inspectors for Industrial Co-operative Societies are sent when thought desirable. A training class is also held when necessary at Lyallpur for the managers of commission shops.

One of the most valuable forms of training is the series of refresher courses for the staff. In most cases they last for a week or ten days and are attended by all the field staff—Assistant Registrars, Inspectors, Sub-inspectors and candidates from usually two circles of Assistant Registrars. The courses are held at convenient centres in November and in April-May when the staff has not much field work to do. These courses are remarkable for the variety of lectures and the lecturers who take part in them and are a source of imparting new ideas and infusing fresh energy.

The features the Punjab system of Co-operative education are these: Departmental control, financial assistance by Government, a sound training for the Inspectors and Sub-inspectors, Refresher Courses for the Departmental and Union Staff and guaranteed posts to those who pass the examination after the training has been received.

Bihar and Orissa :—In *Bihar and Orissa*, a permanent Co-operative Training Institute has been established at Sabour in the Bhagalpur Division. Besides the Principal, there are three qualified lecturers in the Theory and Practice of Co-operation, Accounts and Rural Reconstruction. A Hostel is also attached to the Institute. Probationers are recruited from the different centres for training. There are mainly two classes, the senior for the Assistant Auditors and Managers, and the junior for the Local Auditors, Inspecting clerks and Bank clerks. The junior class is further subdivided into two classes, the Bank clerks requiring spicial training. The chief subjects for instruction are (i) The Acts and By-laws, (ii) The Theory and Practice of Co-operation, (iii) Accounts, and (iv) Rural Reconstruction. Besides the regular lectures, arrangements are made for outside lectures by prominent people, specialising in subjects of rural importance.

The Institute is managed by a Governing Body composed of the Registrar, the Deputy Registrar, two heads of Departments nominated by the Government, four persons nominated by the Bihar and Orissa Co-operative Federation and the Principal, ex-officio. The training is given to candidates selected for certain specific posts, and for purposes of selection, certain academic qualifications are insisted upon. Probationers in the senior class have to be graduates, while those in the Junior class have to be at least Matriculates. The Session begins on the last of June and lasts for about 9 months, and is divided into the following three terms : (i) June, July and August—Theoretical course at the Institute ; (ii) September and October—Practical training in the Banks and Societies

and Refresher classes for old employees; (iii) November, December, January and February—Theoretical course at the Institute. Examinations are held at the end of each term and the final examination is held in March. Certificates awarded by the Institute do not convey any guarantee of service in the Co-operative Department, but under Departmental rules no Co-operative Institution employs any person in its service who does not hold a certificate of the Institute.

Madras:—In recent years in Madras the Provincial Union has organised a training class for the employees of central banks, urban societies and local unions. A syllabus has been drawn up in consultation with the Registrar and there is a three months' course after which an examination is held for which certificates are awarded. The Government of Madras gives a recurring grant of Rs. 12,000/- to the Union for carrying on educational work. The work of education in the Presidency is carried on by six registered Co-operative Training Institutes through training classes for co-operative workers. These institutes, however, have no refresher courses for departmental officers. The practice of deputing two Government Inspectors from each district to each session of the training institutes has been discontinued and the Inspectors are now sent for training only in rare cases with the special permission of the Registrar. The chief reason for this is that the period of the classes coincides with that of the collections. But a practical training for about 6 weeks in addition to the theoretical training received at the institutes has been prescribed for every new Inspector and vacancies in the department are filled up, as far as possible, by men who have attended the institutes. Co-operative classes are also conducted at the Government Institute of Commerce where the syllabus includes Co-operative Auditing, Co-operative Banking and Co-operative Book-keeping.

The United Provinces:—There are no Co-operative Schools in the United Provinces. A training class, called the "Super-

visors' Training Class" is held every year, the expenditure in connection with which is borne by the Co-operative Department, which also appoints teachers. Officers of the Agricultural, Public Health and Co-operative Departments co-operate in the teaching by delivering special lectures when required. Refresher classes for Supervisors and Inspectors are also held once a year. These trained supervisors and inspectors of the Department are supposed to spread co-operative education to members of co-operative societies.

The Supervisors' Training Class starts in the middle of September and continues up to the end of January. During these five months, the candidates, who are selected for their educational qualifications as also for their aptitude for social service and physical fitness for work in villages, are given short courses on the following subjects :— (i) The Principles of Co-operation, (ii) The organisation, supervision and working of Societies, (iii) Co-operative Law, (iv) Co-operative Book-keeping, (v) Rural Education, (vi) Rural Economics, (vii) Village Administration, (viii) Practical Agriculture, (ix) Cottage Industries, (x) First Aid, (xi) Village Sanitation, (xii) Scouting, and (xiii) Public Speaking. From February to June, the students receive practical training in the field in Co-operation and in July and August, they have to attend another class for further training in the Law and Theory of Co-operation. Test examinations are held in all subjects and certificates are issued to successful candidates. It is clearly understood that the possession of this certificate gives no guarantee for subsequent employment. But ordinarily no person is appointed as supervisor unless he has passed the co-operative training examination.

Bengal:—The Bengal Co-operative Organisation Society prepared a scheme in 1927 for the training of supervisors as a result of which arrangements were made for the same at the Dacca Agricultural Farm. Since the close of that year the Society holds separate classes for co-operative workers. These

classes last for 15 days and training is given in the theory and practice of co-operation, on agriculture, animal husbandry and civil and criminal law. The Society also undertakes the selection and training of apprentice managers of agricultural sale and supply societies.

Central Provinces & Berar :—In Berar there are no regular schools for co-operative education. The Berar Co-operative Institute holds training classes for new entrants in service and refresher courses are also held for the benefit of the staff. These last for a period of 10 days and are conducted by the Junior Deputy Registrar assisted by the Inspectors of the Institute. Training classes are also arranged for Directors and members of rural societies. These last for about a week and are conducted by the Inspectors or Chief Group Officers with the help of Government Auditors and prominent Urban Directors.

For the other parts of the Central Provinces refresher courses are held at Nagpur, Seoni, Hoshangabad and Amraoti for circle auditors and supervisors. The Jubbulpore-Nerbudda Institute conducts two training classes for the local instructors and superior staff.

Hyderabad :—In Hyderabad, (Deccan) the Hyderabad Central Co-operative Union is in charge of co-operative education. It conducts Co-operative Officers' Training Classes in Urdu every year for two months. The average strength of the classes is 50 and the average expenditure in this connection is Rs. 1000. The Classes work regularly for 4 hours a day for two months. The subjects that are taught are :—(i) Commercial Book-keeping, (ii) History, Theory and Practice of Co-operation, (iii) Law and Principles of Co-operation, (iv) Co-operative Book-keeping, and (v) Practical working of Co-operative Societies. After the period of training, examinations are held and Diplomas are awarded. In these classes, special lectures on Rural Problems are also arranged to serve as a Refresher Course. The Union maintains a

special staff for conducting training classes for the office-bearers of rural societies throughout the year. These classes are held for about 10 days at each centre for a group of ten societies. After the period of training, examinations are held under the supervision of the Directors of the District Banks and Diplomas are awarded to the successful candidates.

III

UNIVERSITIES AND CO-OPERATION.

By Mr. K. C. Ramakrishnan, M.A.,

Lecturer, Economics Department, University of Madras.

The attitude of Indian universities to the promotion of the study of Co-operation and allied subjects like Rural Economics has been characterised by an eminent co-operator as one of "absolute indifference". If the use of the superlative was meant to spur the universities on to further active support of co-operative studies, it was well-used. But an inadequate appreciation of even small efforts often acts as a damper in our enervating environment. It is not proposed here to vindicate the part played by Indian universities in the promotion of co-operative studies, but to present an analysis of the present position occupied by co-operation and related subjects in the schemes of university studies and an estimate of the work that lies ahead if our universities cherish any high ideal of co-operative education.

The Content of Co-operative Education :— It is well to emphasise at the outset that the conception of the scope of co-operative studies, whether they are pursued in universities or outside, in western countries is far wider than that comprehended by the syllabuses followed in the several provincial co-operative training institutes in India. In Madras, for instance, which of all provinces has the largest number of such institutes—seven including the Government School of Commerce,—instruction and examination are confined to the history and theory of co-operation, banking and auditing. Subjects like Economic Theory and History, Rural Economics and Industrial Organisation, Geography and Civics—the study of some or all of which is insisted upon in the Manchester Co-operative College and other high-grade institutions in the West catering to students of co-operation—are absolutely

ignored in our institutes, though in the first year when the Madras Provincial Co-operative Union inaugurated the training class an attempt was made to deal with the elements of some of those subjects with the aid of some university and college teachers. But it is really impossible to make even the most rapid survey of these subjects in a course lasting for 4½ months to a class composed of very heterogenous elements, the majority of whom have had but a secondary school education though there is a sprinkling of graduate-students also. The course, one would think, was frankly designed for the 'practical' training of men already in co-operative service or seeking entry into it; but it is a narrow outlook that disdains any theoretical training for persons serving or seeking service in an idealistic but complicated economic organisation, as co-operation has grown to be, wherever it has taken root.

Inadequacy of Present Training :—But occasionally a claim is made for these institutes that they represent the high-water mark of co-operative education and that they could be trusted to fulfil the higher task expected elsewhere of co-operative colleges and university departments of economics or co-operation. The need for a co-operative college for higher training and research was indeed seriously questioned by a very large minority of the delegates at the last Madras Provincial Co-operative Conference. The Madras Banking Committee Report contemplates the development of these institutes into " schools of agricultural commerce " and expects the permanent teaching staff—the exigencies of service permitting them to stay long enough in one centre—to carry on the investigations into the marketing of produce and thus aid the progress of co-operative marketing instead of sinking by over-teaching into mere ' school-masters ' ! But barring a few individuals, the generality of teachers in charge of the training classes are themselves quite innocent of economics and cannot see the full economic bearings of subjects which they are expected to teach or carry on research in. It is not, however, denied that teachers with some leisure from routine-teaching

and real interest in investigation can help in the collection of primary data; but how far these can be interpreted depends on the grounding they have had in particular branches of economics. Likewise, students who are past their teens and reached a certain maturity of mind and evince a practical grip of realities, are good materials to stimulate interest in investigations, and may render valuable aid in particular pieces of investigation; but the average level of students should be distinctly higher and the course longer.

Clamour for Practical Training:—The whole atmosphere, however, at present is lacking in an appreciation of the need for fundamentals and the clamour for 'practical' training leads to disproportionate attention being paid to banking routine, accounting technique and auditing, even at the expense of the history and theory of co-operation. A striking evidence of this tendency can be found in the papers set for the examination. And yet the young men turned out are deemed to be too theoretically bent and they are generally judged by their skill in accountancy; a further period of apprenticeship is considered necessary for breaking them to work and softening out their theoretical predilections; it is indeed a chance given to get rid of the co-operative high-stuff that had got into their head.

We do not wish to minimise the importance of a subject like accounting or auditing in all schemes of co-operative, as well as of any other business, education. But it is only too easy to exaggerate its importance. The late Sir William Ashley in one of his studies in *Commercial Education* deplored the tendency in German Universities to devote disproportionate attention to what they called *Betriebswirtschaftslehre* (which terrific term meant little more than a study of cost accounts and day-to-day management of a particular business) to the detriment of studies more directly aiming at the centre of business policy.

"Accounts are tools in the hands of business policy; and they are tools which in the right hands have a way of helping

people to think. But they cannot by themselves be relied upon to make people think on the essential matters which businessmen should think about. For they are primarily methods of recording the *results* of business policy, of business decisions; they do not present the considerations from which such decisions should emerge."

Nothing is more significant in this connection than the fact that in the syllabus for the Honours Diploma in Co-operation in the Co-operative College at Manchester, the five compulsory subjects are the Principles of Co-operation, the Economics of Co-operation, General Economics, Economic History and Citizenship. Only, the last subject, citizenship, might be replaced by Co-operation in Agriculture by foreign students, since in England, until recently, agricultural co-operation did not arouse much interest. In contrast to this, it may be noted that Co-operative Accounts, Co-operative Law and Administration and Co-operative Finance figure only as optional subjects of which *only one* is to be studied. We see then that more than three-fourths of the course is not of a practical, but of a liberalising and humanising character aiming at training the judgment, and not overloading the memory or turning out a 'practician clever in handling slips or conducting enquiries'.

Universities and Vocational Courses:—Let us, however, state at once that we are *not* of those who think that the University should have nothing to do with training people for any vocation, that vocational training militates against its cultural aim or origin, and is the function of technical schools, or rather that the best school is the school of experience. We grant that the university cannot be a 'universal provider' and offer courses for all sorts of careers. But it is a misreading of history to consider universities as patrons of only pure science and humanities. This is a 'venerable fallacy' that has been exploded in the West, though it still finds its champions in the East. Indeed, in its earlier

days, the middle ages, the university in the West definitely trained men for the ecclesiastical and teaching professions and later on for law and medicine and has recently done the same for engineering, agriculture, commerce, etc.—all of them 'bread and butter 'studies. Only it endeavours—not everywhere successfully, be it admitted—to apply the scientific and humanistic spirit to such utilitarian studies.

Aims of University Training:— A university course, on whatever subject it may be, should discountenance the imparting of a mass of promiscuous information, a collection of snippets from which one cannot reduce any general principles —as is the case for instance with the attempts to drill students in our training institutes on departmental circulars. The aim of the university should not be so much to develop the capacity for any particular kind of administration or business negotiation as to make the whole administration or business intellectually interesting to the student; to develop in him the faculties of perception, imagination and reason so that 'confronted by any new problem he knows how to find his bearings and how to work his way to some sort of reasoned conclusion'. These are among the qualities required for co-operative, as well as any other, leadership, and they will stand in good stead on critical occasions even for those in the lower rungs. At any rate, in the initial years of dull routine work in subordinate ranks, nothing is more calculated to keep alive mental alertness and interest in the broader aspects of work than the 'high discipline of the mind' which one should expect from a good university course.

Importance of Economic Studies:—Now, whatever might be the sordidness attached to courses in Commerce of the capitalistic, competitive type, the same objections cannot be advanced to the study of co-operative organisation of agriculture, industry and trade, which has as its prime motive mutual service and makes a conscious endeavour to uplift the weaker ones in society. But it is essential for the advanced student

of co-operation to get a thorough understanding of the *milieu* in which he has to work, the complications of the competitive regime, and the best methods of breaking through the economic and social shackles which have hindered development of co-operation. Without a training in general economic theory and history and some specialised branches of economics, co-operative teaching in our institutes could at best be descriptive and empirical; while it could be easily misleading with its short-range views. If, then, co-operation is advocated as the best form of economic organisation, few will deny the special value of a study of economics in an advanced course of liberal or university education. While economic theory affords ample scope for 'mental gymnastics' a systematic study of recent economic history, of higher economic geography, particularly in relation to international trade, of banking and currency, of industrial organisation and labour problems is bound to help the students in strengthening their capacity for methodical and accurate work and developing their power of judgment and a logical habit of mind.

Rural Economics in Indian Universities:—But Rural Economics is the branch of economic studies that is of vital importance for a proper appreciation and tackling of the increasingly difficult problems connected with agricultural co-operation in which India is bound to be far more interested than in industrial or distributive co-operation. This subject is, however, recognised on all hands to be in an undeveloped stage not merely in our country but in many others. The need for an adequate study of it as applied to our country has been felt by, among others, veteran co-operators like Messrs. Calvert and Darling who have followed up their works on co-operation by intensive studies of the Punjab. It is well, then, to dwell in some detail on the place occupied by Rural Economics—of which agricultural co-operation is generally, and justifiably, treated as a part—in the curricula of economic studies in Indian universities.

Judged by university calendars, we find a definite place assigned to rural economics including co-operation in at least half the number of our universities, some of which attach a great importance to the subject. The Madras University, as well as the neighbouring Andhra and Annamalai Universities, which have been closely following the parent university, had prescribed Rural Economics as an optional subject in the new Economics courses of the B.A., Pass and Honours. While it continues as an optional subject in the Honours, the Madras University has recently remodelled the B.A. Economics Pass course, in which rural economics has been made a compulsory subject, though unfortunately only as a half-paper; it is hoped that in the course of a few years it will be assigned a full paper. The course has been otherwise improved by the inclusion of economic history which is elsewhere considered an essential preliminary to the study of co-operative movement. The Andhra and Annamalai Universities may be trusted to follow suit.

The Allahabad University gives a large place to rural economics for the B.A., while for the M.A., it is prescribed as a special subject and co-operation is itself as an additional special. In the Calcutta University the paper on 'Indian Economics' for the B.A. Pass contemplates a good study of rural economics and co-operation, as indicated by the fact that two out of three books prescribed are on this subject; and a larger number of books are recommended for the B. A. Honours. Rural Economics is a special subject with a separate paper in the B. Com. and the M.A. in Commerce of the Calcutta University. In Bombay, the subject does not seem to occupy so important a place in the Arts courses, while it has long been given its due place in the Bachelor degree in Agriculture and can be a subject of specialisation for the M. Ag.—a place unfortunately not assigned to it in the agricultural courses of most other universities in India. We find that for the new M. Com. course in Bombay, Agricultural

Economics may be offered as a special subject. In the Madras University too, the syllabus approved for the new B. Com. course, which has not yet been taken up by any institution, provides for rural economics and co-operation as a special subjects group with two papers. In the Punjab University the new combined Honours course provides for a separate paper on rural economics, while the candidates for the M.A. are encouraged to take up in most cases, for their thesis, the investigation of rural economic conditions on the lines of the questionnaire drawn up by the Punjab Economic Enquiry Board. We note that rural economics is given a modest place in the new B. Com. course.

Of the newer universities, Lucknow stresses most the importance of rural economics in its B.A. and M.A. courses and almost invariably arranges for thesis work for the latter in some problem or other of rural economics. In its B. Com. Course, 'Co-operative Organisation' finds a place. The Mysore University has prescribed rural economics as a special subject for the M.A. The Nagpur and Patna Universities demand a knowledge of the co-operative movement as a compulsory part in the B.A. pass course, while for the M.A., special papers are set on rural economics and co-operation. It is the Rangoon University that seems to go furthest in including rural economics as a compulsory subject in both the Intermediate and the B.A. stages; and students of the University College are said to be taken out to neighbouring villages for gaining a practical knowledge of the subject by enquiries.

Research in Rural Economics:—There is another test, a severe one, by which the work done at the universities may be judged, and that refers to the research work turned out by the teachers and the higher students. The Economics Department of the Madras University which had as its first head Dr. Gilbert Slater, who had already distinguished himself by his works on rural and social economics was, almost the first among the Indian Universities to initiate the collection of primary

data relating to rural economics in the absence of which no contribution could be made to the subject. Several economic surveys in typical rural tracts in South India were organised by him, some of which he edited and published in *Some South Indian Villages*, which is admitted to contain a wealth of raw materials which serious students of rural economics have made use of. It would be a good service rendered if the same villages were restudied after this interval of 15 years—in the manner of Dr. Mann's village in the Bombay Deccan, the first intensive study of which was published by him a little previously to Dr. Slater's and has served as a model for several similar studies all over India. Dr. Mann's work (which was done in collaboration with his colleagues of the Poona Agricultural College) was the first of the Bombay University Economics Series. The second of this series, which is much better known among co-operators in India, is the *Indian Co-operative Studies* edited by Mr. Ewbank to which contributions were made from all over India by administrators and university teachers. The high standard set up in this publication of specialised studies has not been hitherto reached by any other work on co-operation in India. The Allahabad University had as its first professor Mr. H. L. Jevons, who besides publishing his studies on Agricultural Holdings and Tenancy Problems stimulated the spirit of investigation among his students, several of whom are now lecturers on rural economics and co-operation in Northern India. Prof. Myles of the Punjab University, besides bearing the brunt of the work of the Board of Economic Enquiry of that province by directing other investigators, has published the result of his own investigations on Punjab Food Prices.

The above is more or less an account of the pioneering work done on the subject in Indian Universities; it is, to some extent, an illustrative and by no means an exhaustive account of the work turned out so far by the university teachers and research students in our country. Apart from

the growing number of books published every year on this subject, ample evidence of the work done by them may be found in the shape of articles and papers in the pages of the Journal of the Indian Economic Association and the proceedings of the annual conferences held by it, for the last 14 years, not to speak of the contributions to the other economic and co-operative journals. A bibliography of all published literature on co-operation and allied subjects in India is, besides revealing the share of work so far undertaken by our universities, bound to be of special value to students elsewhere, and we may well follow the lead given by the Year Book of Agricultural Co-operation of the Horace Plunkett Foundation in which a brief and bright survey of relevant recent literature is also added.

Work ahead :—We are aware that the quantity of work turned out is not comparable to the output in certain other countries, notably the United States, that the quality is far from even and that the range of topics taken up for enquiry is yet far too limited. The serious student does not need to be told of the vastness of the field that lies still unexplored nor the need for throughgoing and concentrated study of specific problems on which there is a good deal of vague generalisations based upon *a priori* conceptions. There is surely work for a much larger number of research workers ; and we can here mention but a few of the questions on which definite data have to be collected and sifted to arrive at sound conclusions, viz. the marketing of different kinds of agricultural produce, difficulties of transport including the anamolies in railway rates and ocean freights, the handicaps to ryots in respect of their credit needs, their methods of purchase of agricultural and domestic requirements, the effects of systems of tenure and taxation on the methods of cultivation and the standard of living of cultivators, the economic incidence of disease and bad housing, the economics of dairy industry and of horticulture, the scope for spare-time occupation, the influence of certain industries on rural

life and labour. These are surely among the questions in which co-operators are immediately or ultimately interested. For their study, the co-operation of several departments of Government and of voluntary bodies is essential; but much of the work of collection and interpretation will have to be entrusted to the universities. The first Imperial Agricultural Research Conference held in 1927 emphasised the importance of research in agricultural economics and wished the attention of the universities throughout the Empire to be drawn 'to the serious dearth of technically trained workers' in this field.

Agricultural Departments and Economics:—Agricultural Departments manned entirely by scientists cannot be expected to tackle problems of a predominantly economic character. Of the work turned out by such officers in the United States, Nourse in his '*Agricultural Economics*' writes: "Their lack of specialised training (in economics) caused the treatment of the subject to be fragmentary and superficial, prescribing salve for outbreaking sores, rather than tracing back the chain of their causation to some constitutional or organic derangement. Strangely enough in the very quarters where the scientific method had been enthroned by .... all the brotherhood of scientific agriculture, it was empirical methods that were resorted to in the attack upon the economic problems of agriculture." There are, however, certain lines of economic research, particularly concerning problems of production; e.g. the determination of costs in relation to the whole business of the farm or the individual items of production, the relative values of different implements, manures, etc., which are of value to co-operators in the determination of the proper type of organisation that should be built up, but are difficult of tackling without the close co-operation between the agriculturist and the economist.

Royal Commission on Agriculture on Rural Economics:—The Royal Commission on Agriculture recognised this deficiency in

the Agricultural Departments of India and was far from satisfied with the provision made for teaching rural economics in the agricultural colleges except perhaps in Poona and Lyallpur. The Commission looked indeed to the universities to render important service to the agricultural departments and colleges in respect of research and teaching in rural economics. With a rare educational prescience it felt that "the teaching of rural economics in agricultural colleges should be of a higher standard if the subject were adopted by all universities as an optional subject for the B.A. degree examination." This is what a number of universities, as outlined above, have already done ; and none who knows can now deny that with a little help or prompting by the departments of agriculture more attention has been paid to the subject by the teachers and students of economics in the arts colleges and economics departments of our universities than what has been found possible in the agricultural institutes themselves. It is to be hoped that with greater co-operation and co-ordination between the agricultural department and the university far better results may be achieved ere long.

University Chair of Rural Economics:—If it is a charge that no Indian university has yet established a Chair of Rural Economics, this is so even in Great Britain where a considerable amount of research work is being turned out in at least four universities on this subject. It must also be remembered that it is yet in an inchoate stage and it will be some time yet before adequate data can be collected and interpreted and the "flabby mass of descriptive generalities can be reduced to a framework of fundamental principles". It is only then that it will achieve recognition in the essentially conservative universities in Great Britain whose lead we are in many matters following. It may be urged that in our overwhelmingly agricultural country a great deal more of attention should be paid to rural economics ; but that is what our universities are attempting to do. On the other

hand in an over-ruralised country like ours, the claim for studies bearing on industrial development—if only to restore the balance between agriculture and industries—is equally strongly pressed on their attention. With the limited resources available to our universities all the energies cannot be devoted to rural economics alone. The subject itself will stand to gain by association with other branches of economics whose interdependence the teacher alone can adequately appreciate.

Self-contained University Courses on Co-operation :—While a good knowledge of some branches of economics is the essential foundation for a thorough study of co-operative history and theory and is bound to be a better guide in deciding broad matters of policy, we believe that more provision for the specialised study of the theory and practice of co-operation, including co-operative law and accountancy, should be made by our universities, if they are to attract students, who would desire a self-contained university course in co-operation. Only care must be taken to teach a technical subject like accountancy in a way that does not burden the memory but provokes thinking. Some of the B.Com. courses in our universities, which provide for rural economics and co-operation as special subjects, are perhaps the best of existing schemes as they all insist on a sound knowledge of economics and of banking and also of accountancy. While not even economic theory need be taught in an abstract way unrelated to life, the pressure for too practical and technical a training should be resisted as that tends to ignore the fundamentals which stimulate students to mental effort. And after all a young man with a good general education is able to pick up in the course of a few months much of the routine. It should be possible, however, at the end of the course to arrange for the apprenticeship of graduates in co-operation in some of the typical co-operative societies, at the bigger ones of which they may be treated as cadets and taken from section to

section for training. Even during the course of their studies, enthusiasm for field work may be kindled in young minds by the organisation of university rural service clubs which may take up specific areas in the vicinity for welfare work, including co-operation as a method of betterment. The work of the Allahabad University students under the able guidance of Prof. C. D. Thompson and some of his colleagues should serve as an example.

Many of these graduates should be absorbed in the service of not merely the Government departments of co-operation but of the increasing number and variety of co-operative societies. The more enterprising of them may indeed be expected to organise or help in the organisation of new societies of the old type and of new types of societies. Indeed they must be trained to gauge the prospects of co-operative endeavour in certain lines of production and trade.

Co-operative Research:—What appears to be even more urgent is the close investigation and dispassionate analysis of the causes of failure or stagnation of the hundreds of co-operative societies that have already been organised—on the lines of the survey conducted by the Bureau of Agricultural Economics in U. S. A. Select graduates could be utilised in this service, which is indeed the crying need of our movement; but the limitation to such essential service is the lack of funds and of a proper staff. Training in co-operative research is a function that is best performed by the universities. One sure way of attracting original contribution to the subject is to encourage co-operative topics to be taken up for thesis work for the M.A. and higher degrees in economics. It is a fact that in European and American universities co-operative problems discussing in detail some points of theory or practice have become quite popular as themes for doctorial dissertations. Co-operation, standing for a new type of rural and industrial organisation, rather reorganisation, aiming at certain ethical standards, conspicuous by their absence in

individualistic enterprise, and at the same time keener on eliminating waste and inefficiency, presents problems peculiar to itself; and the need for research is all the greater and the movement cannot neglect it except at great peril.

University Diploma Courses:—There is another type of men which the universities in the West have been endeavouring to satisfy in recent years. Evening courses for two years or more ending in university diplomas are provided for those who are actively engaged in careers related to subjects which they wish to study. The width and intensity of the course would depend upon the general education that the men already have and the time at their disposal to attend the lectures at the university and to do some study and writing work at home. Such diploma courses especially in the Social Sciences are becoming a normal feature of universities in the West. For those who sneer at the idea of evening courses for men engaged in practical work for fear that university standards will be thereby lowered or the men will not benefit by the course, no more authoritative answer is needed than that of Sir W. Beveridge, the Director of the London School of Economics. Says he: "Economics (and politics) are the sciences of men in social action. In relation to them theory and practice lie close together. A complete understanding of them rests at least as much on experience as on academic study and most of all on a combination of both. It is therefore of peculiar importance for the universities to provide courses for those who desire to improve their qualifications or knowledge in particular branches in evenings after work."

The Madras University was the first in India to institute a Diploma Course in Economics, thanks to its first Professor of Economics, Dr. Gilbert Slater, who had previous experience of conducting University Tutorial classes in England and who was later on invited to draw up a similar scheme for the Rangoon University which, so far as we are aware, is

the only other university in India which has a diploma course. The course in the Madras University has been reorganised to some extent; it is now open only to graduates and preference is given to those who are already engaged in work where a knowledge of economics would be of special value. Specialisation is attempted in rural and social economics, in co-operation and labour problems. But a study of the fundamentals of economic theory, of economic geography and recent economic history and a working knowledge of statistical methods and, more than all, a piece of practical investigation are all demanded of the would-be diploma-holders. It would be difficult to devise a broader basis and a better approach for the thorough study of co-operation. The diploma was indeed valued in the past in the recruitment to all ranks of co-operative service, though latterly mere technical training has become the *sina qua non* for entry into service.

But the course lasting only for two years may be considered a little too ambitious for part-time students; and if closely followed involves a heavy strain on, and sacrifice of leisure for, men after a hard day's work—however much zest might be exhibited in the initial stages of the class. A better arrangement would be for the employers, state or private, to permit the employee-students to devote part of the working hours to attend the classes, if the hours can be so altered by the university or to let them leave their work an hour or more earlier to the normal closing hour with a view to offer some chance of recreation in the interval between office and class. This is the line of suggestion made by Sir W. Beveridge himself in connection with evening courses at universities.

Independent Versus University Training:—It is when the university shows any disinclination to develop co-operative studies and research themselves, if need be, with the financial aid of the State or co-operative bodies, that the idea of found-

ing an independent co-operative college on the model of the Manchester Co-operative College will have to be seriously considered. But there is much to be said for the development of the highest type of co-operative studies within the universities themselves as seems to be the vogue in many European and American universities.

Apart from the petty passion—pardonable and by no means peculiar to India—for the hall-mark of the university by the aspirant for every career, the university traditionally stands for certain virtues:—disinterested pursuit of truth heedless of political or religious or class bias, inculcation of broad culture and the power to judge and sympathise with all noble aspirations and a thorough discipline of the mind that enables one to rise above the daily task when occasion demands, and to plan ahead without the goad of circumstances. There is again much for teachers and students of co-operation to gain by association with the humanising life of a university with its variety of individuals and interests. The development of social virtues and of personality is a by-product of high value in university training. Education does, of course, include knowledge, but it includes much else. As has been well said, education should be desired not merely as a means of livelihood or a mere intellectual exercise but rather as a way of life.

CO-OPERATIVE LAW.

CO-OPERATIVE LAW.

By Rao Bahadur K. V. Brahma, C. I. E., M. B. E.

President, Berar Co-operative Institute, Amraoti.

1.

Sources of Co-operative Law.

The law relating to Co-operative Societies is to be found in Act II of 1912 for British India except in the Bombay Presidency where an Act of the Local Legislature (Bombay Act VII of 1925) has taken its place. Burma has also its own Act (Burma Act VI of 1927) and Madras too is contemplating a new measure to take the place of the All India Act. The Bombay Act passed in the light of experience of over 12 years of the working of Co-operative Societies in the Presidency of Bombay and elsewhere is in some respects an amplification of the principles embodied in the all India measure, while, in other respects, it serves to elucidate doubtful points and provides for the special needs of Bombay. It is thus an improvement on the All India Act. In some provinces like the C. P. and the U. P. the India Act is supplemented by amendments to suit local requirements. In all these Acts matters of detail have been left to be provided for by rules to be framed by Local Governments, which then become part and parcel of the Act in force in the province, so that a person desirous of knowing the law that governs the transactions of Co-operative Societies in a province has to refer to the Act and to the Rules in force in that province. The Registrar of Co-operative Societies issues circulars for the for the guidance of Societies but these circulars have not the force of law. They are at best executive instructions intended for the guidance of Co-operative organizations in their internal affairs. Every co-operative society again frames its own by-laws for the regulation of its affairs. But restrictions imposed by the by-laws are a matter of domestic

concern of the society itself and has not the force of law so as to be enforced against the society by an outsider.

Functionaries under the Act:— The following are the functionaries under the Act:—

(1) The Registrar,

(2) Assistants to the Registrar,

(3) The arbitrator or arbitrators, and

(4) The liquidator.

The Registrar :— The Local Government is empowered to appoint a person to be the Registrar for the province as a whole or for a portion of it. He is a whole time paid officer of the State whose duty it is to see that the statutory obligations imposed by the Act are carried out both in the letter and the spirit. Unlike his compeer in England, he is not merely the registering authority but is charged with the duty of audit and inspection of societies. In the words of an eminent authority on Co-operation he is to be "a friend, philosopher and guide ". He is to befriend the societies in their dangers and difficulties; he is to guide them by audit and inspection; and he is ever to hold up before their eyes the high aim of co-operation so that they and through them the struggling poor may learn the ways of leading 'a better and a fuller life'.

Assistants to the Registrar :— The assistants to the Registrar range from the senior and junior Deputies right down to the auditors appointed for the purposes of auditing village societies. These officers exercise such powers and perform such functions as are assigned to them by the Local Government by a special or general order.

Arbitrator or Arbitrators :—The Registrar has the power to decide disputes between members or past members and persons claiming through them either himself or by appoint-

ing an arbitrator or arbitrators and they perform the important function of settling disputes by awards.

Liquidator :—The liquidator is an officer appointed by the Registrar to wind up the affairs of a cancelled society. His powers and functions are defined by the Act and the Rules.

2.

REGISTRATION OF SOCIETIES.

(i) Under the Act a society formed with the object of promoting the economic interests of its members in accordance with co-operative principles may be registered. The advance made by the Act II of 1912 over its predecessor consists in enabling the Registrars to register societies which have the object of facilitating the operations of societies formed for the economic welfare of their members. To prevent the formation of capitalist concerns on a large scale, the registration of societies under the Act is confined to the formation of societies of agriculturists, artisans and persons of *limited means*. Co-operative principles are not defined or enumerated in the Act but an indication is given in the preamble, so that these consist in the practice and promotion of thrift, self-help, and mutual help amongst persons forming a society.

(ii) *Nature of liability of registered society :*—The liability of a member of a society for its debts may be limited or unlimited according to the nature of the society. If the society is formed for the creation of funds to be lent to its members and if the members are all individuals and none a corporate body and if the majority of such individual members are agriculturists, that is, individuals depending upon agriculture for their livelihood, the liability of the member of such a society is unlimited. In other words, he is not only liable to pay his own debt, but he is responsible to pay the whole debt owed by the society irrespective of the interest

he holds in the society or of the benefit he derives or has derived from it. Such are the numerous village credit societies scattered all over India, and are referred to usually as " unlimited liability societies ".

On the other hand if a society consists of individuals as well as corporate bodies or if the majority of members thereof are not agriculturists, the liability of the member is limited to the value of the shares held. If the member has fully paid the value of his share he is not liable any more for the debts owed by the society. Such societies are called " limited liability societies ".

(iii) *Restriction on interest to be acquired by a person in a society :*—To prevent a monopoly of interest the Act lays down that where the liability of a society is limited by shares (e. g. Central Banks etc.) the maximum interest which a person can acquire in such a society is to be such amount not exceeding one-fifth of the capital as may be fixed by rules, or one thousand rupees, whichever is less. In Bombay the limit is raised to ten thousand rupees in the case of members of Housing Societies and three thousand rupees in other types of societies. This restriction applies only to individuals and not to aggregates of individuals, namely, the the societies registered under the Act. The latter may hold any amount of shares.

(iv) *Conditions of registration :*—Conditions which must obtain before registration can be effected under the Act differ according as the society consists of individuals or of individuals and societies.

(a) The conditions necessary for registration in societies with a membership solely of individuals are :—

(1) The number of members must be at least 10 and they must be of the age of 18 or over.

(2) If the object of the society is the creation of funds to be lent to its members the members must be residents of

a compact area like a town or a village or a group of villages or if they are not residents of the same locality they must be persons of the same tribe, class, caste or occupation. The Registrar however has the discretion to allow societies of mixed tribes or castes etc. to be formed and registered.

(3) The object of the society must be the promotion of the economic interests of its members in accordance with co-operative principles.

(b) The conditions in the case of societies of which members are individuals as well as societies are :—

(1) Any society may be registered without restriction as to the number of members or without the qualification of members coming from the same locality or belonging to the same tribe, class, caste or occupation,

but (2) the object of the society must be promotion of the economic interest of its members or facilitating the operations of societies formed with that object.

(v) *Formalities for registration* :—An application, signed by at least ten persons in the case of societies with individuals as members and in case of other societies signed by individual persons, and also by the duly authorised persons on behalf of societies wishing to be enrolled in membership, and accompanied by a copy of proposed bylaws, is required. All provincial rules prescribe a form showing the details to be set out. They also set out the agency through which it has to be sent to the Registrar. When the Registrar is satisfied that the necessary conditions are fulfilled he may register the society by its name and give it a number on the roll of the register of societies. He has also to register the bylaws with or without modifications and to issue a certificate of registration under his signature. He also supplies a copy of bylaws registered by him. The certificate is conclusive evidence of registration and none can thereafter challenge the registration of the society for any defect in

procedure. The Registrar is the sole judge for purposes of deciding if a person joining in the application for registration is an agriculturist or not, or whether the persons so joining reside in the same town or village or not, or whether they belong to the same tribe, class, caste or occupation or not. If the Registrar refuses to registrar a society his decision may be challenged by appeal to the Local Government within a period of two months.

(vi) *Bylaws of societies :—* Bylaws of societies as stated above are a matter domestic concern and while they are operative as between the members, the legal relations of the society with outsidesr are not affected by them. Thus if a society lays down by its bylaws that goods shall not be sold on credit the society will not be prevented from recovering the price of articles supplied to a stranger on credit. Amendments to the bylaws have to be ragistered in the same manner as original bylaws and no amendment is valid until it is sanctioned and registered by the Registrar.

(vii) *Name of society:—*The word "limited" shall be the last word in the name of every society with limited liability. The Registrar is expected to see that two societies do not bear the same name. When there are credit societies coming from the same village care is taken to distinguish them by members or other distinguishing marks.

(viii) *Peculiarities of the Bombay Act:—*(a) The Bombay Act classifies societies and defines them as below:—

(1) A Resource society is a society formed with the object of obtaining for its members the credit, goods or services required by them.

(2) A Producers' society is a society formed with the object of producing and disposing of goods as the collective property of its members. This type also includes a society formed with the object of the collective disposal of the labour of the members of the society.

(3) A Consumers' society is a society formed with the object of obtaining and distributing goods to or of performing services for, its members as well as to, other consumers and of dividing profits accruing among its members and customers in a proportion prescribed by rules or bylaws.

(4) A Housing society is a society with the object of providing its members with dwelling houses.

(5) A General society is a society not falling under any of the four classes mentioned above.

It is the business of the Registrar to classify societies and to publish a list annually in the Government Gazette.

(b) The Bombay Act further provides specific provisions in the Act that every society must hold an annual meeting within three months after the date fixed for making its accounts; that a special general meeting of a society may be called by requisition in writing signed by one-fifth of its members or at the instance of the Registrar; that a society may change its name with the approval of the Registrar but such change is not to affect the rights or obligations of the society or its members. These matters are provided for elsewhere in India by rules under the Act.

(c) The Bombay Act provides for the amalgamation of societies and for the transfer by a society of its assets and liabilities to any other society. Such amalgamation or transfer can be made only after 3 months' notice to the creditors of the societies concerned and after paying an objecting creditor in full.

3.

RIGHTS AND LIABITITIES OF MEMBERS.

(i) A person is a member of a society if he has joined in the application for the registration of a society or if he is subsequently admitted to membership according to the terms and conditions stated in its bylaws; and no member can exercise the rights of a member unless and until he has made pay-

ment to the society in respect of membership either by way of admission fee or by buying a share of its share capital as prescribed by the rules or bylaws. All provincial governments have framed rules specifying conditions on which a member can exercise his right and in each province attention has to be paid to these requirements. It is obligatory for instance in some provinces for a member to buy a share in the central financing institution to which the society of which he seeks membership is affiliated. Some provincial rules again specify the disqualifications for members e. g. that a person cannot be a member of a society if he does not satisfy the requirements of the Act, that is, he is not a man of limited means or that he is a bankrupt or lunatic or is a person against whom a conviction of a cognizable and non-bailable offence stands or that he is already a member of another unlimited liability society.

(ii) *Votes of Members :*—The rule as regards voting in unlimited liability societies is that of ' one man, one vote'. No regard is to be had to the quantum of interest held by members. A society is therefore sometimes called a democracy of interests where all are brothers and all are equals irrespective of the benefit derived or of the interest held. In the case of societies with limited liability each member may have as many votes as may be prescribed by the by-laws. But though liberty is left in this respect, 'one man, one vote' is still the rule even here in the majority of such societies. When a society is a member of another society it can exercise its right of vote by appointing a member as its proxy.

(iii) *Liability of past members :*—Past members are persons who have ceased to be members. A person may cease to be a member by resignation or expulsion. His liability to pay his own debts does not cease by his ceasing to be a member but the Act places a limit on the liability of such a member in respect of debts owed by the society. In unlimited liability societies every member is liable for the whole debt

of the society and is therefore bound to contribute towards the deficiency of assets over liability. This contributory liability continues for a period of two years from the date of his ceasing to be a member. His liability extends only to the quantum of debt as it existed on the day when he left and not to subsequent additions.

(iv) *Deceased members :*—In general, the estate of a deceased person is liable for his debts and his heir or legal representative can be made to pay them out of the estate inherited within the time allowed by law for recovery of debts; but the liability of the estate of a deceased member to pay the debt owed by the society lasts only for one year from the time of his decease. This contributory liability of the estate of a deceased member unlike the one of the past member can be worked only by a suit in the ordinary court of law under the India Act. A liquidator can pass a contributory order against a past member but cannot do so against the estate of a deceased member under the present wording of section 42 (2)(b) of the India Act II of 1912. The Bombay and Burma Acts have removed this obvious defect by adopting suitable wording to enable the liquidator to proceed against the estate of deceased members for contribution.

(v) *Restrictions on transfer of shares or interest:*—Shares of societies are not freely transferable like those of companies registered under the Companies Act. Restriction on transfer of shares in co-operative societies may be imposed by the Act or by the rules or the bylaws of a society. The restrictions imposed by the Act are as under :—

(a) In the case of shares in limited liability societies, the transfer is subject to such conditions as to maximum holding as may be prescribed by the rules; for example, if the maximum holding is limited to Rs. 1000/- shares cannot be acquired by a person by transfer so as to exceed this limit. It should be understood that this is the limitation prescribed

by this Act, but a society of this type may restrict transfer to members only by its bylaws.

(b) In case of societies with unlimited liability a member cannot transfer his share or interest unless he has held it for a year and he can transfer it only to the society or to another member of the society; he cannot transfer it to a stranger. These restrictions are intended to preserve the homogencity of membership in societies. Moreover as the ultimate financial security depends on the unlimited liability of members it is necessary to give them the right to admit only those who are amenable to their moral control. These restrictions apply to transfer *inter vivos*.

In Bombay the transfer of a share is subject to the condition in respect of maximum holding; and a member cannot transfer it unless he has held it for a year and the transfer is to the society or to a person whose application for membership has been accepted by the society. The rule is the same whether the society is a limited liability society or otherwise.

(iv) Duties of registered societies:—Registered societies must have an address registered in accordance with rules to which notices and communications may be sent. A change in address has to be notified to the Registar. Every society is also bound to keep a copy of the Act in force in the province and of the provincial rules and its own by laws open to inspection free of charge at all reasonable times at the office of the society. A society is bound to submit its accounts every year for audit which the Registrar may get done by a person authorized by him by a general or special order. Audit is to include an examination of the financial conditions of the society by the ascertainment of its overdue debts and a valuation of its assets and liabilities. This statutory audit is in the hands of whole time auditors entertained by the Registrar out of Government funds except in some provinces like the Punjab, where they are paid out of the audit fees imposed by the Re-

gistrar. To meet the growing needs of an expanding movement it has been found necessary in some provinces to have part time men who do the work under a license from the Registrar. The audit of big concerns like apex Banks which are co-operative societies is done by chartered accounts with the sanction of the Registrar. The Registrar or the Collector of the District has a right to look into all books, accounts, papers and securities of the society and every officer of the society is bound to furnish such information as may be required by him. The Registrar may authorize any person by general or special order in writing to inspect a society. Provincial rules add to this list of duties. For example the society is bound to conform to maximum rates of interest to be paid on its borrowings. A society can invest its funds in the purchase of or in leasing of lands or in the construction of buildings only with the previous sanction of the Registrar. A society is bound to maintain such accounts and registers as may be prescribed from time to time and is bound to publish a balance sheet annually. A society is bound to furnish such information and such returns as may be called for by the Registrar. A society is bound to maintain a register of members and where there is share capital a register of shares.

Peculiarities of Bombay:—The Bombay Act gives power to the auditor to summon any officer, agent, servant or member of the society, who, he thinks, possesses valuable information about any transaction or of the managment of its affairs, or to require the production of any book or document relating its affairs, of any cash or of its securities in the possession of such persons.

5

PRIVILEGES OF REGISTERED SOCIETIES.

After registration a society becomes a privileged body possessing and enjoying advantages denied to other aggregates of individuals :—

(i) The society is deemed a body corporate, that is, a number of persons united and consolidated together so as to

be considered as one person in law possessing the character of perpetuity, its existence being constantly maintained by the succession of new individuals in the place of those who die or go out or are removed. It is a corporation aggregate consisting of many persons all of whom are contemporaneously members thereof. The distinction between a corporation (or body corporate) and partnership firm is that in the first the law sees only the body corporate and knows not the individuals composing it. The individuals composing the body are not liable for the contracts of the corporation in their private capacity, their share in the capital only being at stake ; but in the latter i. e. in partnership firms law looks not to the partnership but to the individual members of it, who are therefore answerable for the debts of the firm to the full extent of their assets. The corporation must contract under the common seal. Individuals authorised on its behalf to sign contracts may sign but to denote that the contract is on behalf of the corporation, the common seal of the corporation must be set to it. The society as a society has the power to hold property, to enter into contracts, to institute and defend suits or other legal proceedings.

(ii) The society has priority over other creditors in respect of the following debts being recovered from the following property, under the All-India Act :—

Debt or demand in respect of which priority exists.	Property to which priority attaches.
(i) Price of seed or manure supplied to a member or past member or loan of money for purchase of seed or manure made to a member or past member.	Crops or agricultural produce grown with the aid of the seed or manure within 18 months from the date of supply or loan.
(ii) Price of cattle fodder, agricultural or industrial implements or machinery or raw materials for manufacture or cash loan for the purchase of any of these things.	The articles supplied or purchased with the help of the loan and the finished products manufactured out of the raw materials supplied or purchased with the help of the loan.

It will be seen that this is a right limited both in respect of the debts and the property from which they are to be recovered. It has been further restricted by judicial interpretation. In the case of Abdul Quadir vs. Shahbazpur Co-operative Bank reported in I. L. R. 42 Calcutta 377, the Calcutta High Court has held that priority here referred to does not confer a charge so as to enable the society to enforce the debt without obtaining a decree (or award). The debt, in the opinion of the High Court, is not charged on the property, so that if another person attaches and sells the property mentioned, the society cannot claim the benefit of priority, that is, the benefit of being paid first out of the sale proceeds of the property without obtaining a decree (or decision) from the Registrar in respect of the debt. To obviate these difficulties, the Bombay Act creates a 'first charge' in respect of the debts and upon the property mentioned below:—

Debt or demand in respect of which charge exists.	Property on which the charge in laid.
(a) Any debt or demand owed by a member or past member.	(i) Crops or other agricultural produce raised in whole or in part with the loan taken. (ii) Cattle, fodder, agricultural or industrial impliments or machinery or raw materials, or workshops, godowns, or places of business supplied or purchased from the loan.
(b) Any demand or debt due to a housing society by a member or past member in respect of rent shares, loans, purchase money.	Members' interest in the immovable property of the society.

The distinction between the provisions of the Bombay Act and the India Act is twofold :—

(a) In the India Act priority is in respect of certain specified debts only. In the Bombay Act it is any debt or demand owed by a member,

(b) the priority is a 'first charge' under the Bombay Act. It is only a claim to priority (some times loosely called a lien) under the India Act.

Both under the Bombay Act and the India Act, the priority or charge does not avail against Government in respect of its claim for land revenue or money recoverable as land revenue or against a landlord in respect of his rent or money recoverable as rent; nor does it avail against a bona fide purchaser or transferee for value without notice of priority mentioned above.

(iii) A registered society has a charge upon the share or interest in the capital, on the deposits of a member or post member on any dividend bonus or profits, in the respect of any debt due from such member or past member so that the society may appropriate these sums in payment of these debts without being called upon to disgorge any portion of it by any other creditor.

(iv) A registered society has the right to set off any sum credited in its books payable to a member or past member in or towards payment of any debt owed by such member or past member.

(v) The share or interest of a member in the capital of a registered society is not liable to attachment and sale in execution of a decree of a court nor is it liable to be seized in insolvency by the official assignee under the Presidency Towns Insolvency Act or a Receiver under the Provincial Insolvency Act.

(vi) *Transfer of interest on death of member* :—(a) An unlimited liability society has the option on the death of a member to transfer his share or interest in the capital of the society to the nominee of the deceased or to a person who in the opinion of the committee of the society is his heir or legal representative or to pay the value of such share or interest to the nominee or heir. But if the nominee or heir

is unwilling to have the share or interest transferred to him and insists on his being paid the value, the society has to pay the value. The result is that the choice of continuing the nominee or heir as member in place of the deceased is left not to the society but to the nominee or the heir.

(b) A limited liability society has no option. It must transfer the share of interest of a deceased member to his nominee or heir if he is qualified to be a member of the society under the rules or the bylaws of the society and if the nominee or heir is not so qualified the share or interest shall be transferred to such other qualified person as the nominee or heir may desire by an application made within one month from the death of the member.

(c) As regards moneys other than the value of the share or interest due to a deceased member both the limited and unlimited liability societies are at liberty to pay them to the nominee or heir.

(d) Transfers and payments made by registered societies to nominees or heirs as aforesaid are valid and effectual against any demand made upon the society by any other person.

(e) Provincial rules lay down the procedure for appointing nominees which has to be followed to enable a person to claim the right of a nominee.

(vii) Entries in the books and registers of a society regularly kept in the course of business can be proved in any legal proceeding by a copy certified in the manner required by rules. Original books need not be taken to court. Such entries are *prima facie* evidence of the matter or transaction and account recorded in them. Thus a copy from a member's register is *prima facie* evidence of the date on which a person became a member and the date on which he ceased.

(viii) Provisions of section 17 (i) causes (b) and (e) of the Registration Act which makes the registration of docu-

ments relating to, or affecting, immoveable property of the value of Rs. 100 or over, compulsory, do not apply to any instruments relating to shares of a society or to debentures or endorsement on or transfers of any debentures issued by a society.

(ix) (a) A registered society is entitled to the exemption from income-tax or super-tax in respect of its profits, and dividends or other payment received by members on account of profits are also exempt from payment of income-tax.

(b) Instruments executed by or on behalf of a society and relating to the business of such society are exempt from the payment of stamp duty and registration charges.

(c) Decisions and awards passed on disputes between members under the Act are exempt from stamp duty.

(x) The liability of a past member for the debts of the society as they existed at the time when he ceased to be a member is limited to 2 years only from the date of his ceasing to be a member.

(xi) The liability of the estate of a deceased member for the debts of the society as they existed at the time of his death is limited to the period of one year only from the time of his decease.

(xii) Where the society is a decree-holder and the judgment-debtor is a member in receipt of salary the extent of exemption from attachment of salary is to be as follows :—

(1) Whole salary, where the salary does not exceed rupees 20 per month.

(2) Rupee 20 per month, where the salary exceeds 20 rupees and does not exceed 40 rupees per month.

(3) One moiety of the salary, in any other case.

(xiii) With safeguards as may be prescribed by rules, Government may make loans to societies or guarantee the

payment of interest on debentures issued by them. Such guarantee of interest on debentures obtains in Bombay, Madras and the Punjab at present.

6.

PROPERTY AND FUNDS.

1. *Restriction on loans and borrowings:*—(a) A registered society is subject to the following restrictions in respect of granting loans from its funds:—

(1) Loans can be made only to members and not to strangers or non-members. But with the special or general sanction of the Registrar, a society may make loans to another society though the latter may not be a member of the former society and in Bombay with such sanction a loan may be made to even an individual.

(2) Without the sanction of the Registrar loans cannot be given by an unlimited liability society on the security of moveable property.

(3) The Local Government of a province has the power to restrict the extent of lending money on the security of the mortgages of immoveable property by any society or class of societies.

(b) *Restriction on borrowings:*—A society can borrow by way of deposits or otherwise only within the limits prescribed by rules or bylaws. It is therefore customary with societies to fix credit limits every year.

(c) *Restriction of business with outsiders:*—Where business with outsiders is permissible, e. g. taking deposits of non-members the same is to be carried on subject to such prohibitions and restrictions as the Local Government may prescribe by rules. In Bombay, Consumers', Producers' and Housing societies may trade with persons who are not members to the extent permitted by their by laws.

2. *Investment of funds:*—A registered society may invest or deposit its funds :—

(i) In Government Savings Banks.

(ii) In trustee securities i.e. securities mentioned in Sec. 20 of the India Trust Act, 1882.

(iii) In the shares or on the security of any other registered society. In Bombay, it must be in the shares of a limited liability society.

(iv) With a bank or a banker approved by the Registrar.

(v) In any other mode permitted by the rules.

3. *Profits or funds liable to division:*—The profits of a society or the funds there of are not to be divided by way of bonus or dividend or under any other name amongst the members.

Exceptions :—

(1) In the case of limited liabilities society the balance of profits, after setting apart one fourth of the total profits as reserve fund, may be divided amongst members by way of dividend. But even this is subject to the limits and sanctions of the Registrar. This is to prevent undue profit-making so characteristic of capitalist concerns. In Bombay the maximum rate of dividend is limited by the Act to 10%.

(2) In the case of unlimited liability societies, profits can only be divided with sanction of Local Government. It does not rest with the Registrar to permit distribution of profits in the case of unlimited liability societies.

4. *Reserve Fund:*—The India Act leaves it to the rules to provide for the formation and maintanence of a reserve fund and the objects to which such fund may be applied. All provincial rules lay down that every society which earns a profit by its business shall form and maintain a reserve fund to which a certain portion of the net profits must be carrried every year.

This is indivisible and no member is entitled to claim any share in it even after the dissolution of the society. The objects to which it is to be applied on dissolution are described as follows:—

(i) to discharge such liabilities of the society as any remain undischarged after the enforcement in full of the liability of the individual members of the society;

(ii) to the repayment of share capital paid up;

(iii) to the payment of dividend upon such share capital at a rate not exceeding 10% per annum for any period or periods for which no dividend has been paid.

The United Provinces Rules permit the utilization of the fund by a society during its continuance for the following purposes:—

(i) to meet unforeseen losses, subject to the condition that any amounts drawn for such purposes shall be reimbursed from the next accruing profits.

(ii) to meet such claims of the creditors of the society as cannot be otherwise met, subject to the condition that the amount drawn shall be reimbursed as money comes in;

(iii) to provide for other financial needs in times of special scarcity.

5. *The custody of the reserve fund :*—The reserve fund is either allowed to be invested in the business of the society, or else held by the Registrar, or by his order separately. The surplus of the fund after meeting liabilities is to be utilised as decided upon by the society, and failing this as the Registrar may decide. Some provincial rules allow it to be paid to another co-operative society of which the dissolved society was a member.

In Bombay, the formation and maintenance of a reserve fund is provided for by the Act, which says that every society

which does or can derive a profit from its transactions must maintain a reserve fund. The following portions of net profits are to be carried to it :—

Resource and Producers' society ... $\frac{1}{4}$

Any other society ... ... $\frac{1}{10}$

The fund may be used in the business or may be invested as Government may direct or may in part be used for some public purpose likely to promote the objects of the Act or for some purpose of provincial or local interest.

6. *Provident Fund :*—The Bombay Act enables a society to establish a provident fund for its members. This fund is to be formed out of contributions from members and contributions from the society out of its profits. The fund is not be used in the business of the society nor is it to be considered as an asset of the society.

7. *Contribution to charities :*—Any registered society, after setting apart one-fourth of its profits as reserve fund, may devote, with the sanction of the Registrar, any amount upto ten per cent. of the remainder to charities specified below :—

(1) Relief of the poor.

(2) Education of the public in general.

(3) Medical relief of the public in general.

(4) Advancement of any other object of general public utility.

A purpose which relates exclusively to religious teaching or worship is not to be understood as a charitable purpose. In Bombay with the approval of the Bombay Central Co-operative Institute any society may aside 20% of its profits after paying the reserve fund, and may utilize this sum for any public or co-operative purpose or charitable purpose as specified above.

7

INSPECTION OF AFFAIRS.

(*a*) *Enquiry by the Registrar*:—The Registrar has the power to hold an enquiry into the constitution, working and financial condition of a society or he may do so through another person duly authorised in writing by him in this behalf.

He is however bound to do so:—

(a) on the request of the Collector of a district; or

(b) on the application of the majority of the members of the Committee (i. e. the governing body of a society to whom the management of its affairs is entrusted); or

(c) on the application of not less than one third of the members of a society; and

(d) in Bombay, on the requistion of a society duly authorized by rules to make such a requisition in respect of one of its member societies.

All officers and members of the society are bound to furnish information during such enquiry.

(*b*) *Inspection by the Registrar*:—A creditor has the right to have the books of the society inspected by the Registrar or by any other person specially authorised in writing by him. But the creditor must be a person to whom a definite sum is due and to whom satisfaction is not made by the society on demand. The creditor must deposit the cost of enquiry before inspection can be ordered. The Registrar has to communicate the result of the enquiry to the creditor.

A creditor thus asking for inspection has to deposit costs of enquiry in the first instance ; but the Registrar has the power to apportion costs between the members or officers of a society and the creditor and even amongst former officers of the society. Costs so awarded can be recovered from the person rendered liable by distress and sale of his moveable

property at the hands of a magistrate within whose jurisdiction the person resides or carries on business.

8

DISSOLUTION AND WINDING UP.

(a) A society may be dissolved by the Registrar :—

(1) If as a result of the enquiry or of the inspection at the instance of a creditor, the Registrar thinks that it is desirable to cancel the registration. This corresponds to compulsory winding up.

(2) If three-fourth of the members of a society apply in writing that the society be dissolved. This corresponds to voluntary liquidation. The order of cancellation may be challenged by a member by an appeal to the Local Government to be filed within 2 months of the order.

(3) If the number of members falls below 10 in cases where it is the condition of registration that a society must consist of at least 10 members.

(4) If (according to Bombay Act) a society after registration has not commenced working or has ceased working or possesses shares or members' deposits not exceeding rupees 500.

Effect of cancellation :—When the registration of a society is cancelled it ceases to be a body corporate. It can no longer act or function as a society. Its Committee cannot transact business in its name. The privileges which attach to it can not be claimed by members. The speedy and less expensive remedy of having disputes settled by reference to Registrar is not thereafter available to members. Thereafter they stand to each other as individuals and not as members and they must resort to ordinary courts of law for the enforcement of their rights and liabilities.

Date from which cancellation comes into effect:—Cancellation takes effect after 2 months of the date of the order in cases

(1) and (2) mentioned above and from the date of the order in (3). In case of appeal cancellation takes effect from the date of the appellate order.

Winding up:—When the registration of a society is cancelled and it is necessary to wind up its affairs, the Registrar has the power to appoint a competent person to act as a liquidator.

(b) *The powers of the Liquidator:*—The business of the liquidator is to collect the assets of the society, to pay its liabilities and adjust the equities between members and past members. He is to do this expeditiously and is for that reason invested with the following powers by the All India Act, of 1912:—

(a) to institute and defend suits and other legal proceeding on behalf of the society by his official name;

(b) to determine the contribution to be made by members and past members of the society to the assets of the society;

(c) to investigage all claims against the society and to decide questions of priority arising between the claimants;

(d) to determine by what persons and in what proportions the costs of the liquidation are to be borne; and

(e) to give such directions in regard to the collection and distribution of the assets of the society as may appear to him to be necessary for winding up the affairs of the society.

This last clause is a general clause which gives the liquidator powers to pass orders against members and past members and to do all acts that are necessary to wind up the affairs of the society. The orders of the liquidator are final and in respect of matters connected with the dissolution of a registered society, Civil Courts have no jurisdiction so that it is the liquidator's business to decide everything and pass any order to collect assets and to settle claims against the society, and to pay out creditors. His jurisdiction, however,

is confined to members and past members and claimants and creditors who have claims against the society. Strangely enough the heirs of legal representatives of members or past members have been left out of his authority and if he has to demand anything from them he has to resort to ordinary court of law. The Bombay and Burma Acts, which are later enactments, have supplied this deficiency and under these Acts power has been expressly given to the liquidator to recover debts not only from members and past members but also from the heirs and legal representatives of these persons. The Bombay Act makes the powers in the following respects more definite in addition to those mentioned above :—

(a) to pay any class or classes of creditors in full ;

(b) to make any compromise or arrangement with creditors or persons claiming to be creditors ;

(c) to compromise calls or liabilities, to calls and debts supposed to subsist between the society and a contributory or other debtor or person apprehending liability to the society.

(d) to determine contribution to be made by the estates or nominees, heirs or legal representatives of deceased members or by any officer of a society to the assets of the society. Contribution is made to include debts due from such members or persons, that is, nominees, heirs, legal representatives of deceased members ;

(e) to get disputes referred to arbitration;

(f) to fix the time or times within which creditor shall prove their debts;

(g) to carry on the business of the society so far as may be necessary for the beneficial winding up of the same.

These powers are all implied in cause (e) of sec. 42 (2) of the All India Act.

The Bombay Act empowers the Registrar to assess damages against delinquent promoters and any past or present

chairman, secretary, member of the Managing Committee or officer of the society who has misapplied, or retained or become liable or accountable for any money or property of the society, or who has been guilty of misfeasance or breach of trust in relation to the society.

The liquidator has the power to summon persons and enforce the attendance of witnesses and to compel the production of documents in the same manner as Civil Courts. His summonses and notices may by served by Civil or (where this is permitted) by Revenue Courts.

Liquidator's orders:—Orders passed by a liquidator are to be enforced:—(a) by any Civil Court having local jurisdiction in the same manner as a decree of such Court.

(b) by revenue courts in provinces in which this is permissible by revenue laws. The revenue Courts can enforce the order only on the certification of the Registrar and when this is so, the sum mentioned in the order is recovered as if it were arrears of land revenue.

The procedure in execution is detailed in Order 21 of the Code of Civil Procedure when execution is sought through Civil Courts, and in the Land Revenue Act or the Law in force in the province when it is sought through Revenue Courts.

Jurisdiction of Civil Courts to question liquidator's orders:—As stated above Civil Courts have no jurisdiction to question the orders of the liquidator so far as they pertain to matters connected with liquidation. The only grounds on which his order can be challenged is that it is '*ultra vires*' that is it is against a person who is not subject to his jurisdiction or that it is in respect of a matter not connected with the dissolution.

Procedure to be followed by the liquidator:—Provincial rules lay down the procedure to be followed by the liquidator and

for details of these the liquidator must be guided by the rules of his province. One general rule for his guidance is that he is to act with equity, justice and good conscience.

Liquidator and law of limitation:—A liquidator is not bound by the statute of limitation, and courts in India have refused to interfere with his orders though they contravene the law of limitation. But the statute of limitation is a statute of repose and a liquidator will do well to follow it.

Liquidation Reports:—Some provincial rules require the liquidator to keep the members of the society under liquidation informed from time to time of the progress in liquidation. The liquidator is required also to make reports to the Registrar about the state of progress of liquidation and all rules require him to call a meeting of the members when liquidation is complete and to acquaint them with his final report and to submit the same to the Registrar.

Disposal of the surplus assets:—Surplus assets in the hands of the liquidator after meeting all liabilities including the paid up capital of a cancelled society are not to be divided amongst members but are to be applied according to provincial rules to objects of public utility as the members may decide and failing this according as the Registrar may deem fit. In Bombay this subject is dealt with the Act itself. There is a special provision there for the liquidation of a Housing society. The Bombay Act says that the liquidation of such a society shall be carried on by a Board of three persons—one appointed by Registrar, one by the society and one by the Bombay Central Co-operative Institute. This Board is empowered to reconstruct the society or to sell its premises to the best advantage of all interests concerned.

Remuneration of, and control over, the liquidator:—The liquidator is according to most provincial rules appointed by the Registrar and is therefore amenable to him in all respects. His remuneration is also to be fixed by him. The Registrar

exercises a general control over the liquidator; but some provincial rules make his orders definitely subject to the approval of the Registrar, and provincial governments are authorized by the Act to frame rules permitting appeals against his orders. The state of affairs in this respect in the different provinces seems to be as under :—

Bombay :—The liquidator's orders are subject to the sanction of the Registrar and an appeal is provided to the Local Government from the order of the liquidator so sanctioned or modified by the Registrar.

Punjab :—Orders of the liquidator under clauses (b) and (d) of subsection (2) of section 42 are subject to the approval of the Registrar. The Registrar may modify them or refer them back to the liquidator for further enquiry or other action. The order executable in a civil court is the order as finally approved by the Registrar. No appeal against the orders is otherwise provided for.

Bengal :—The liquidator is to make an order after consultation with the Registrar. No appeal is to lie against an order of the liquidator.

Bihar and Orissa :—The order of the liquidator is to be submitted to the Registrar for approval and the Registrar is at liberty to modify it or refer it again to the liquidator for further enquiry or other action. After approval of the Registrar, he has to frame a requisition if the order is to be executed by the certificate officer (Revenue Officer) of the District. Orders executable in civil courts are only such orders as have received the approval of the Registrar. No appeal is provided against the order.

Madras :—No limit is placed on the powers of the liquidator in respect of his orders and no appeal lies against them.

Central Provinces :—No limit is placed on the powers of the liquidator is respect of his orders and no appeal lies against them.

United Provinces:—Orders of the liquidator require the approval of the Registrar who has power to modify them or to refer them back to the liquidators for further enquiry. The liquidator has also to submit his scheme for the discharge of the liabilities of the society to the Registrar for his approval and no payments can be made to creditors until the scheme is approved of by the Registrar. The liquidator is also bound to follow the principles on which and the manner in which contributions are to be determined. No appeal is provided but any person affected by the order of the liquidator has the liberty to make a representation to the Registrar and the Registrar may thereupon pass such orders as he thinks fit.

Burma:—The orders of the liquidator do not require the approval of the Registrar; nor is any appeal provided against them.

Assam:—Orders in respect of contributions are subject to the approval of the Registrar who may modify them or refer them back for further enquiry or other action. No appeal is to lie against any order of the liquidator.

Liquidation costs:—Liquidation costs are always a first charge on the assets of the society and they include the remunerations of the liquidator, the cost of establishment entertained and other incidental charges.

Position of the liquidator in the eye of the law:—A liquidator stands in fiduciary relation towards the members and the creditors of the society and he is therefore subject to the same liabilities and disabilities as a trustee.

9

Settlement of Disputes.

The India Act leaves it to Local Governments to frame rules for the decision of disputes arising between co-operators; and all Local Governments have accordingly framed rules in this connection. The Bombay Act however provides

for this in the Act itself. The wisdom of providing compulsory arbitration in this manner is justified in the following words by the Punjab High Court. "The object of the Act is to encourage thrift, self-help and co-operation among agriculturists, artisans and persons of limited means and it would be impossible to attain those objects if these people have for the settlement of their disputes necessrily to undergo all the troubles and worries of an expensive and protracted litigation."

Classes of disputes:—The disputes, to be so settled in this manner must be:—

(1) touching the business of a society;

(2) between parties who are either members or past members or persons claiming through members or past members, or persons to be members or past members, or must be the Committee of the society or its officers;

(3) must be between the above parties in their capacity as members or past members etc.

If any of the above requirements are lacking, the dispute cannot be settled by the special tribunal but must be decided by the ordinary civil courts.

'Business' above does not necessarily mean 'money business'; it includes disputes relating to election of officers and the like.

Thus both parties to the dispute must fall under one of the following categories:—(1) member, (2) past member, (3) person claiming to be a member or past member, (4) person claiming through a member or past member, (5) committee of the society, (6) officer of the society.

If either of the parties is a person not falling in any of the categories enumerated above, the special forum has no jurisdiction.

Servants and agents:—The India Act does not empower Local Government to frame rules for the decision of disputes

between a society and its servants and agents. Consequently, under it, such disputes must go to ordinary courts. The Bombay Act however provides that such disputes may be settled like other disputes by the special tribunal.

The forum:—The special tribunal or forum created by the Act is the Registrar. He has been given the power to decide a dispute himself or to have it decided by a sole arbitrator or by a board of 3 arbitrators. In the last case an option is given to each party to nominate one and the Registrar appoints the third.

In Bombay parties to the dispute have the right to get a Committee of 3 arbitrators appointed; and when so asked for by the parties it is to consist of the Registrar or his nominee and two persons of whom one is to be appointed by each party to the dispute. When complicated questions of law or fact crop up, the Bombay Act enables the Registrar to suspend the inquiry for a time and to ask the parties to have the questions settled by a regular suit in a Court of Law. If no suit is filed within 6 months, the Registrar is to proceed to the decision of the dispute.

Procedure:—Reasonable notice must be given to the parties of every hearing of the dispute. The Registrar and the arbitrator or arbitrators have power to administer oaths, to require the attendance of parties and witnesses, and to require the production of documents. A defaulting party can be proceeded against *ex parte* and a defaulting witness can be dealt with as laid down in the Code of Civil Procedure. The Registrar and the arbitrator are not bound by the rules of the Evidence Act; they are expected to take down short notes of the examination of parties and their witnesses. Although not fettered by the technical rules of evidence or procedure, they are expected to conduct the enquiry, as nearly as may be, in a judicial manner and do justice between the parties. They must not lose sight of the following fundamentals which inspire confidence and help in arriving at correct conclusion:—

(1) they must hear parties fully and fairly ;

(2) they must hear them in the presence of each other ;

(3) they must not refuse to receive evidence tendered by parties in support of their case ;

(4) they must not import knowledge derived from private enquiries into the case ;

(5) their enquiry should be open, full and fair.

Law of Limitation :—It has been recently decided by the Privy Council that although the Limitation Act does not in terms apply to arbitration, it is always an implied term of every contract that an arbitrator must decide a dispute according to existing law and that every defence which would have been open in a court of law can be equally proponed for the arbitrator's decision. The Registrar, or an arbitrator or arbitrators appointed by him, should therefore take count of limitation and reject claims barred by limitations.

Basis of awards or decisions :—Both according to the general law and the rules framed by provincial governments, the Registrar and the arbitrator or arbitrators appointed by him have greater latitude than a court of law in order to do complete justice between parties and they are at liberty to take the moral aspect of a question into consideration and decide according to equity, justice and good conscience. They are final judges of fact as well as of law. Jurisdiction of civil courts being barred, a heavy responsibility rests on them as they are the sole arbitrators of men's fortunes. They must therefore endeavour to arrive at conclusions not in defiance of law but along the lines of rules and principles which would have guided a tribunal for which they are submitted. The award or decision must be in writing. It is exempt from stamp duty.

Costs of reference :— Costs of reference are within the discretion of the Registrar or the arbitrator.

Legal Practitioners :— Legal practitioners are not allowed as of right. They may be allowed with permission. In Bombay, they are absolutely prohibited.

Attachment before award :—In Bombay and the Central Provinces, the Registrar or the arbitrators possess the power of passing an order of attachment of property before their decision or award if they are satisfied on affidavit or otherwise that (a) a party is about to dispose of his property or (b) to remove it from the jurisdiction of the Registrar, with intent to defeat or delay the execution of the award. The party can escape attachment by furnishing security for the proper performance of the award.

Amending or correcting an award :—According to general law relating to arbitration, after an award is made and handed over to the parties, the functions of the arbitrators cease. They have no power thereafter to amend or review the same. But the difference between an ordinary arbitrator and the Registrar is this. The former can at any time refuse to arbitrate. The latter cannot; and under the Act there is nothing to prevent a party from applying for a fresh award on the same cause of action as the technical rules of *res judicata* or misjoinder of parties etc. do not apply and the Registrar is at liberty to amend or review the award. A society or a party applying for a money award may afterwards apply to have a mortgage award instead, if the first award was taken under a mistake.

Appeal from awards :—Under the Indian Act, in provinces except Bombay, appeals from awards lie to the Registrar in cases where the awards are by the arbitrator or arbitrators appointed by the Registrar. The period for appeal is one month. There is no appeal where the decision is by the Registrar himself either in the first instance or in appeal. In Bombay when the decision is by a nominee of the Registrar appeal lies to the Registrar. In other cases it lies to the Local Government.

Finality of decisions :—Subject to decisions in appeals awards of the arbitrators or the decisions of the Registrar are final and conclusive and cannot be called in question in any civil or revenue court.

Appeal from certain orders of Registrar :—The Act (II of 1912) and rules under it allow appeal from an order of Registrar under Section 39 of the Act, viz. for the dissolution of a society and from an order refusing to register. The appeals lie to the Local Government and must be preferred within 2 months from the date of the order in the first case and from the date of the communication of the order in the other. No appeal lies from any other order passed on any matter under the Act or the rules framed under the India Act. The Bombay Act however is more liberal and permits appeals in the following cases :—

(1) Order for registration or refusing registration.

(2) Order for registering or refusing to register an amendment of the by-law of a society.

(3) Order as to apportionmnnt of costs of inquiry into the constitution, working and financial conditions of society.

(4) An order of winding up or dissolution of a society.

(5) An order of the Registrar sanctioning any act or order of a liquidator.

(6) Order of the Registrar assessing damages against delinquent promoters of societies, members or officers of the same.

(7) Orders or decision of the Registrar settling a dispute referred to him under the Act for decision.

These appeals lie to the Local Government and must be preferred within 2 months.

Revisional powers :—The Bombay Act provides that the Government and Registrar may call for and examine the record of any enquiry or the proceedings of any officer subordinate to them for the purpose of satisfying themselves as

to the legality or propriety of any decision or order passed and as to regularity of the proceedings of such officer. In case, it appears to the Government or the Registrar that the decision or order or proceedings so called for should be modified, annulled or reversed, the Government or the Registrar, as the case may be, pass such order thereon as to it or him may seem fit. The necessity for the provision seems to have been suggested by the decision of the Bombay High Court in the case of "Bharmakka vs. Mallappa". Reported in A. I. R. 1926 Bom. 352. The facts of the case were peculiar. The plaintiff Bharmakka was the widow of the brother of one Chambasappa, who was a member of co-operative society. She brought a suit for declaration that the award, passed by the arbitrators under the co-operative Societies Act, was void and not binding on her. Chambasappa died indebted to the society and repayments of the loan was guaranteed by his two securities. Proceedings were taken against the sons of the deceased debtor, the two securities and Bharmakka describing her as one of the legal representative of the principal debtor. It was admitted that Bharmakka had pleaded before the arbitrators that she was not the legal representative of the deceased debtor. Inspite of that objection, an award was passed against her. Bharmakka did not contest the award by appeal to the Registrar which she could have done. It was urged on behalf of Bharmakka in the suit that the award was 'ultra vires.' But the High Court held that the award could not be challenged in a civil court but recommended that an injustice apparently had been done to the plaintiff and that if possible the Registrar or the Local Government should do it best to put the matter right. The Bombay Act was then under consideration and the section was inserted to enable the Registrar and the local Government to redress urgent wrongs done in and inquiry or proceedings of an officer subordinate to the Registrar. The India Act is silent on the point.

Enforcement of awards and decisions:—Decisions and awards given by the Registrar or arbitrators on references made to them are to be enforced by civil courts in the same manner as if they are the decrees of courts. In some provinces, notably Bombay and the Central Provinces, enforcement of these orders can be had through revenue courts on the Registrar's certificate to that effect.

The Bombay Act further provides that when property attached in execution cannot be sold in execution for want of of buyers, the order may be enforced by handing over the property to the society to which the sum is due with the consent of the Registrar and on such terms and conditions as may be agreed upon between the Collector of the district and the society.

How the execution through civil courts is to be sought is detailed in the Code of Civil Procedure and particularly in Order 21 thereof. When execution is sought through Revenue Courts, the procedure laid down by the Land Revenue Act or Code in force in the province has to be followed. The sum mentioned in the order is recoverable as arrears of land revenue and all the processes available for recovery of land revenue are available for this also.

Mortgage awards and decisions:—In provinces where agriculturists hold transferable right in land, it is usual for societies to grant loans to members on the security of mortgages of immoveable property and to ask for decisions or awards on the strength of such mortgages and awards or decisions can be granted for foreclosure or sale of property mortgaged according to the conditions embodied in the mortgage. The mortgage contract must in such a case be according to the requirements of the Transfer of Property Act, that is, it must be in writing and attested by two witnesses and registered according to the law relating to the registration of documents. Persons claiming through the mortgagor have the right to re-

deem and the rights and liabilities arising under the mortgage according to the Transfer of Property Act have to be carefully worked out. For the kinds of mortgages and the rights and liabilities arising under them it is necessary to follow the provisions of the Transfer of Property Act.

The provisions of Order 34 of the Code of Civil Procedure do not apply to the Registrar or arbitrators appointed by him and it is not obligatory on them to pass a preliminary decree first and then to make it final.

The decision they have to give is the final decision and in giving decisions on mortgages it is necessary for the Registrar to pass a definite order which the civil court can execute. It is necessary to remember that a subsequent mortgagee is not a person claiming through the mortgagor as he does not claim the estate of the mortgagor, namely, an interest in the right to redeem. He is not therefore amenable to the jurisdiction of the Registrar and if it is intended that he should be bound by the order of the Registrar, a submission in writing from him is necessary to make the adjudication binding on him.

Rule 14 of Order 34 of Civil Procedure Code, which prevents a mortgagee who has obtained a decree for payment of money in satisfaction of a claim arising under a mortgage form bringing the mortgaged property to sale otherwise than by instituting a suit for sale in enforcement of the mortgage. does not apply to decisions under the Act, as the rule is a rule of procedure and not a substantial right.

10

Offences and Penalties.

The Co-operative Societies Act II of 1912 which is in force in most of the provinces and the Burma Act VI of 1927 do not provide for any offences or misdemeanours. Any misconduct on the part of a member of a society or its officer can therefore be punishable if it is so under the penal law

of the land, the Indian Penal Code. The latter Code defines "person" to include any company, association or body of persons, whether incorporated or not. The word is however used frequently in the Code in a sense in which it is clear from the context that corporate bodies are not included and therefore associations or corporations as such cannot be handed up for a trial for an offence. But persons who aid, or abet or actually commit the misconduct can be liable under the Code for punishment. Hence officers, members or servants of Co-operative societies can be proceeded against if they be guilty of any offence defined in the Penal Code. The Bombay Act however lays down certain special offences. They are :—

1. Default by a society with a working capital of Rs. 50,000 or more, or by an officer or member thereof, in giving notice, in sending a return or document or doing any thing which is required by the Act to be done.

2. Wilful neglect or refusal to do any Act or to furnish any information required for the purposes of the Act by the Registrar or any other person authorized by him.

3. Wilfully marking a false return furnishing false information.

4. Wilfully or without reasonable excuse disobeying any summons, requisition or lawful written order issued under the provisions of the Act.

The penalty is a fine not exceeding rupees 50/-. The offence is non-cognisable and prosecution can be started only with the Registrar's sanction and is triable by the court of a Presidency Magistrate or Magistrate of the first class.

11

Rules.

The India Act, as well as the Bombay and Burma Acts, empower the Local Governments to frame rules for the guidance of societies in general or of a society or a class of

societies in particular. Rules so framed have the effect of being regarded as sections of the Act. The following are the important heads for which rules can be framed, besides decision of disputes :—

(1) To prescribe the maximum number of shares or portion of the capital of a society which may be held by a member.

(2) To prescribe conditions to be complied with in making application for the registration of a society.

(3) To prescribe conditions for being admitted to the privilege of a member, and for his withdrawal or expulsion.

(4) To provide for the appointment, suspension and removal of members of the Committee and other officers and to provide for the powers and duties of such members or officers.

(5) To prescribe returns, books, registers etc. to be maintained or submitted by a society.

(6) To prescribe for the payments to be made and the conditions to be complied with by members applying for loans, periods for which loans may be made and the amount which may be lent to an individual member.

(7) To provide for the formation and maintenance of a reserve fund.

(8) To prescribe the extent to which a society may limit the number of its members.

(9) To regulate the distribution of profits.

(10) To prescribe in which class of cases an appeal shall lie from the order of the Registrar.

Rules cannot be made without their being first published for objections or suggestion by the public.

92

MISCELLANEOUS.

(1) Sums due from a society to Government or from an officer or member of such society can be recovered by Gov-

ernment as arrears of land revenue; and the same can be recovered in the following order:—

Firstly :—From the property of the society;

Secondly :—In limited liability societies from members subject to the limit of their liability;

Thirdly :—In unlimited liability societies from the members to any extent.

(2) The Local Government has the power to exempt any society from any of the requirements in respect of registration or to exempt it from any provision of the Act.

(3) No person or body of persons is to trade or carry on its business under a name or title of which the word "Co-operative" is a part without the sanction of Government. A defaulter is liable to a fine upto Rs. 50/- and an additional fine of Rs. 5/- per day during which the offence is continued after conviction.

(4) The Indian Companies Act of 1913, is not to apply to the societies registered under the Act.

(5) The Bombay Act lays down that no suit shall be instituted against a society or any of its officers in respect of any act touching the business of the society until the expiration of two months next after notice in writing has been delivered to the Registrar or left at his office stating the cause of action, the name and description of the plaintiff and the relief which he claims.

GENERAL PROBLEMS.

I THE AGRICULTURAL CREDIT SOCIETY.

II RURAL INDEBTEDNESS.

III MARKETING OF AGRICULTURAL PRODUCE IN INDIA.

IV COTTAGE INDUSTRIES AS SUBSIDIARY OCCUPATIONS.

V RURAL RECONSTRUCTION.

VI INDIAN WOMEN AND CO-OPERATION.

I

THE AGRICULTURAL CREDIT SOCIETY.*

By Mr. V. Ramdas Pantulu, Advocate, Madras.,
Vice-President of the All-India Co-operative Institute's Association.

The old type of Rural Credit Society under Act X of 1904 :—The aim of those who inaugurated the co-operative credit society in India in 1904 was presumably the founding of a system of rural finance whereby the collective guarantee of the inhabitants of a village might be utilised for the creation of funds which could be lent to them for carrying on their hereditary occupation of agriculture. Agriculture, like other industries, is supported by credit, and the importance of credit to the agriculturist is recognised in all countries. But the difficulties of obtaining it on reasonable terms have been much greater in India than elsewhere. The widespread evils of the worst forms of usury, the colossal illiteracy and the chronic poverty of the Indian peasant expose him to risks which have no parallel elsewhere in the civilised world.†

*[The proper place for this article would have been under Co-operative Finance. But as the article was received rather late, it has been included among the General Problems--Ed.]

† "The Saukar or bania, from being a help to agriculture, becomes, in some places, an incubus upon it. The usurious interest that he charges and the unfair advantage that he takes of the cultivators' necessities and ignorance have, over large areas, placed a burden of indebtedness on the cultivators which they cannot bear." Report of the Famine Commission, May 1901.

"It is the bonds of debt which shackle Agriculture. It is usury—the rankest, most extortionate, most merciless usury—which eats the marrow out of the bones of the ryot and condemns him to a life of penury and slavery, in which not only is economic production hopeless, but in which also energy and will become paralysed, and man sinks down beaten into a state of resigned fatalism, from which hope is shut out and in which life drags on wearily and unprofitably as if with no object in view. There is no use denying the fact. It is plain to all eyes." Wolff's Co-operation in India, 2nd Edition, page 3.

The economic position of the agriculturist who had to face such risks was rendered worse by the disintegration of the village communal life, the triumph of the state landlordism in the theory and practice of revenue administration, the destruction of cottage industries and other subsidiary occupations, the suppression of industrial development, the steady increase of pressure on land (which is the main source of living for the rapidly growing population) and the operation of the laws of inheritance and succession resulting in excessive subdivision and fragmentation of agricultural holdings. These and other political, economic and social factors have been in operation for a long time and are still in full swing.

No country could therefore really furnish a suitable model for a type of economic organisation to deal with a body of agriculturists so peculiarly situated, so depressed and so disorganised and the path of whose economic progress is littered with so many obstacles, the removal of which is not in the power of the people, for they have no voice whatever in the shaping of the fiscal, financial, economic and administrative policies of the State, on which their prosperity or adversity ultimately depends. It therefore rested solely with the British administrators to determine the forms of relief and organisations calculated to promote the economic efficiency of the Indian agriculturists. Investigations by the official experts of the Government had started as early as 1870, and since 1882 some concrete proposals were forthcoming from them. The Indian rural economy at the commencement of the twentieth century was discovered by them to possess certain features similar to those of the mid-nineteenth century Germany. They accordingly decided that India would benefit by Germany's example of organising rural credit on a co-operative basis. In actually introducing co-operative credit institutions into India, they did not, however, copy the *system* as it existed in Germany at the commencement of the twentieth

century, but recommended the formation merely of the primary society as Raiffeisen started his in Germany in the year 1862. Raiffeisen's countrymen had, however, vastly developed and modernised his movement long before the expiry of the 19th century, and at the commencement of the twentieth century, the German Co-operative Credit movement, with its central organisations to serve as financing agencies and balancing centres to the primaries, its *landschaften* to provide substantial long term farm mortgage credit, and its arrangements for expert audit and efficient internal supervision, had assumed vast proportions and was a practically self-contained system of rural finance. The official idea that the Indian Co-operative Credit Organisation should be started on the 25th day of March in the year of grace 1904, with an unbuttressed primary credit society, at the point where Raiffeisen commenced his movement half-a-century before that date, was simply grotesque. Mr. Wolff, in his foreward to Professor Kaji's "Co-operation in Bombay", put in the plea that the restricted scope of Act X of 1904 was not intentional but accidental. "The restriction, however, was in truth merely a slip" says Mr. Wolff. On a careful looking into the matter, however, I find that Mr. Wolff's surmise has no foundation in fact.

Let us leave that point alone. In order to accept that the simple credit society alone would function in India as it did in Germany in 1862, is it not pertinent to examine whether the conditions of rural economy of the mid-nineteenth century Germany and twentieth century India were similar to any very large extent? According to all accounts available to us, the German rural credit societies, from their inception, were able to attract the bulk of their requisite capital locally at astonishingly cheap rates and to lend it out to their members at what in India would be considered incredibly low rates and there was but little change in this position from the time the movement was started in Germany till German

capital was destroyed by the Great War and its repercussions.* If the official experts of the Government of India believed that the Indian village credit society would be able to similarly feed itself on the surplus wealth of the village and that cheap rural capital would flow into it, it must be said that they knew very little of rural India and its economy, in spite of their lengthy and learned reports on the subject.

The co-operative credit society, statutorily inaugurated in India by Act X of 1904, was, generally speaking, on the Raiffeissen model, but rural and urban societies of the Raiffeissen and Schulze-Delitzch types could be started under the Act, and limitations were placed on the constitution of societies which did not exist in Germany even in 1862. The first statutory Indian co-operative society was conceived as a primary society composed entirely of indidividuals. A credit society with another society as a member, that is to say, a secondary or a central society, could not be registered under the Act. The primary credit societies which alone could be registered under the Act, were classified as "rural" and "urban" according to the composition of their membership. It was laid down that, in a rural society, not less than four-fifths of the total number of members should be *agriculturists* and that, in an urban society, not less than four-fifths of the members should be *non-agriculturists*. So if the number of members in a society consisted of less than eighty per cent. of agriculturists, it could not be registered as a rural society, and if the number of agriculturists was even slightly more than 20 per cent., though the non-agriculturists in it were in largely preponderating numbers, it could not be registered as an urban society either. In fact, the words "rural" and "urban" in their legal connotation under the Act, had no reference to the location of the society, but to the agricultural or non-agricultural occupations of its

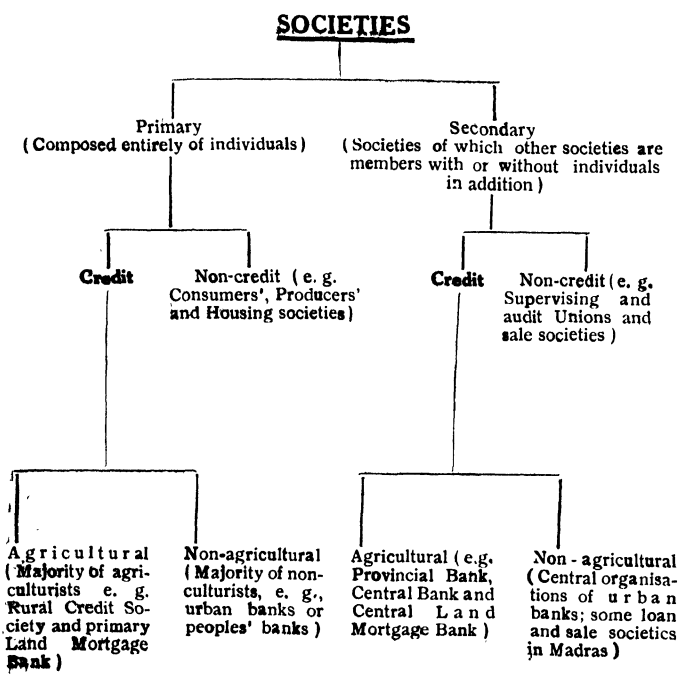
* Mr. Darling's "Co-operation in Germany and Italy" p. 8 and p. 26.

members. A credit society four-fifths of whose membership was composed of weavers and other artisans was *urban*, though situated in a *village* and though all its members lived in the village; and a credit society four-fifths of whose membership was composed of agriculturists was *rural*, though situated in a *municipal town* and though all its members lived there. It however soon became evident that the credit societies of the kind so established could not derive any nourishment from the villages, as little or no rural capital was forthcoming. After eight years of the working of the Act X of 1904, the entire working capital of the movement in India in 1912 was less than Rs. 75 lakhs, a sum which was perhaps less than the rural indebtedness of a single Taluka in many parts of India. The necessity for the enactment of co-operative law on less archaic and more comprehensive lines thus forced itself on the Government and the Act of 1904 was replaced by the Act II of 1912.

The New Type of Rural Credit Society under Act II of 1912:—The scope of Act II of 1912 was made much wider than that of its predecessor. The Act though it neither named nor classified the various kinds of societies that might be registered under it, was so framed as to permit practically every type of society to come within its scope. Restrictions on the composition of membership were removed. Mixed societies of agriculturists and non-agriculturists, without regard to any definite proportions in their membership, could be registered. Primary credit societies of the Raiffeisen type as well as the Schulz-Delitzch type could be formed either in a rural area or an urban area without any legal impediment arising from the occupation of their members, provided that the suitable form of liability of the members appropriate to the type was adopted. Secondary or central credit societies, that is, societies in which other societies might be members, either exclusively or along with individuals, could also be established. With the formation of the central credit

societies, generally known as central banks or banking unions, to act as financing agencies and balancing centres to the primary credit societies, and the federation of these central credit societies into provincial (apex) banks, the co-operative credit movement entered on a new phase and the village credit society was no longer an isolated phenomenon but became an integral part of the credit organisation.

Again, not only credit societies, but non-credit societies as well could be incorporated. In consonance with these implications of the scope of the second Act, it has become possible to form societies which cover all the beneficent activities of co-operation. The following table shows the several classes of societies that may be registered under the Act:—



The financial structure of co-operative credit organisation in the provinces is thus pyramidal, with the Provincial Bank as the apex, the central banks in the middle and the primary credit societies as the base. To vary the metaphor, the rural credit societies are the real outlets through which credit flows from the co-operative financial distributory system, "thinning out the stream of water collected, sending it in rills over a broad surface, so that irrigation may be perfect and reaching every root to be watered".*

Membership and area of operation :—Having thus examined the place of the agricultural credit society in the existing co-operative credit organisation of India, we may now conveniently deal with its characteristics. The agricultural credit society is a compact association of borrowing and non-borrowing individuals residing in a village or group of adjoining villages. Its structure is simple. Every resident of a village who in the opinion of his fellow members is a desirable person of good character and thrifty habits is eligible for membership. The ideal is one society for each village, comprising all sections of the population thereof, who by reason of their daily intercourse in social life are expected to know one another and take mutual interest in, and keep constant watch over, one another's affairs. Where all sections of the people in a village cannot be fitted into a single society owing to pronounced group characteristics best on communal or caste or occupational considerations or other tendencies, more societies than one are sometimes registered in a single village. There are no statutory limits on the geographical area or numerical strength of a village credit society. In practice, generally speaking, they are bodies of small size each operating over an entire village. The registration of separate caste and communal societies is discouraged on principle both by the official and non-official agencies. The foreign experts who came out to India to

* Wolff's Co-operation in India, p. 134.

assist the Indian Central Banking Enquiry Committee, recommended that "membership of primary societies should not be confined to a special creed, caste or calling or to a certain number of people resident in a village" and the Banking Enquiry Committee endorsed that recommendation. There does not however seem to be any objection to the formation of societies for the exclusive benefit of people who follow a definite occupation, like hand-loom weaving for instance, or for the special convenience of employees of the Government, municipal corporations or industrial concerns. This arrangement of cosmopolitan societies comprising all the inhabitants of a village, the Banking Enquiry Committee point out, "brings together persons of different status in life into a common economic organisation and helps to foster a true spirit of co-operative brotherhood."*

Management :—The powers of management of agricultural credit societies are shared between its general body and its executive which is called the *Panchayat* or *Panch*, or committee. Having regard to the fundamental conception of the village agricultural credit society as an organisation in which every member is liable, in common with others, for the debts of the society and in which all of them are expected to keep watch over one another's operations with the society, the *panchayat* functions more or less as an agent of the general body carrying out its directions. In most provinces, the bye-laws provide for the general body to exercise, without the right to delegate to the *panchayat* or the committee, certain powers, like removal of members and *panchayatdars*, the amendment or repeal of bye-laws and the consideration of the Registrar's annual audit order. Subject to the instructions of the General Body the *panchayatdars* are, however, empowered by the bye-laws to transact almost all the important items of the society's business such as those enumerated below :—

(1) to admit members and allot shares to them.

* Indian Central Banking Enquiry Committee's Report, p. 117.

(2) to raise local deposits or to borrow money from the central bank. It is a very important duty of the *panchayat* to encourage the members and other people of the village to place deposits in the society.

(3) to decide what members shall have loans and what shall be the period or periods of repayment and recover the loans from the members at the proper time. A proper discharge of this important duty is the main concern of a good *panchayat*.

(4) to summon general meetings when necessary.

(5) to arrange for the maintenance of proper accounts of the transactions of the society.

(6) to correspond with the Registrar and others on the business of the society.

(7) to act as the agent for the members in arranging for the joint purchase of their requirements or the joint sale of their produce.

(8) to induce members to be thrifty and to put funds into saving deposits.

(9) to do all other duties that are necessary to carry out the objects of the society in accordance with its bye-laws.*

The *panchayat* in its turn elects its officers—mainly two—the President or *Sarpanch* and the Secretary. The President exercises general control over the affairs of the society and is the custodian of the societiy's properties, and the Secretary keeps the accounts of the society.

Funds of the society :—The funds of the society are raised from entrance fees, share capital, deposits and other borrowings either from members or non-members ; occasionally the state also grants loans. The reserves, built up by societies in course of time, also swell their funds. Entrance fees are collected chiefly to meet preliminary expenses of organisation

* The Madras Co-operative Manual : revised by Mr. H. M. Hood Vol. I p. 21.

and purchase of account books and forms. The levy is generally very small. In some localities members contribute a small share capital and in some they do not. In the Punjab, the United Provinces and to a very great extent in Madras and Burma societies based on the share capital system are the rule. In other provinces the share and the non-share societies flourish side by side. The advantages of share capital are thus set out in Hemingway's ' Manual of Co-operation. '

"In the first place, it enables the societies to lend it at a profit and thus to increase their profits and their reserve funds and, through increasing their reserve fund, to reduce the dangers of unlimited liability. In the the second place, it is found that members feel a stronger attachment to, and interest in a society in which they have invested their own money. This increases their feeling of responsibility and loyalty. Moreover, the aim of co-operation is not only to enable the members to borrow but also to enable them to save money, and to subscribe to the share capital of the society is one way of saving. It is also desirable that the members should not look to the society only to lend money to them but also should consider it their duty to help the society by depositing their savings with it. For these reasons, village societies demand small payments of share capital from their members and each member is required to take at least one share."

Shareholding is restricted. The voting power is not based on the number of shares held, for "one man, one vote" is the general co-operative rule. There are restrictions on the right of the member to transfer or change his share or interest in the capital of a registered society. Such share or interest is also not liable to attachment or sale by courts or in insolvency proceedings. The liability of a member for the debts of the society continues until the expiry of two years after he ceases to be a member. Share capital is not with-

drawable till after the expiry of a certain period fixed by the bye-laws of the society, and even then only after reasonable notice, whose period also has to be fixed by the same. Although the share capital of these co-operative societies is not regarded as a dividend-earning investment, but is primarily looked upon as a contribution to the common capital, yet dividends are allowed to be paid out of the net profits on the paid-up share capital, subject to a statutory maximum. The income from entrance fees and share capital is, however, small compared with the financial requirements of the members. So, the other large sources from which funds are derived are deposits and loans. "The distinction between a *deposit* and a *loan* is that a deposit is money offered to the society on terms fixed by the creditors." The volume of deposits which a society is able to secure on terms offered by it is an index of the measure of the public confidence it has inspired and the soundness and the stability of its financial position. The ideal placed before these societies is the development of members' deposits to the extent of making the society financially self-sufficient. These deposits by members further serve the purpose of stimulating thrift and saving habit among the members, and, are therefore eminently desirable. Attempt is everywhere made to encourage them, but the response has been small, except in the province of Bombay, where it is encouraging. Regarding the encouragement of deposits from non-members in the agricultural credit societies, the advantages are not so clear. The Indian Central Banking Enquiry Committee which had the benefit of the views of the several Provincial Banking Enquiry Committees on this question, sounded a note of caution in the matter of attracting non-members' deposits by offering tempting or competitive rates of interest. They say: "We do not recommend under existing conditions that primary societies should make any special effort to attract deposits from non-members by offering high rates of interest, for this would frustrate the aims of the Movement to bring down the

general high level of interest rates and to provide the rural co-operators with cheap and controlled credit. Moreover, without the aid of an efficient and well-organised Central Banking System which can act as a true balancing centre for primary societies, the latter cannot receive and utilise non-members' deposits without risk and with profit." Loans from central banks must therefore furnish the bulk of the working capital of these agricultural credit societies at present.

By low dividends and voluntary services resulting in low cost of management, it was made possible to divert a substantial proportion of the profits of these societies to reserve funds. The provision about reserve funds is contained in section 33 of the Act II of 1912. The reserve fund is indivisible and its object is to provide against unforeseen losses in societies' transactions (e.g., bad debts) or probable losses on the realisation of certain assets (e. g., investment depreciation). The general practice in regard to the use of the reserve fund in the business of the societies is that it is largely invested outside the movement in the case of limited liability societies holding deposits from non-members ; in societies with unlimited liability, the reserve fund is used as ordinary working capital.*

The funds collected by the *Agricultural Credit Societies* in India at present are by no means negligible. They aggregate to more than thirty crores of rupees. Their financial position as on 30-6-1930 stood thus :—

	In thousands of rupees.
Total Working Capital ...	30,46,26
Share Capital and Reserve Fund..	8,14,16
Deposits	2,64,80
Loans	19,66,91

* See Calverts' Law and Principles of Co-operation, pp. 224-229 for a description of the reserve fund, its incidents, objects and uses.

The deposits are from members as well as from non-members. So, these tiny agricultural societies in India work with about Rs. 9 crores of their own capital (including members' deposits in this head), as against their outside borrowed capital of about Rs. 21 crores. The owned capital was thus 40 per cent. of the outside borrowed capital and about 30 per cent. of their total working capital, and this proportion is rising steadily as years pass by.

Liability of members:—Primary credit societies fall into two classes, those with limited liability and those with unlimited liability. Under the original Act, the liability of each member of a society for the debts of the society was (a) in the case of the *rural* society,—*unlimited*, save with the special sanction of the Local Government and (b) in the case of an *urban* society,—unlimited or limited, as may be provided for in the bye-laws.* In the present Act, the rule as to the nature of liability is this: Societies may be formed with or without limited liability as their organisers choose. But, unless the local Government by general or special order otherwise directs, (a) the liability of a credit society of which a member is a registered society shall be limited; (b) the liability of a credit society of which the majority of members are agriculturists and of which no member is a registered society shall be unlimited. The net result is that all central banks and banking unions and most urban or non-agricultural credit societies work on a limited liability basis, while most agricultural credit societies work on an unlimited liability basis.

As to the precise nature of the unlimited liability, there is considerable divergence of co-operative practice as well as judicial opinion on the interpretation of the Act. When does the unlimited liability arise and how is it to be enforced? The Madras and the Patna High Courts appear to hold divergent views on this question. †

* Vide sec. 7 of Act X of 1994.

† Vide decisions of the Full Bench of the Patna High Court, 12 Patna

Mr. Calvert who has discussed the question very carefully presumably thinks that the unlimited liability, at least in practice, whatever may be the strict legal view, is an ultimate contributory liability to be worked out by the liquidator; and he holds in consequence that the loss of the society will fall first on the member, secondly on his surety, thirdly on the reserve, fourthly on the share capital, fifthly on the unlimited liability of the members and finally on the creditors of society.* The Bombay Act VII of 1925 specifically lays down in section 5(2) that in an unlimited liability society, "the members of such a society shall *on its liquidation* be jointly and severally liable for and in respect of all obligations of such a society." The Madras legislators, I am informed, generally favour the Bombay view and that it is likely that the Bill, which is now on the anvil there, when it emerges as an Act, will copy the Bombay provision.

Loan operations :—The general principles and procedure regulating the loans to members of the agricultural credit societies are well summarised in the Indian Central Banking Enquiry Committee's Report as follows :—

(1) The maximum borrowing power of the society is fixed on some understandable basis, such as a definite fraction of the net assets of all the members composing it. It varies between one-fourth to one-eight of the value of the net assets in the several parts of India.†

Law Times, page 619, extracted at page 478 of the Bihar and Orissa Co-operative Journal, October 1931 and the decision of the Division Bench of the Madras High Court, a summary of which was published at page 182 of the September 1931 issue of the Madras Journal of Co-operation and which was referred to at pages 338-39 of the same Journal for December 1931. See the issue of the Madras Journal for January 1932 for the full Judgment of the Madras High Court.

* See Calverts' Law and Principles of Co-operation, page 40.

† The tangible assets of the society consist of the property possessed by all the members thereof, the details of which are entered in a list called the property statement (Haisiyat) of the society. This is periodically revised usually once a year and brought up-to-date. The careful preparation and revision of this statement is of the utmost importance for the proper working of the society (vide page 117 of the Indian Central Banking Enquiry Committee's Report).

(2) In fixing the individual maximum borrowing power of the members, fair latitude is allowed according to their needs. Such maximum bears a definite proportion to the individual assets of the member and does not ordinarily exceed 50 per cent. of the value thereof.

The purpose of the loan and the repaying capacity of the borrower constitute important factors, in determining the amount of the loan within the prescribed maximum limit of the borrowing power.

(3) No loans should be advanced for an unproductive or wasteful object, and the scrutiny of the purpose of the loan is an important function of the Panchayat or the Managing Committee.

(4) The members should keep mutual watch over one another in regard to putting the loan to beneficial use and in the matter of the timely discharge of the dues to the society.

(5) The instalments of repayment of the loan should be fixed with due regard to the repaying capacity of the borrower; when the borrower is unable to repay on account of any just cause, like failure of crop, a suitable extension of the period of repayment is made and no undue pressure is brought to bear on the borrower.

Generally speaking the chief purposes for which loans are advanced in most provinces fall under the following heads :—

1. Cultivation expenses, including payment of land revenue or landlords' rent,
2. Land improvement,
3. Redemption and repayment of old debts,
4. Domestic purposes,
5. Trade, and
6. Purchase of land.

The statistics constructed on the basis of the loan applications of the members to their societies of the percentage which the loans advanced for each of these purposes bears to the total amount lent are very rough approximations of the truth and it is unsafe to rely on them. Sums borrowed in fact for unproductive purposes like ceremonies are often entered in the applications as required for cultivation expenses or repayment of old debts and the panchayats are far from being strict in the enforcement of the principle that no loan should be advanced for an unproductive purpose.

In relation to the period for which loans are advanced, they are classified as short, intermediate and long.

"Short-term and intermediate credits are intended to meet current outgoings and to facilitate production. The current outgoings and expenses of production include the buying of cattle and agricultural implements (or hiring them); purchase of manure and seeds; expenses of transplantation in the case of wet cultivation and weeding and hoeing of dry crops and of reaping, gathering and threshing; maintenance of the farmer, his family and livestock and payment of revenue and rent; and outlay on various items of improvements effected in the ordinary course of husbandry such as levelling, deep ploughing, irrigation, clearance, drainage, fencing, and installation of pumping plant.

Long-term credit is meant for obtaining fixed capital to be invested permanently or for long periods. The fixed capital is required for the purchase of land, acquisition of costly equipments, consolidation and improvement of holdings and repayment of past debts." *

The Provincial Banking Enquiry Committees are practically unanimous in stating that agricultural credit societies

* Vide Report of the Indian Central Banking Enquiry Commitee, page 68.

cannot safely advance loans to their members for more than three years (that is to say, short and intermediate loans) and that the proper agency to advance long-term loans is the Co-operative Land Mortgage Bank. These considerations are not now properly appreciated, but the necessity for their application is being more and more recognised.

Progress :—The agricultural credit societies form the bulk of the total number of co-operative societies in India. The total number of co-operative societies of all types in British India on the 30th June 1930 was about 94,500 ; out of that number about 74,500 were agricultural credit societies, which thus constituted 80 per cent. of the total number of societies. The following table shows their numbers, membership and resources as on 30-6-1930, in the various provinces of British India :—

Provinces.	*Number of agricultural credit societies.	Membership.	Share Capital. (in thousands of rupees.)	Deposits (in thousands of rupees).	Loans (in thousands of (rupees.)	Total Working Capital (in thousands of rupees).
Ajmere-Merwara ...	513	11,203	7,83	41	8,64	16,88
Assam ...	1,282	52,579	7,57	5,02	16,57	29,16
Bengal ...	19,156	4,56,139	1,27,39	34,38	3,28,55	4,90,32
Bihar & Orissa ...	8,624	2,11,778	42,04	8,19	1,18,40	2,38,63
Bombay ...	4,526	2,65,325	77,37	1,16,65	1,93,28	3,87,30
Burma ...	2,282	53,945	86,78	9,61	61,17	1,57,56
Central Provinces ...	3,950	59,308	31,79	7,66	1,32,11	1,71,56
Delhi ...	217	5,173	2,12	32	5,92	8,36
Madras ...	12,540	6,74,590	1,27,55	9,72	5,26,89	6,64,16
N. W. F. P...	152	4,122	57	3	2,80	3,40
Punjab ...	16,125	4,83,423	2,57,40	70,20	4,51,30	7,78,90
United Provinces ...	5,043	1,17,661	46,14	2,61	51,28	1,00,03
Total...	74,410	23,94,246	8,14,55	2,46,80	19,66,91	30,46,26

* The figures in this column include Land Mortgage Banks also ; but their number is negligible. There are none in Bihar & Orissa, Central Provinces, Delhi and N. W. F. P. Their number in other provinces was as follows on 30-6-31:—Ajmere-Merwara 13, Assam 5, Bengal 2, Bombay 3, Burma 2, Madras 28, the Punjab 12, and the United Provinces 1.

Audit.

(i). *Scope of audit and the duties of auditors:*—The audit of co-operative societies is a statutory function of the Registrar.* The Registrar's responsibility to the public is thus a serious one and where the auditor entrusted with the audit of a society is not a deparmental official he must be approved by the Registrar, for the latter makes himself responsible for the accuracy of the audit. The general purposes of an audit such as ascertaining whether the accounts of the society are properly kept and the preparation of a correct statement of the society's financial position, are common to the audit of joint-stock and co-operative concerns. The statute further requires the auditor of a co-operative society to examine the overdue debts, if any, and to value the assets and liabilities of the society. By implication, this statutory direction imposes on the auditor the obligation to find out whether the affairs of the society are conducted in accordance with co-operative principles in addition to mechanical and mathematical audit. The Maclagan Committee's exposition of the scope of co-operative audit is generally accepted in India, at least so far as agricultural credit societies are concerned. That Committee said: "The terms of the Act expressly require that the audit shall include an examination of overdue debts and a valuation of assets and liabilities. By this latter, we understand not merely the preparation of the balance sheets of societies but also a sufficient check, in accordance with such rules as the Registrar may lay down, of the list of the material assets of the members. The audit should in our opinion extend somewhat beyond the bare requirements of the Act, and should embrace an enquiry into all the circumstances which determine the general position of a society. It would, for instance, be the duty of the auditor to notice any instances in which the Act, Rules, or Bye-laws have been infringed; to verify the cash balance and certify the correctness of the

* See section 17 (1) of Act II of 1912.

accounts; to ascertain that loans are made fairly, for proper periods and objects, and on adequate security; to examine repayments in order to check book-adjustments or improper extensions; and generally to see that the society is working on sound lines and that the Committee, the officers, and the ordinary members understand their duties and responsibilities."

The duties of the auditor of co-operative societies may therefore be thus enumerated :

The auditor should

(i) verify the cash balance. If it is not immediately forthcoming, he should make a note to this effect and record any reasons given for the delay. He should also state where and how it is kept ;

(ii) verify the genuineness and regularity of all personal security and mortagage bonds and see they are not time-barred. Any defects must be detailed ;

(iii) verify the property statement in a general meeting and also by independent enquiry from persons unconnected with the society. He should state in detail the steps he has taken and the results of his enquiries ;

(iv) ascertain from the property statement and otherwise, if necessary, whether the personal sureties are good for their undertakings and whether the mortagage securities are sufficient. Any defects should be pointed out and commented on ;

(v) submit a detailed report on all overdue debts and state definitely whether he considers they are good or not. He should also state the steps that are being taken to recover them ;

(vi) verify the liabilities against the central bank's statements and fixed deposit receipts in the hands of deposit-

ors, etc. (whenever possible) and any differences with his explanations;

(vii) state whether the bye-laws, the Registrar's orders, etc., are being properly observed;

(viii) state whether all the irregularities brought to light in previous audit reports have been rectified;

(ix) prepare a balance sheet and profit and loss statement; and

(x) test certain of the supervisor's answers in the supervision report, note the result and state if the supervision appears efficient or if not its defects."*

The general position regarding audit is believed by those who are competent to judge as unsatisfactory on the whole. The Indian Central Banking Enquiry Committee summed up its opinion in these words: "As regards audit, in Burma where the Calvert Committee on Co-operation submitted their report after the Royal Commission had reported, the position is shown to be very unsatisfactory. There is evidence before us to the effect that audit in most places elsewhere than in Burma is also defective and does not conform to the statutory requirements as explained and amplified by the Maclagan Committee."†

(ii). *Agency for audit:*—Though, in every province, the audit agency ultimately derives its power from the Registrar, it is being done in different provinces by different agencies. In the Punjab, audit is carried on by a staff of inspectors of the Provincial Co-operative Union, each inspector being given a number of societies. In Bihar and Orissa, the Co-operative Federation's (Provincial Institute's) staff does the audit and the Registrar controls the staff and arranges for the test audit of a percentage of societies by his

* Vide Hemingway's Manual, revised edition, Vol. I, pp. 116-117.

† See para 172, page 134 of the Report.

officers. In other provinces, the agricultural credit societies are audited by the Registrar's staff, which in many of them is said to be inadequate. In some localities the societies have formed audit union for their audit.

The Second All India Co-operative Institutes' Conference, held at Hyderabad in April 1931, has formulated a scheme for a uniform system of audit for all provinces. The scheme was substantially approved by the Indian Central Banking Enquiry Committee. The resolution of the Conference which contains this scheme runs as follows:—

"This Conference is of opinion that a Provincial scheme of centralised audit by well-trained auditors will bring about the necessary efficiency, economy and uniformity in the matter of audit, supervision and inspection of societies and recommends for adoption, by the various provinces and States in India, the following scheme:—

(i) The responsibility and the duty of inspection of societies will and ought to continue to rest with the Central Financing Agencies—the Central Banks, the District Banks, and the Banking Unions.

(ii) Audit should be centralised in, and entrusted to, the Provincial Institutes.

(iii) There should be District Audit Unions, composed of representatives of societies—primary and central—in the area of the District Unions.

Note:—An "Audit District" does not necessarily connote the revenue or administrative unit, but an area comprising a manageable number of societies and representation should be by groups so as to ensure local touch and non-official initiative and enterprise in the conduct of the business of the District Audit Unions.

(iv) All the District Unions should be affiliated to or federated in the Provincial Institutes.

(v) The staff of the Provincial Institute and District Unions should be appointed and controlled by the Provincial Institutes.

(vi) Primary societies should be audited by the staff of the District Unions.

(vii) Central Banks and provincial societies should be audited by the staff of the Provincial Institute.

(viii) The staff of Provincial Institute and District Unions will consist of well-trained and competent men recruited from those who are licensed by the Registrar. The Registrar may cancel the license of any employee if in his opinion he is incompetent or otherwise undesirable. But the Registrar shall not otherwise interfere in the internal management of the Audit Union or the Audit Branch of the Provincial Institute.

(ix) The supervision fund which is now collected by the supervising and financing agencies should be pooled in the Provincial Institute. The Provincial Institute, may, with the previous sanction of the Registrar, levy audit fees from urban societies and central banks according to a scale fixed with due regard not only to the working capital of the institution audited but also to the amount of time and labour in the actual audit.

(x) The rural primary credit societies should get their audit free. On this basis, the Provincial Governments be requested to subsidise the Provincial Institutes with such sums of money as may be necessary to ensure free audit to the rural primary societies."

Cost of audit :—In most provinces, some contribution towards the cost of the audit is levied from the societies audited by the Departmental auditors or the audit staff of the Provincial Institutes as in the Punjab and Bihar & Orissa. In the provinces of Madras and Bombay, audit of

agricultural societies is practically free. Attempts are now being made even there to introduce the levy of audit fees for them. The resolution of the All India Institutes' Conference already quoted specifically asks for the audit of agricultural credit societies being made free all over India.

Control and Supervision:—(i) *Official*:—The Registrar's functions consist not merely of discovering and exposing weaknesses in the working of the societies, but also extends to helping the societies to rectify the defects found in the course of the audit and to so conduct their affairs as to promote their aims and objects. So, the ultimate responsibility for ensuring the proper working of the societies, and with it, the control necessary to discharge that responsibility, are vested in the Registrar. This control begins even before the starting of a society, for the power to register a society, which is discretionary, rests with him and he is expected to satisfy himself, before registering it, that the necessary conditions for its future successful working are forthcoming. To ensure the Registrar's effective control over the societies, after they are started on their career, numerous restrictions are placed on the freedom of the societies in the conduct of their affairs, and these restrictions usually take the form of making the Registrar's previous sanction necessary even for the transaction of various items of business which are within the purview of the sanctioned bye-laws. In addition to such powers of minute interference with the working of the societies, the Registrar has wide statutory powers of *inspection* of the books of the societies and *enquiry* into their constitution, working and financial condition, and of saddling the societies with the costs of such proceeding.* Finally, he has the power to inflict the extreme penalty of law on the society by cancelling its registration under Section 39 of the Act.

* See Section 35 to 39 of Act II of 1912.

In practice, however, the Registrar is expected, ordinarily, not to interfere with the internal working of societies, but to act more as an adviser than an inquisitor. In the famous resolution, No. 1-63-3 dated 29th April 1904, with which the Government of India set the Act X of 1904 into motion, they laid down the ideal in these words: "The Government of India trust with the co-operation of the local Governments, the scheme may be given a fair trial and neither suffer from the absence of that official guidance without which a successful start cannot be hoped for *in this country* nor be prevented by too much supervision and too many restrictions after attaining its full development." In another portion of the resolution it is said that "they desire further to lay stress on the necessity of reducing restrictions to a minimum, so that people may be encouraged (subject to certain necessary *safeguards*) to work out the problem on their own lines with such guidance and advice as can be given them." These "safeguards" reserved with foresight by the Government of India even before launching the Co-operative Movement are found in practice to be as potent in the field of co-operative banking and rural finance as in the field of commercial banking and general finance. The provisions of the Bombay Co-operative Societies' Act VII of 1925 and those of the Madras Co-operative Societies' Bill No. 4 of 1931 show that after a quarter of a century of the working of the Movement, the governments in India appear to think that official control over the Movement needs to be considerably strengthened.

(b) *Non-Official* :—Audit, Supervision and Inspection are closely allied, and not wholly separable functions in a simple organisation like the primary agricultural credit society. Broadly speaking, *Audit* lays the emphasis on *accounts*, *Supervision* on *administration* and *Inspection* on *Finance*; and they overlap in some aspects. The arrangements for internal supervision and control of rural credit societies in India differ materially from those in vogue in Raiffeisen's country,

where besides the managing committee of the primary society to look after the finances of the societies, there is a "supervising board" to supervise the management of the society under co-operative law. The foreign experts who came out to assist the Indian Central Banking Enquiry Committee recommended the German model for India and urged the formation of supervisory boards in the primary societies.* But, having regard chiefly to the paucity of the human material in rural India, to man two separate boards in a village society, the recommendation was not endorsed by the Committee.

In India, internal supervision is organised differently in different provinces. In Madras and Bombay, primary credit societies are federated into small local supervising unions, on the governing bodies of which the societies are represented. The staff of the Union does the normal supervision; the directors of these local unions are expected to supervise and control the work of the Unions' staff. Attempts were made to federate these local unions into District Councils or Federations. According to the reports on their working, the system does not seem to be working well in either of those two provinces though no final opinion has yet been pronounced on the desirability or otherwise of continuing the unions. In the Punjab and Bihar and Orissa, the official agency and the staff of Provincial Institutes, above referred to in connection with audit, also do the supervising. In other provinces, the Registrar's staff and central banks to which the societies are affiliated for financial purposes attend to supervision as well. The Audit Scheme adumbrated by the Second All India Institutes' Conference comprises supervision and leaves inspection to central banks. It remains to be seen how far it will be accepted by co-operators in India.

Arbitration and Execution:—The Act provides for claims against members of societies being adjudicated upon by the

*See the Report of the Indian Central Banking Enquiry Committee, page 692.

Registrar of Co-operative Societies without recourse to civil courts, or for being arbitrated upon by persons appointed by the Registrar and for the enforcement of the decisions of the Registrar and the awards of the arbitrators. Statutory rules are framed under this provision to regulate the conduct of such proceedings, to prescribe the mode of appointing arbitrators and executing decrees. The panchayats of societies are, of course, expected not to lightly resort to courts or to arbitration in all cases of default, but to strain every nerve to collect the overdues by persuasion and, if necessary, by gentle pressure on the defaulters and their sureties. Execution of the awards may be obtained through the civil courts, and in case of money decrees, through the Revenue officials to a limited extent, on a motion made through the Registrar. The Registrars do not have a machinery of their own to execute their decisions or the awards of the arbitrators appointed by them. In some places there are a few arbitration and execution unions whose duties are (i) to provide for a building in which arbitration claims could be decided, (ii) to serve processes, (iii) to do clerical work in connection with arbitration proceedings, (iv) to prepare and present execution applications, and (v) to provide legal advice and assistance in obtaining executions.

Liquidation :—Liquidation of co-operative societies, in other words, cancellation of their registration, is the statutory function of the Registrar. Before the registration is cancelled, one of the following conditions must have been complied with :—

(i) An enquiry into the affairs of the Society should have been held by the Registrar or by an officer authorised by him for that purpose ;

(ii) The books of the society should have been inspected by the Registrar or by an officer authorised by him for that purpose ;

(iii) An application for cancellation should have been made by three-fourths of the members of the society ;

(iv) The numbers of a society should have fallen below the statutory minimum ; and

(v) The Registrar must be of opinion that the society ought to be dissolved.*

The Registrar is now under no obligation to consult the wishes of the financing bank before ordering liquidation, and ordinarily does not do so ; and there are cases in which he has disregarded the recommendations of the financing bank in this behalf. This should be set right by making it obligatory on the Registrar at least to consult the financing bank before cancelling the registration of its constituent societies.

The Registrar appoints a competent man as liquidator after the cancellation of the registration of a society, for the realisation of its assets and paying off its liabilities. The power of the liquidator in winding up affairs of a society are defined in section 42 of Act II of 1912. The Bombay Co-operative Societies Act and Madras Co-operative Societies Bill have elaborated these provisions and remedied some of the defects in the existing law and practice.

The feature peculiar to agricultural co-operative societies in the process of liquidation is the mode of levy of contri-

* But the cancellation of registration should be recommended urgently in the following cases :—

(1) When the entire sum borrowed from the financing bank or a major portion of it has been lent to persons in a few families and when the arrears are not recoverable except through coercion and when there is a reasonable apprehension as regards the solvency of the borrowers ;

(2) When it is found that well-to-do non-borrowing members have withdrawn with a view to escape unlimited liability on account of the bad working of the society ; and

(3) When the chief office-bearer or officer-bearers of the society have misappropriated considerable sums of the society's moneys and are about to alienate their property so as to cause loss to the society." (Vide page 141 of Heming away's Manual).

bution from the members thereof, when the assets realisable are found to be insufficient. The deficiency is made good by the members, against whom the liquidator passes a contribution order, requiring each of them to pay the amount specified. The amounts collected under such contribution orders are expected to be distributed among the various members equitably according to the circumstances of each case.

The working of the societies and results achieved:—The Managing Governor of the Imperial Bank, giving evidence before the Indian Central Banking Enquiry Committee, summed up the present position of the societies in these words: "The fundamental principle of true co-operation is lacking. Overdues are highly excessive. Audit is defective. Control is inefficient." These charges are fairly accurate. The cause for the heavy overdues is to a large extent the neglect of the careful scrutiny of the economic purposes of the loans and the repaying capacity of the borrowers, in the process of dispensing loans. It is being increasingly realised that the discharge of prior debts is not a beneficial purpose for a co-operative loan through the agricultural credit society, and that the legitimate function of the agricultural credit society is to finance the current requirements of agricultural operations, the domestic needs of the agriculturist and the improvements to holdings which are effected in the ordinary course of husbandry.

The financial position of the agricultural credit societies is however on the whole sound. The impression that is entertained in certain quarters that the paper of co-operative societies is not a safe security, is not well founded. There will be few, among those who are well acquainted with the affairs of the societies, who will be disposed to dispute the conclusion of the Royal Commission on Agriculture which is expressed in these words: "The financial solvency of the movement is beyond dispute; it is the working of the societies that is defective." As for the net estimate of the benefits

conferred by the co-operative credit societies, the estimate of the Royal Commission on Agriculture may again be accepted as substantially just and impartial. They say: "The main results achieved may be said to be the provision of a large amount of capital at reasonable rates of interest and the organisation of a system of rural credit which, carefully fostered, may yet relieve the cultivator of that burden of usury which he has borne so patiently throughout the ages. Knowledge of the co-operative system is now wide-spread; thrift is being encouraged; training in the handling of money and in elementary banking principles is being given. Where the co-operative movement is strongly established, there has been a general lowering of the rate of interest charged by money-lenders; the hold of the money-lender has been loosened, with the result that a marked change has been brought about in the outlook of the people." The hope of the agriculturist for his economic uplift can be substantialty realised if an agricultural credit society is firmly planted in every village in India.

II

RURAL INDEBTEDNESS.

By Mr. M. C. Munshi, M. A., Bombay.

Any scheme of rural uplift which aims at achieving "better business, better farming and better living" must necessarily view the problem of agricultural indebtedness steadily and view it whole, for it is this fact of indebtedness, more than anything else, that hampers the Indian agriculturist in the pursuit of his economic activities, and brings him that despondent and fatalistic attitude to life for which he has so often been blamed. His appalling poverty has long been a by-word in the world. Even to-day the average income of an agriculturist in British India is computed as not exceeding Rs. 40. Ever since 1880 it has been dinned into our ears that the numbers dependent upon agriculture are far greater than the land can support. But the census figures instead of showing any improvement in the occupational distribution, have always told a grievous tale and the recent census promises to show that the last decade, too, will not yield to its predecessors in presenting a similar record. It is not surprising therefore to find that the agriculturist in India is born in debt, lives in debt, and dies in debt.

The problem of rural indebtedness is not simply a problem of its magnitude but one of the very nature of agriculture credit. This credit differs in some important respects from credit from other purposes. Everywhere in the world the size of the producing unit in agriculture is generally smaller than it is in other industries. Again, there is, in agriculture, not that distinction, found elsewhere, between production for business and production for domestic use, in which respect the agriculturist very much resembles the small retail shopkeeper. This makes it difficult either for the borrower or the lender to distinguish between loans for productive purposes and

those required for consumption. It has also to be noted that the agriculturist has to borrow for his current needs to a much greater extent than the industrial producer. Inheritance, too, plays an important part which it does not in industrial finance. Finally the fact that agriculture depends closely upon nature affects the character of the credit considerably. The risks run by the lender, the term for which loans have to be granted, and the consequent slow turnover of capital, make it impossible for the ordinary joint stock bank to participate actively in agricultural finance. The security offered by the farmer, ultimately, is his land; and this also prevents the savings of the community at large from being used for his requirements. Besides, loans are wanted either for the purposes of cultivation or for domestic requirements in small sums and the borrowing itself is generally spread over a number of months, and loans can generally be expected to be repaid only after the sale of crops. The cultivator also wishes that these loans should be available with the least possible delay, in order that he may adjust his requirements to the nature of the season.

In India, as we shall presently see, the operation of these general causes is intensified by a backward system of agriculture, by the economic position of the average agriculturist and by his social surroundings.

Rural credit is classified into short term, intermediate and long term. The first of these is required for meeting current expenses such as, the purchase of seeds and manure and the maintenance of the family and the cattle; the second, intermediate credit, facilitates production and is obtained for the marketing of produce or the purchase of cattle or implements or the payment of labour. The last is needed as fixed capital for effecting permanent improvements such as buying costly implements and for the consolidation of holdings or for the repayment of old debts. For our present pur-

pose, however, as we are confining ourselves to an analysis of the causes of indebtedness and the evaluation of its effects upon the economic life of the agricultural community we divide this credit into its two well known heads "productive" and "unproductive".

Numerous causes have been put forward which are said to account for the Indian agriculturist's indebtedness. It is worth while classifying them into (i) those that give rise to indebtedness, (ii) those that account for its continuance, and (iii) those which explain its increase during the last fifty years.

We have already pointed out the general causes which give rise to agricultural indebtedness. Some of these, along with others, operate with peculiar intensity in India. The Indian agriculturist, with his poor equipment of capital, hangs on the breath of Nature, the vagaries of which have had fundamental effects not only upon his economic life but also upon his general outlook. Even to-day, generally, agriculture is a gamble in rain. Of the total area sown only 16 per cent. commands facilities for irrigation from rivers, tanks or wells. Famines may have changed their connotation during the last four or five decades; they none the less drain away the little saving the cultivator has been able to make, after years of prudent—nay, frugal—living and even destroy some of his existing capital such as cattle. Such calamities as famines or floods force even the thrifty to fall into the hands of the money-lender, and what is more—and we note here a third peculiarity of rural indebtedness in India—if the debt incurred happens to be large the cultivator may be unable to repay it during his own life-time and will have to pass on the burden to his successors.

Thus many an agriculturist starts his career with a heavy burden of ancestral debt and drags the load for the whole of his life. Another characteristic—which in turn is

the result of several factors—is his social and religious obligations. Rural India still puts on the garb of custom and tradition however much the world outside may laugh at it. The cultivator inherits a social order hidebound and inelastic, which tradition has made sacrosanct and therefore endowed with a compelling force. His illiteracy, which envelopes the cultivator's reason, on the one hand makes him think it his duty to observe ceremonies and rituals but on the other a hard sense of his economic position creates some flutterings in his faith, but he is too ill-equipped intellectually, and much more materially, to let the rumblings of revolt become vocal or effectual. He falls back upon the safer course of treading the path which his ancestors have trod and his confreres around him seem to be treading still. He resigns himself to fate, mortgaging his future but faithfully carries out the ritual, making the most of his opportunity, either for manifesting his love for his children or for standing up to his reputation in his social circle. One feels as if there is something pathetically pardonable when one recollects the rebukes of improvidence and extravagance to which the normally thrifty cultivator is held.

Lastly there is another cause which though not so important and obvious as the preceding ones, indirectly obliges the cultivator to borrow, namely the system of land revenue. While opinions have varied as regards the demands being excessive or otherwise, it is generally acknowledged* that in the rigidity of the demand and the time of the collection of revenue insufficient attention has been paid to the needs of the cultivator.

While the above set of causes gives rise to indebtedness there is another set that explains its continuance viz. the

* Even Mr. Darling who asserts that land revenue is no burden on the agriculturist admits that the British system is less elastic than the Moghul one and has aggravated indebtedness. See the Punjab Peasant in Prosperity and Debt p. 9 and p. 248.

pressure of population upon the soil, the subdivision and fragmentation of holdings, the absence of subsidiary occupations, and the inefficiency of the producers. These are so inter-related that one seems to follow from the others. We have already noted the steady increase of population dependent upon agriculture, and this fact, in combination with the laws of inheritance of the Hindus and the Moslems, inevitably leads to land morcellement. Behind both these causes lies their root cause namely, the loss of subsidiary industries. At present this operates by way of leaving the cultivator idle for at least four months of the year. One has only to remember the low standard of living, the insufficient equipment of the cultivator, and the poor conditions of village life to realize how the three causes, here considered, result in the uneconomic size of the productive unit and the miserably low efficiency of the producer, and also how the cumulative effect of all these is to drive the cultivator more and more to the money-lender's doors to borrow even for his current expenses.

We come finally to the set of causes that account for the enormous growth and rural indebtedness especially during the last fifty years*, namely, the change in the economic position of agriculturist and the usurious rates of interest. The latter is easily understood but the former is peculiar in operation. The change in the cultivators' economic position has been brought about by the expansion of credit. The expansion, more or less sudden and without effort on the part of the cultivator, has been brought about partly by the system of a fixed valuation of land and by the general economic progress especially in the sphere of communications. On the strength of the enhanced value of land he is tempted to borrow more and the lender hesitates less to advance. The law has clearly defined the contractual relations between the lender

* This point is now placed beyond the bounds of controversy by the findings of the Royal Commission on Agriculture, of the several Provincial Banking Enquiry Committees and of the Central Banking Enquiry Committee.

and the borrower giving greater security to the former for the recovery of loans. The prices too—barring depression periods—rose and though the cultivators may not have reaped all the profits resulting therefrom, their expectations having been aroused, they feel safe to borrow more and the lender too for the same reasons is willing to advance more. In some provinces, for instance the Punjab,* there has been a forcible demonstration of the operation of this cause. The so-called prosperity has indirectly been responsible for the enormous growth in the volume of indebtedness.

The other cause which has been equally potent, if not more, for their increase in debt is the high rate of interest charged by the Sowcar.† While on the one hand after the establishment of British rule the contractual rights of the lender were securely defined in law, the old relations that existed between him and his client—relations based on custom—were swept away on the other. The old social order bound the lender effectually to keep his demands regarding interest within limits and also saw to it that the borrower broke the terms of his contract only at his own peril. Those relations gave place to a *cash nexus* and the money-lender did not fail to exploit the ignorance as well as the helplessness of

* The figures given by the Punjab Banking Enquiry Committee for the total agricultural debt of the province are Rs 90 crores for 1921 and Rs. 135 crores of 1929.

† The average rates in different provinces given by the different provincial Committees are :—

Assam	12 to 75 per cent.
Bombay	12 to 25 per cent. rising to 50 per cent. in Sind.
Bengal	Minimum rates to 10 to 37½ per cent.; maximum 37½ to 300 per cent.
Bihar and Orissa	From 18¾ to 37½ and upto 50 per cent. for grain loans.
Burma	18 to 24 per cent.; for small unsecured loans 48 to 60 per cent
Central Provinces	12 to 24 per cent. rising to 37½ per cent. and grain loans 25 to 100 per cent.
Madras	12 to 24 per cent. rising to 36 and 48 per cent.
Punjab	6 to 12 per cent. for secured loans only.
United Provinces	7½ to 12½ per cent. for commercial debts. Grain loans 25 to 50 per cent.

ryots. For himself he tried to cover any insecurity of repayment, looking to the conditions of his client, by charging excessively high rates of interest and then by compelling the borrower to mortgage his land. It may also be noted that the administration of civil justice until the nineties of the last century helped the Sowcar in satisfying his usurious demands.

Various estimates have been made for determining the total volume of indebtedness. Until recently they were of a very loose nature, in the form of guesses by some commission like the Deccan Ryots Commission (1875) or the Famine Commissions of 1880 and 1901 and in a little more systematic way by individuals like Sir Edward Maclagan and Mr. Darling. It is easy to realize how the magnitude of the problem would baffle an individual investigator. The debt-multiple of land revenue, taken by some to be a safe method, cannot promise to give approximately correct results in view of the differences in land tenures and peculiarities of revenue assessments in the different provinces. Recently, however, the Provincial Banking Enquiry Committees investigated the problem with all the resources at their command but as several of them have pointed out,* the difficulties arising out of the illiteracy and the ignorance of business methods of the agriculturist, and the defective system of recording of the money-lender, vitiate the correctness of these estimates. All the Provincial Committees did not follow the same method of calculation; some of them arrived at the figure by an estimate based upon a survey of representative areas; some by taking the figures of the indebtedness of the members of co-operative societies as typical; and others by following the revenue surveys, that is, ascertaining the volume of debt and deducting unregistered debt by a formula of the proportion of secured and unsecured debt to the total debt of the population of a number of villages surveyed.

* See especially the Reports of the Bombay & Madras Committees.

The total debt of British India according to these estimates comes to Rs. 876·5 crores—in round figures, 900 crores. One need not stand aghast at the colossal figure for, as has been remarked above, it is the purpose for which the debt is incurred that can help us to pronounce more decisively as to what extent it is really a burden than a glance at the absolute figure. Unfortunately this very important investigation into the distribution of debt by purposes has not been uniformly carried out in all the provinces and the treatment of the problem of "Rural Indebtedness" is not uniform in all the Reports of the Provincial Banking Enquiry Committees. The principal aspects of the debt which would be of interest for our purpose are (i) the division into productive and unproductive debts, (ii) the distribution of debt according to the objects for which it is incurred, (iii) the debt as a multiple of land revenue, (iv) the relation of debt to total agricultural income, (v) the average debt per capita or per acre cultivated or per family, and (vi) the percentage of families free from debt. It must however be remembered that these figures themselves, even if available, have limitations to their significance. Thus, for instance, the debt-multiple of land assessment, while pointing out the capacity of the cultivator to bear the burden, would not indicate the real incidence of the same. Similarly—as has been remarked by the Bombay Committee—figures for debt per capita or per acre of cultivated acre will be of little practical value in view of the difference in the fertility of the soil.

The following figures, however, will be of interest for our purpose.

I *Debt multiple of Land Revenue.*

Bombay	...	15
Punjab	...	19

II *Debt-per Capita.*

Province.	Debt per Capita.
Central Provinces and Berar.	Rs. 227
Bengal.	,, 175
Bombay.	,, 329
Madras.	,, 38 to 61
Bihar and Orissa.	,, 61

III *Relation of Debt to Total Agricultural Income.*

Central Provinces ... 83·3 per cent.
Bombay ... 53 per cent.

IV. *Families free from debt.*

Province.	Percentage of cultivating families free from debt.	Remarks.
Assam	9 to 38	In different districts.
Bihar & Orissa ...	19 to 21	
Bombay	13 to 29	
C. P. & Berar ...	14 to 72	In the case of landlords.
	13 to 70	In the case of cultivators.
United Provinces.	33 to 61	Doubted by Mr. Mukhtar Singh, a member of the Central Committee.

V. *Distribution of Debt: Percentage according to Objects.*

Province.	Unproductive.			Unavoidable.		Productive.				
	Repayment of old debts.	Marriages & Ceremonies.	Litigation.	Maintenance expenses including loans during times of scarcity.	Arrears of loans or loans for repayment or for land revenue or rent.	Cultivators' expenses for wages of labourers and for cattle or seed.	Improvements.	Embankments etc.	Purchase of new land etc.	Business.
C.P. & Berar	26	14	2	7	4	23	1	10	11	2
Madras ...	37	10	1	9	2	20	9	1	8	3
Bihar and Orissa.	...	36	...	...	34	...	...	30	...	..
Bombay* ...	...	29·5	...	...	26·8	...	...	43.7	...	..

* Figures relate to a representative village, Sajod, in the Broach District.

We have given these figures only for the purpose of illustration and emphasis rather than for giving a correct picture of the debt in the different provinces, because figures for the distribution of debt are not uniformly available. The Provincial Committee laboured under various handicaps which have been already noted. But a generalization, even according to these Provincial reports, can safely be made that the ratio of productive debt to the total debt is so small that a very large portion of the 900 crores really means a dead weight on the agricultural community and a stupendous bar to the economic progress of the country.

It is common knowledge that the main source of borrowing for the average cultivator is still the money-lender; the part played by Government loans is infinitesimally small and that of the Co-operative Credit Societies as yet inconsiderable, though growing. Since times immemorial the money-lender has been a part and parcel of the village economy. Agricultural credit, apart from the security of land, is based on personal security. Even to-day the cultivator prefers to go to a Sowcar to resorting to other sources, for, he likes to keep his debts a secret and is prepared to pay a higher rate of interest for the same. The money-lender is more accommodating than either Government or the co-operative society, in his demands for repayment. It is here that the cultivator pays the penalty for his non-punctuality in payment and his ignorance by his being charged compound interest and by exposing himself to the various ways of exploitation adopted by his creditor. It has to be noted that it is not the borrowing, as such, but the failure to repay that causes the money-lender to resort to unfair practices. His position has not yet been successfully assailed in spite of the numerous attempts at controlling him and even the extreme measure of making his business illegal would fail of its purpose inasmuch as he fulfils a want felt by the agriculturists. Until these are educated and made to see that their favourite system only spells their ruin and the

whole system of rural finance is organised in a manner that not only offers cheap credit but also wins their confidence, the Sowcar will remain at least a necessary evil.

The services that are rendered by him are offered at a price that becomes too great for the debtor. Since land is the only security available to the cultivator it is natural to expect that heavy indebtedness and failure to repay would mean transfer of land from agriculturists to money-lenders and the increase in the number of a landless proletariat. It might also be expected, in consequence, that there would be a decline in agricultural efficiency, the Sowcar being only interested in the return of his capital and not in agricultural progress. But the conclusions of the Provincial Banking Enquiry Committees regarding this eventuality were not unanimous. While their effect and the resulting evil were emphasised in Bengal, the United Provinces Committee doubt if the result has been for the worse. Again in most of the provinces some cultivators themselves are taking to money-lending.

But there are other effects on which the evidence is not so conflicting. The money-lender especially if he is a shop-keeper often compels the debtor to sell the produce to himself as a result of which the latter is deprived of getting the fruits of his labour to his best advantage. It must however be said for the Sowcar that he labours under a great handicap. If he does not ensure payment at the time of the harvest as best as he can, he knows he is losing the opportunity for a whole year. But the evil effects of the system go to extreme. In some cases the debtor in case of his failure is reduced to economic serfdom which may extend even to his heirs. A glaring instance of this is found in the *Kamiauti* system in Bihar and Orissa. In a general form these effects are found in cases where the small artisans fall within the clutches of capitalists.

The general effects of rural indebtedness upon the cultivator—and with this is bound up the agricultural progress of

the country—can easily be imagined. Brought up in a surrounding in which indebtedness is thought of as simply inevitable, he sees no prospects before him of bettering his lot, when all that he produces over and above his bare needs is likely to be taken away by the Sowcar. With a life without hope he labours only for subsistence. He moves in a vicious circle by which, on account of a number of causes—which have also contributed to his poverty—he is obliged to borrow and his indebtedness in turn, reacts with terrific effect upon his already low standard of living.

The problem attracted the notice of the Government as early as the eighties of the last century. The policy that was adopted to meet it has taken the shape of suspensions and remissions of land revenue in years of scarcity or distress. The creation of Post Office Savings Bank, making improvements in the Civil Law with a view to place the debtor and the creditor on an equal footing, the passing of special acts in order to preserve lands, as far as possible in the hands of agriculturists and the provision of credit by the grant of loans under Government auspices and by the launching and promotion of the Co-operative Movement.

The first of these measures, remissions and suspensions calculated to enable the agriculturist to avoid unnecessary debts, is too spasmodic to effect the problem materially. The greatest measure for achieving this aim is yet to be adopted, namely, the education of the masses. The Post Office Savings Banks then reduce themselves to a mockery of the illiterate peasants. The second measure—improving the Civil Law—has been in effect found only to be a palliative. The Royal Commission on Agriculture, remarked that however perfect the judicial system may be, and however good his case, money can wear out the impoverished litigant and reports on the administration of civil justice testify to the volume of unsatisfied decrees against the cultivators. The numerous

acts beginning with the Deccan Agriculturist Relief Act (1879) and followed by the Land Alienation Acts in the Punjab, Bihar and Orissa (Bundelkhand) and the Central Provinces and the Loans Act (1918 amended in 1926) have all failed to achieve their end and not the least cause of their failure has been the cumbrous and expensive procedure of the civil courts. Of the last kind of measures—loans and cheap credit—the loans granted by Government under the Agriculturists' Loans Act and the Land Improvement Act are only for limited purposes, such as for tiding over calamitous periods and for effecting specific improvements. The movement of Co-operation when started in 1904 had the solution of the problem of indebtedness as one of its chief aims. That it has not been able to make much headway towards this goal is to be accounted for by the magnitude of the problem and the poor equipment of the would-be co-operator.

Attempts have also been made in some provinces to reduce indebtedness by the creation of land mortgage banks on co-operative lines. It is not possible to pronounce any judgment upon the success or otherwise of this measure—in itself very promising—in the brief period during which such banks have been at work.

More concentrated efforts at the solution of the problem have to be looked for in the schemes of bringing about conciliation between creditors and debtors with a view to secure a composition of the existing debts, referred to by the three Provincial Banking Enquiry Committees, the Punjab, the Central Provinces and Bihar and Orissa. A committee formed for the purpose of conciliation or a Government officer assisted by local punchayats approached the creditors and debtors, explained their object and pursuaded them to come to an agreement about the sums to be repaid after taking into account the position of the debtors, and about the rate of interest and period of repayment. This meant a writing off

of a good deal of irrecoverable debt. Unfortunately in none of these provinces did the scheme come to fruition. The first wave of enthusiasm passed away in some cases while in others the debtors failed to maintain regularity of payment. The potentiality of the scheme, however, is not despaired of by these Committees and they recommend its adoption with the help of Co-operative Societies. The Central Banking Committee, which of all the many Commissions we have had till now, have for the first time emphasised the importance of rural finance adequately, hold that such schemes could not succeed in the absence of proper organizations for carrying out debt clearance, and of agencies such as Government or Co-operative credit societies or land mortgage banks for making cash advances to the debtors. They, therefore, recommend a vigorous policy of debt conciliation on a voluntary basis suggesting that of necessity the whole arrangement may be backed up by legislative enactments, and if need be the settlement should even be made compulsory.

III

MARKETING OF AGRICULTURAL PRODUCE IN INDIA.

By Mr. S. G. Beri, M.A.,

Professor of Indian History and Economics, Deccan College, Poona

The value of efficient marketing organisation:—That marketing of agricultural produce in a manner calculated to ensure a square deal and a fair share of the value of his produce to the cultivator is the most vital link in the chain of rural economy, is a proposition, which is hardly open to dispute. An efficient marketing organization is an indispensable ally of a successful co-operative movement on the one hand, and of improved agricultural practice on the other hand. In the absence of such an organization, the agriculturist can never hope to derive from his industry any fair share of its produce, and consequently the credit which he obtains for purposes of current cultivation fails to secure him half its benefits. So also, unless the farmer can secure full premium for the improved varieties of crops raised by him under the advice of the Agricultural Department, there is not much chance of his adopting agricultural improvements. But neither the Agricultural nor the Co-operative Department had, until recently, been able to give the cultivator substantial help in this matter. It is only recently that there has been an appreciable change in the angle of vision of these Departments, thanks especially to the labours of the Royal Commission on Agriculture and the several Provincial Banking Enquiry Committees.

The Commercialisation of Indian Agriculture:—The need for a satisfactory marketing system has become increasingly imperative with the growing commercialisation of agriculture in India. Under the old economic regime in India, characterised by the isolation and self-sufficiency of the village

and subsistence farming, the marketing of agricultural produce held a very insignificant position. Moreover, the old village community organization guaranteed a large measure of protection and fairplay to the ryot in his few and infrequent exchanges with the outside world. Conditions today are, however, vastly different. The process of the commercialisation of our agriculture started about the middle of the nineteenth century. The constitution of power in India established security of life and property so essential for the development of commerce. The isolation of the self-sufficing village was broken by the opening of the country far and wide by improved means of transport, such as roads and railways, and by the development of telegraphic and postal communications. Of much greater significance in this respect was the opening of the Suez Canal in 1869, which brought India nearer to England by about 3000 miles and gave opportunities of commerce to European countries facing the Mediterranean. The improvement in naval architecture, development of steamships and laying of submarine cables served to stimulate the expansion of India's foreign trade with distant lands. It is hardly necessary here to analyse the causes of transformation of the nature of India's external trade. Suffice it to say that she now began to export, in increasing quantities, articles of considerable bulk and comparatively low value, food-stuffs such as wheat, rice and tea and raw materials like cotton, jute and oil-seeds in exchange for the imports of manufactures such as cotton piece-goods, machinery, hardware, railway materials, glassware etc. The expansion of irrigation works and the establishment of Agricultural Departments in the different provinces further accelerated the specialisation of various regions in different crops (for example, cotton in Bombay and Berar; jute in Bengal; rice in Burma; wheat in the Punjab; and oil-seeds in the Central Provinces) and the transition from subsistance to commercial husbandry. The increasing use of money in the rural areas and cash payments of taxes, rent, interest, and wages tended in the same direc-

tion. The opening of world markets for the produce of the cultivator should, as might have been expected, tend to improve his economic condition. As it was, he was largely deprived of the benefits of the new commerce since he was ill fitted successfully to play the new role of a businessman that was thus thrust on him. His interests were left, in the main, to the free play of economic forces and they suffered in the process. As the Royal Commission on Agriculture observe, "he (the ryot) is an infinitely small unit as compared with distributors and with the consumers of his produce who, in their respective fields, become every year more highly organised and more strongly consolidated. It is their interest to secure from the producer the raw material they handle, or acquire, at the lowest possible price. Marketing is the sole business of the distributor, whereas from the point of view of the cultivator it is apt to be regarded as subsidiary to production. The circumstances of the average cultivator in India favour this attitude. His farming is still largely of the subsistence type. His sales of produce are intermittent. His day to day concern is with production and upon this his attention must in the main be fixed. The traditional lore and inherited experience of his craft centre round the work on his holding; they are for the most part lacking in the commercial side of his business. Until, therefore, he realises that, as a seller of produce, he must study the art of sale, either as an individual or through combination with other producers, it is inevitable that he should come off second best in his contest with the highly specialised knowledge and the vastly superior resources of those who purchase his produce."*

Moreover, the disintegration of the village community owing to administrative centralisation, growth of individualism and the revolution in transport, brought the ignorant, illiterate, and now isolated cultivator face to face with the powerfully organised commercial and business community.

* Para 320

The handicaps of the cultivator :—The handicaps from which the cultivator suffers in respect of the marketing of his produce to a more marked degree in India than elsewhere, arise from several factors such as, heavy indebtedness, low standard of literacy, unsatisfactory communications, absence of properly regulated markets and lack of combination among producers. We shall now discuss these successively.

(a) *Indebtedness in relation to marketing :*—There is a close connection between marketing and indebtedness of the ryot. It is well known that the Indian cultivator is normally dependent on his money-lender who often is also a trader. In good many cases, loans are advanced on the condition that the produce is sold through or to the creditor. In a few cases advances, subject to the same condition as above, are taken by the cultivators from *Adatyas* and agents of exporting firms like the Rally Brothers in Bombay. In such cases it is clear that the cultivator has little or no freedom as regards either the time of selling or the price. Sometimes, there is an agreement to sell the produce at prices lower than the market prices*.

Even when there is no such condition attached to the advances taken by the cultivator his need for paying interest and a part, at any rate, of the capital to the *Sowcar*, rent to the landlord and assessment to the Government, often compels the cultivator to effect a hasty sale in the market when it is glutted with produce during the harvesting season, thus depriving himself of the chance of securing a fair price for his produce.

* The investigations of the Indian Central Cotton Committee regarding the finance and marketing of cultivators' cotton in certain cotton tracts in India show, however, that it is necessary to supply a corrective to the general belief that lack of finance and pressure by lenders render it impossible for the cultivator to hold his crop for high prices, except for very short period. The inquiries show that as a general statement this is not true and that the cultivators in most of the areas can and do hold their crop up. Report p. 7.

(b) *Low Standard of Literacy :*—The low standard of literacy acts as a handicap to the cultivator in several respects such as, knowledge of market prices, making up of accounts, weighments and unauthorised deductions from the price agreed to. Some of these drawbacks will be further noticed later on.

(c) *Defective Communications :*—As regards the effect of communications on marketing it must be said that there is in many parts of rural India an inadequate provision of roads, bridges and feeder railways. Defective communications hinder the movement of goods and make primary marketing costly, the additional charge falling on the shoulders of the cultivator. In extreme cases, the cultivator may be left entirely at the mercy of the local dealer.

(d) & (e) *Absence of properly regulated markets and of combination among cultivators:*—The consideration of these two factors makes it necessary briefly to describe the existing system of marketing of agricultural produce in India.

Information regarding Marketing Conditions:—To obtain an adequate idea of marketing of any particular class of produce, it is essential to have an exact knowledge of the methods, its distribution, including collection, storage, transport, and where it exists, manipulation, together with a detailed analysis of the price structure at every stage in the operations. As the Royal Commission on Agriculture point out, there is absence of adequate information in regard to marketing conditions in India, and no systematic survey of the conditions under which agricultural produce is marketed being yet made in any province. It is, however, gratifying to find that increasing attention is now being paid to the question of marketing and considerable material relating to the marketing of crops in the different provinces is already available. In the first place, one of the principal money crops, viz. cotton has been the subject of much detailed investigation by the Indian Central Cotton Committee regarding its finance and marketing in

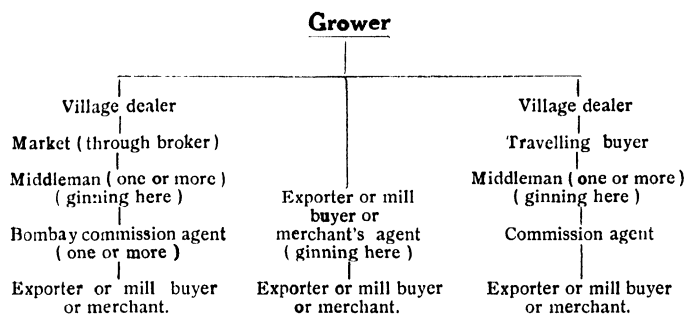
various areas such as, Berar, Khandesh, North and Middle Gujerat, Madras, and Sind (the omission of the Kumpta-Dharwar area being, however, a serious one) in which the crop is grown. The results of these inquiries are very interesting and valuable and serve to supply a corrective to many current ideas as regards the various aspects of marketing. In addition to these specialised enquiries the various Provincial Banking Enquiry Committees have recently devoted a great deal of attention to the marketing conditions in the various provinces (including some Indian States like Hyderabad) and their reports, which are now available, throw a good deal of light on the various marketing problems in different parts of India. It is, however, clear that in their very nature these enquiries could not be very intensive. They serve, however, to illustrate the fact that marketing conditions vary greatly from province to province and in respect of different products in the same province. At the same time, it is possible to make certain broad generalisations regarding the principal features and deficiencies of the existing marketing system and the nature of the improvements which must be introduced to meet these deficiencies.

Marketing of export (money) crops and multiplicity of middlemen:—The Bombay Banking Enquiry Committee divide the crops into three classes for the purposes of marketing: (i) Export crops, (ii) Food crops, and (iii) Perishable crops, (ii) and (iii) being mostly consumed in the province itself.*

It is in the case of export crops, or 'Money' crops as they are called, that the marketing organisation is at once more complex and important from the point of view of the cultivator. The complexity of the marketing structure is brought out by the following diagram taken from the Memorandum of the Indian Central Cotton Committee submitted to the Royal Commission on Agriculture :— †

* Report, para 126.

† Minutes of Evidence, vol. II, part II, p. 21.



This diagram illustrates the multiplicity of middlemen between the cultivator and the consumer and the channels through which cotton usually passes from the grower to the mill buyer or exporter. Similarly in the case of jute, between the cultivator and the exporter or the Jute-mill, there may be as many as four agencies. The *faria*, who is a small dealer, buys in small quantities from the producer and sells it to the *bepari*. The *bepari* is financed by the Mahajan or *aratdar* who passes on the jute to the baler. The *bepari* is either a dealer or a commission agent according as he works on his own capital or on that of the *aratdar* or the baler. Sometimes the *aratdar* is merely a warehouseman and the selling agent of the *bepari* and sometimes he is a merchant acting on his own behalf. As in the case of cotton, so also in the case of jute, this chain of middlemen is not universal and often shows variation.*

Methods of sale:—There are various methods of sale and different types of markets, which it is beyond the scope of this article to notice. There are the smaller village markets, the weekly bazaars in bigger villages or taluka places, big market centres for wholesale dealing and wholesale markets at the principal ports. Some of these markets are privately owned, while others are public markets under the control of a district board or municipality. It is only in Berar that

* Bengal Banking Enquiry Committee's Report, para 169 and Agricultural Commission's Report, para 324.

there are regulated markets established under the Berar Cotton and Grain Markets Law of 1897. In Bombay, under the Cotton Markets Act of 1927, regulated markets have been established recently at one or two centres like Dhulia.

As regards the methods of sale, three principal methods may be broadly distinguished:

(i) *Selling of standing crops:*—This method is resorted to only in few cases either by needy cultivators or by those who want to speculate. It does not in the long run operate to the advantage of the cultivator.

(ii) *Sales in the village:*—These require a more careful notice. The investigations conducted by the Central Cotton Committee show that excluding Berar, where, the existence of regulated markets facilitates a larger percentage of sales in the markets, nearly $\frac{3}{4}$ of the crop is sold in the village, only $\frac{1}{4}$ is taken to the market for disposal. This preference for village sales, where it exists, can be attributed to various factors such as defective communications, obligation to sell to the local money-lender, limited quantities sold by individual cultivators, drawbacks in the existing system of unregulated markets and certain advantages of the system of village sales, such as saving of time and of brokerage charges, more personal relation with the buyers, greater possibility of holding over the crop than in the market centres, etc. In the case of village sales the buyer is the sowcar, or petty merchant, itinerant trader or in a few cases the agent of the exporting firm or mill. No intermediaries are employed between sellers and buyers. The merchant or the trader is often financed by brokers and ginneries. It is difficult to say whether the system of village sales or that of sales in the bigger markets through commission agents is more beneficial to the cultivator. There is little doubt, however, that if regulated markets could be established by law on the lines of the Berar and Bombay legislation and further if the principle of co-operative sale were to be adopted, it will be to the ad-

vantage of the cultivator to dispose of his produce in the wholesale markets rather than locally in the village.

(iii) *Sales in the market* :— These are of considerable importance in the case of export crops like cotton, jute, wheat, oil seeds, etc. The sellers are drawn from the class of well-to-do and substantial cultivators, village merchants and itinerant merchants who have collected produce from different villages. The buyers are local speculators and expert dealers, agents of mill-owners and exporting firms. Two principal features of these markets deserve special notice namely (1) sales and purchases are effected through the commission agents such as *dalals* and *adatyas*, and (2) most of the markets are unregulated. It is not meant to suggest here that there is absolutely no regulation of any sort. For example, the markets in municipal areas are under the supervision of Municipal Market Committees. Also, there are self-constituted committees of *dalals* or commission agents. In the former case, however, the committees have little interest beyond the revenue derived from the market dues levied by the municipality and in the latter case, they can hardly be expected to safeguard the interest of the producer. Indeed, there are several abuses which characterise these markets which are not regulated by any special legislation. These may now be briefly indicated.

Abuses of the system of market sales :—(i) Weighments are not made in the presence of the owners on the arrival of the cultivator's produce in the market by the *dalal* concerned and no formal receipts are given. (ii) No allowance is made for the samples taken out for inspection by the various prospective buyers who are allowed to retain them as their perquisites under a somewhat nebulous market custom. (iii) Prices are not fixed openly but in secret, the parties striking the bargain under a piece of cloth. It may be pointed out here, that while the buyers who are well organised, are in touch with prices ruling at Bombay, Calcutta and other big market

centres of the world, the sellers, especially if they happen to be cultivators, are often ignorant of these prices as arrangements for giving them wide publicity do not usually exist. (iv) The commission agent is more inclined to favour the buyer with whom he comes into contact more frequently than the seller. In some cases he acts for the buyer as well as the seller, receiving commission from both. (v) There are several unauthorised deductions from the price agreed to. For example, an exaggerated *bardan* or tare-weight allowance is made. Allowances on the other hand for alleged inferiority of admixture are frequently claimed while taking delivery, with the result that the cultivator has no option but to accept a reduced price. Then again, various arbitrary deductions under various garbs are made such as, *dharmadaya* (charity), *pinjarpole* (cow-protection), *hamali* (cooly-hire), *dalali* (commission) etc. The Agricultural Commission do not exaggerate matters when they say that "some of the practices obtaining in the market amount to nothing less than common theft."*

A commission agent is generally responsible for the payment of the price which he pays to the seller on the spot or within a few days of the completion of the bargain, after making all the deductions and allowances together with the amount of loan, if any, advanced by him and interest charges.

From what has been said above, it must not be imagined that all middlemen are rapacious blood-suckers and altogether superfluous. In the modern complex economic organization, the middleman has a definitely legitmate and useful role to play and it is not possible to effect his elimination, root and branch. Some of the middlemen are indispensable both to the growers and wholesale merchants. As the Bengal Banking Enquiry Committee observe, "the position of the middlemen derives its importance not only for the reason that they con-

* See also "Marketing of Agricultural Produce in the Bombay Karnatak," a paper read before the Indian Economic Conference, Allahabad, by S. G. Beri.

stitute a series of collecting agencies in the outlying rural areas but also because they have a definite and well regulated arrangement among themselves for providing credit."*

The Central Provinces Banking Enquiry Committee were surprised to find that the villagers themselves have very few complaints to make, and on the whole, "are of the opinion that the services performed by these commission agents are well worth the charges which they make."†

But on the other hand, as the Madras Banking Enquiry Committee point out, there are far too many middlemen whether they are *dalals*, brokers, commission agents or merchants though the need for them is not always obvious.‡

Though the remuneration charged by them in these days of increasing competition cannot be said to be an unduly heavy one, the working of the *dalal* system in the unregulated markets is very unsatisfactory and does not ensure fair dealings between buyer and seller. Another defect of the existing marketing organisation is that it does not ensure a premium price for the improved varieties of cotton and other crops raised by the cultivators. For example, in the unregulated cotton markets of the Bombay Karnatak (Hubli, Gadag, etc.) the *dokras* (gunny bags in which cotton is stuffed), belonging to various cultivators, are mixed and sold in lots, and therefore fetch prices on their average quality with the result that the owner of superior *kapas* (unginned cotton) is put to loss. Inspection, sampling and grading are the three means whereby the buyer can know what he is buying. The somewhat primitive practice of inspection still persists in most markets and makes it necessary for the buyers and sellers to meet together. Whatever sampling and grading is done in the course of marketing is done by middlemen, who

* Report, para 179.
† Para 1056.
‡ Para 197.

often resort to adulteration, damping, and other malpractices. The grower, who is rarely responsible for such practices, ultimately suffers. It is only in the case of some Cotton Sale Societies that careful grading is ensured by the officials of the Agricultural Department.

Two other drawbacks of the existing system of marketing may be briefly noticed.

(i) *Chaotic condition of weights and measures:*—The systems of weights and measures are very confusing as they differ greatly from one area to another and even from one market to another in the same area. The investigations made by the Indian Central Cotton Committee reveal the amazing fact that in sixteen markets of the East Khandesh District of the Bombay Presidency, the *maund* has thirteen different values, ranging from 21½ seers to 80 seers. Moreover, the actual weights and measures used are often unsatisfactory and there are frequent complaints regarding their use. Market practices sometimes recognise the use of a separate unit for buying and separate unit for selling.

(ii) *Inadequate storage facilities:*—The storage facilities in many of the existing markets are extremely limited and unsatisfactory. In a few places commission agents maintain a certain number of godowns, but in most of the marketing places, the only storage accommodation available, say, for cotton, is in the compounds of ginneries and press factories. In the absence of adequate storage facilities, the cultivator has to dispose of his produce on the day of arrival at the market place at such price as he can realise and is placed in a position of serious disadvantage in case of *wandhas*, that is, disputes regarding the quality after the bargain is struck.

Improvement of the existing marketing organisation:—The foregoing survey reveals the unpleasant fact that the existing marketing system is considerably defective and is not calculated to ensure businesslike fair dealings on the one hand,

and a premium price for improved qualities on the other. The whole system operates particularly to the disadvantage of the cultivator on whom falls the main brunt of unfair market customs.

The most hopeful solution of the cultivator's marketing difficulties lies in the organisation of sale societies and sale unions on a co-operative basis and the establishment of regulated markets.

Co-operative Sale:—As a result of the realisation, in recent years, by the Agricultural and Co-operative Departments, that rural marketing is the crux of the whole question of rural prosperity and betterment, the movement for co-operative marketing has already made some headway in India. Group marketing must be more effective than marketing by individuals, especially in the conditions of India, where the individual producer is illiterate and constitutes a small unit. As the Royal Commission on Agriculture point out, "the ideal to be aimed at is, therefore, co-operative sale societies which will educate the cultivator in the production and preparation for market of his produce, will provide a sufficient volume of produce to make efficient grading possible and will bring the Indian producer into direct touch with the export market and with the large consumer in this country such as the cotton and jute mills." *

The Co-operative Sale Organisation has made a tremendous headway in European countries like Denmark, and the U.S.A. and their example shows how much agricultural prosperity owes to successful marketing organisation. The World Economic Conference, held at Geneva under the auspices of the League of Nations in 1927, has bestowed its blessings on co-operative organisation of small and medium-sized agriculturists supplemented by agreements between agricultural and consumers' co-operative societies. Where success-

* Para 342.

ful co-operative sale societies exist, as for example, for the sale of cotton, at Hubli and Gadag in the Bombay Presidency, the following benefits are realised by the cultivators:—

(1) Weighing is made in the presence of the cultivator and a receipt is passed to him, (2) adequate and high prices are realised under the auction method of sales, (3) no indiscriminate allowance to the buyers is granted, (4) produce is insured against damage or loss by fire, (5) prompt payment of sale proceeds is made to the cultivators after it is received from the buyer according to market custom, (6) a loan is advanced on the deposit of goods upto 60 per cent. of the market value at easy rates of interest, (7) information regarding daily fluctuations of prices in the Bombay market is obtained to secure satisfactory prices for *kapas*, (8) superior quality cotton is sold in big lots after being properly graded and correctly weighed, (9) gunnies and genuine and certified seed of improved types of cotton are supplied to members, and (10) a bonus is paid on the quantity of the *kapas* sold and dividends are given on the share amount.

The co-operative sale of agricultural produce has already made some progress in India. With the spread of co-operative credit, the agriculturist has become less and less dependent on local traders. Burma led the way in establishing joint paddy sale societies. But the most notable success has been achieved by cotton sale societies in Dharwar, Broach and Surat Districts of the Bombay Presidency. Several different types of organisation are being given a trial at present: (1) Societies which pool their members' produce, arrange for ginning and sell ginned (and baled) cotton; (2) Societies which organise periodical auction sales of graded *kapas* on individual account; (3) Co-operative commission shops provide storage so that the grower is not obliged to sell on an unfavourable day—such societies are being tried in the Punjab; (4) Co-operative ginning and sale of members' cotton by seed unions. These unions are mainly organised for the production of pure seed

and can scarcely be regarded as touching the real question of cotton marketing. The first is the only type which makes a serious attempt to dispense with the small middleman altogether and has attained some measure of success in the Surat District, while the second type is in operation mainly in the Dharwar District with Gadag and Hubli as the prominent centres.*

On 31st March 1929, there were 28 cotton sale societies and 31 other sale societies in Bombay, the total value of the produce sold through them being Rs. 73,22,578 for the year 1928-1929. In the same province, co-operative sale organisation is being utilised also for the sale of jaggery (raw sugar) and other agricultural produce such as, tobacco, chillies, paddy and potatoes. Attempts similar to those in Bombay have been made in other provinces like Madras, the Punjab and Bengal. In the Punjab, co-operative sale has attained a substantial measure of success in the canal colony areas of Lyallpur and Montgomery. In 1928-29, the total value of the produce sold by 25 co-operative commission shops and sale societies amounted to Rs. 58 lacs. The co-operative commission shops at present do *kachi arhat* business and as such represent an attempt to deal comparatively with marketing in its simplest form prior to the introducion of elaborate forms of the nature of pools.†

In Bengal, where co-operative societies have been started for the sale of commodities like jute and paddy, the jute sale societies have great potentialities. They already possess a common selling agency, viz. the Calcutta Wholesale Society.

The Future of Sale Societies :—The co-operative sale movement is still in a condition of infancy and its development is hampered by many difficulties. As the Punjab Banking Enquiry Committee observe, "they (sale societies) make little

* See Jathar & Beri : *Indian Economics* : 2nd edn., Vol. I pp. 256-57.

† The Punjab Banking Enquiry Committee's Report, Para 89.

appeal to the small holder, who either cannot, or will not, sell in the market. Most members are lukewarm in their support and many do not use them at all for the sale of their produce.....Reliable and suitable managers are difficult to secure, and embezzlements are not infrequent.* Moreover they do not possess adequate financing and storage facilities."

For achieving success it is necessary to attract to these bodies all classes of agriculturists, large and small. The big agriculturist has usually a better understanding than the average cultivator. The question of members' loyalty raises some difficulties. It is clear that the American plan of compelling a member to sell all produce through the sale societies is not feasible in this country unless the co-operative organisation is in a position adequately and promptly to finance its members. In this connection, it may be suggested that apart from the loans given by District Central Co-operative Banks to credit and sale societies, Government should hand over a portion of its cash balances, say, during the harvesting and marketing period, to well conducted District Banks subject to suitable conditions in respect of payments etc., or in the alternative that the District Branches of the Imperial Bank should be required to extend cash credit and other forms of accommodation to district co-operative banks and sale societies.†

Attention may also be invited to the Egyptian scheme of loans—designed to be worked by government in co-operation with banks—on the security of cotton to assist the small producer, which was recently considered by the Indian Central Cotton Committee with a view to ascertaining its applicability to Indian conditions.

---

* Para 89.

† *See Marketing of Agricultural produce in the Bombay Karnatak*: by S. G. Beri in the *Indian Journal of Economics*, Conference Number, 1930.

To ensure a fair percentage of the produce coming into the market so as to enable the sale societies to compete with other buyers and get better terms for their members and to avoid speculation and local boycotts, it is necessary to pool the produce belonging to members. The cultivator's prejudice against pooling can be overcome by proper grading and securing buyers who would offer better prices for larger quantities made up of lots of the same grade than they would offer for a limited quantity.*

To meet the difficulty of inadequate storage facilities Government should either construct warehouses and rent them to sale societies, or advance loans to them at low rates of interest to enable them to build their own godowns.

Establishment of Regulated Markets:—In the light of what has been said regarding the various defects of the present marketing organisation, the need for properly regulated markets established under a special provincial legislation on the Berar model (Berar Cotton and Grain Markets Law of 1897), as improved by the Bombay Cotton Markets Act (1927) is obvious. In these open markets, notified under the Act, trading takes place between the grower and the buyer under proper rules and bye-laws are administered by market committees consisting of representatives of growers, traders and local bodies. The bye-laws prescribe the conditions under which licenses are to be given to brokers, weighmen and measurers, the levy and disposal of fees and trade allowances which may be levied in any transaction, appointment of a subcommittee to settle disputes, and prohibit the use of unauthorised weights and scales. The rules are designed to protect the cultivator from unauthorised deductions, false weighings and unduly low quotations. As suggested by the Agricultural Commission, it is necessary to extend such markets to products other than cotton and to establish them on the initiative of the Provincial Government in certain selected

* Bombay Banking Enquiry Committee's Report, Para 149.

areas. The idea of regulated markets has also been wholeheartedly endorsed by the various Provincial Banking Enquiry Committees. It is necessary, however, to bear in mind the wise remark: "The theory of management is considerably better than the practice in most of the regulated markets of Berar and there is considerable scope for improvement in the interest of the cultivator." Nevertheless it may be said that well regulated markets will benefit not only the cultivator by creating in his mind a feeling of confidence and receiving fairplay, but will also be to the advantage of buyers.

Other Improvements in the Marketing Organisation. (a) *Improvement in communications:*—It is essential to formulate and enforce at an early date a systematic policy of extending and improving communications, especially in the rural areas. Good communications would enable a cheap and quick movement of produce to markets where the demand for it is active, secure equalisation of prices, open out alternative markets and increase the efficiency of competition between market and market—factors which would operate greatly to the advantage of the cultivator. The development of the bus traffic,—so far confined largely to passenger traffic—the policy of opening branch railway lines and the adoption of the Road Development Committee's recommendations are calculated to increase the ability of the cultivator to obtain an easy access to suitable markets.

(b) *Standardisation of Weights and Measures:*—The standardisation of weights and measures is a much-needed reform in the interest of all engaged in trade and commerce, but especially in that of the Indian cultivator. The Agricultural Commission have rightly urged on the Government of India the need for an investigation of the subject and of laying down general principles to which provincial governments should adhere, so far as this is possible without undue interference with local trade customs. In this connection attention may be invited to the Central Provinces Weights and Mea-

sures of Capacities Act (II of 1928) which lays down the units of weights and measures and empowers Government to secure standardisation by notifying areas for the purposes of the Act. The Central Provinces Banking Enquiry Committee consider this to be a most valuable piece of legislation and hope that it will be possible for the Government to equip all village authorities with standard weights and measures imposing, if necessary, a small cess for the purpose.

(c) *Legislation against Mixing of Produce etc.*:—It has already been said above that much of the Indian agricultural produce is marketed in the home markt as well as in the world markets in an unsatisfactory condition and various abuses exist such as damping and admixture not only on the threshing floor but also, to a greater degree, in the godowns of brokers and dealers. As the Agricultural Commission point out, it is impossible to apportion the responsibility for this unsatisfactory condition between the cultivator and the middleman, or, again, to decide, to what extent the malpractices are merely the result of carelessness or due to dishonesty. The Indian Central Cotton Committee have called attention to serious and deliberate malpractices in the case of cotton carried on in ginning and pressing factories. It is clear that unless consignments are up to sample and uniform from year to year, no satisfactory large scale marketing with distant markets to the fullest possible advantage of the primary producer is possible. The adverse reaction on prices owing to the mixing of produce moreover largely deprive the cultivator of the incentive to grow improved varieties. The Indian Central Cotton Committee have been instrumental in promoting in recent years legislation to prevent some of the malpractices. For example, under the Cotton Transport Act (1923) which applies to the principal areas of staple cotton in India, the provincial government is enabled to notify certain definite areas for protection and to prevent the importation of cotton from outside these areas, except under license, so as to check the former malpractice of importing inferior cotton for purposes of

adulteration. The second piece of legislation is the Cotton Ginning and Pressing Factories Act of 1925, under the provisions of which mixed, adulterated and damped cotton can be traced back not only to the factory which ginned it but also to the original owner. Inspite of this legislation and joint action by the Cotton Trade Association and the Indian Central Cotton Committee, the abuses referred to above still prevail to an undesirable degree. Legislation similar to that in the case of cotton has been recommended in respect of jute to be undertaken by the Jute Committee proposed by the Agricultural Commission. A combined campaign conducted by the Agricultural and Co-operative Departments, Trade Associations and organisation of buyers is essential to bring effective pressure to secure improved qualities of agricultural produce. In the fulness of time government control of trade at the ports of shipment or elsewhere and grading under official regulation as in the U. S. A. should be introduced so as to ensure a certain standard of cleanliness and purity.

Licensed Warehouses:—Attention has already been called above to the unsatisfactory storage facilities in the markets. The existing storage facilities, whether they are adequate or not in the various market centres, are certainly very defective in quality.* In this connection a few words may be said regarding the American system of licensed warehouses. "The gist of the licensed warehouse system lies in the fact that goods warehoused are held not by the owner or by the financer, but by third party, viz., the warehouse keeper, who is under the control and supervision of the government of the country. The warehouse keeper grants receipts to persons warehousing the goods, stating therein the nature, quantity and quality of the goods held. He is under a statutory obligation not to pass out goods without the production of the receipt granted by him, and without a discharge from the person who is the holder of it."†

* *Agricultural Marketing* by B. N. Bhargava, pp. 58-60.

† Report of the C. P. Banking Enquiry Committee, paras 1094-1095.

The agency of the Co-operative Sale Societies and of Market Committees in the case of regulated markets may with advantage be utilised for the purpose of providing satisfactory storage facilities, and as already suggested above, Government should extend certain financial facilities for the construction of godowns. Railway administrations also can co-operate in this matter by erecting warehouses at selected railway stations, where proper control can be exercised. Local bodies can also, with financial assistance of government, establish warehouses at important centres in the province. The licensed warehouse system presents may advantages in the present marketing conditions in India. Firstly, the producer by means of the grading system will learn that profit results from improved quality of seed, manure and agricultural methods. Secondly, it will ensure the use of correct weights and check the abuses of false weighment and adulteration. Thirdly, it will greatly reduce handling, weighing and other incidental charges. Lastly, it will provide a new negotiable instrument of title, the use of which does not present the sentimental objections to the hypothecation of goods as security to a bank—viz., the affixation of the banker's seal and name board.* There is no unanimity of opinion among the various Provincial Banking Enquiry Committees as regards legislation for licensing and otherwise controlling warehouses. For example, the Punjab Committee opine that licensed ware houses are at present premature, but may be needed in time.† The Bombay Committee on the other hand recommend that licensed warehouses should be introduced in a few important centres to begin with. The success of the scheme will depend, as the Committee point out, on three things: the efficiency of management, strictness of supervision and inspection exercised by some outside authority, preferably Government, and upon the reasonableness of the charges for services rendered. The increased storage facilities, it is necessary to

* U. P. Banking Enquiry Committee's Report, para 274.

† Para 92.

emphasise, should not be used for encouraging the holding up of produce for purposes of speculation.

A word may also be added here regarding the introduction in India, with suitable modifications, of the cotton marketing system recently introduced in Egypt, known usually as the Egyptian Cotton Scheme, and referred to above. Under this scheme, government undertakes both to gin cotton and sell lint and offer facilities for storage and make advances at reasonable rates against the produce stored. It is designed to be worked by government in co-operation with the banks. It is generally considered that it is premature to introduce this scheme into India, as its utility even in Egypt is doubtful and that it is not desirable to encourage the small cultivator under the present conditions to hold up produce for a long period in the hope of a rise.*

Market Surveys and Appointment of Expert Marketing Officers:— Attention has already been invited above to the inadequate information regarding marketing conditions in India. The Agricultural Commission rightly urge that the collection and study of exact information on the question of marketing is an essential preliminary to the formulation of an effective marketing policy† and recommend the institution of market surveys under the supervision of an expert marketing officer attached to the Agricultural Department of each major province.

Marketing of Food Crops:—Limitations of space make anything like an adequate treatment of the marketing problems regarding food crops and perishable crops impossible. Many of the observations made above regarding the export crops also apply *mutatis mutandis* to that of the other crops. For example, dependence on middlemen, *dalals* and merchants who levy a heavy toll for their services, the ignorance of the

* Reports of the Punjab Banking Committee, Para 93, and C. P. Banking Committee, Para 1035.

† Para 347.

cultivator regarding the trend of market prices, the chaotic condition of weights and measures etc. are common failings of the marketing organisation as a whole.

In the case of foodcrops like Jawar, which is extensively grown in Bombay, there are hardly any sales of standing crops or forward sales. The average agriculturist ordinarily sells only the surplus over and above his own requirements, but is sometimes obliged to sell the whole lot to meet the pressing demands of the money-lender. The produce is sold either in the village to the sowcar or to the village dealer; or in the nearest market town. In the latter place the sales are effected through *adatyas* who may be wholesale buyers or merely agents.* A special feature of food-crops is that the prices tumble down at the harvesting season unlike in the case of exporting crops like cotton, whose price is determined by that of foreign cotton and by a comparatively accurate estimate of the out-turn. Prices rise again in the dull season when there is no harvest. In the case of such food crops reform must, therefore, be directed to the extension of the marketing period and area and control of the movement of the produce in regard to the point of consumption. It is essential to form sale societies to enable the holding up of crop and letting it on the market when it is advantageous to the cultivator and to send the grain to the market where the best prices at any moment can be obtained.

Marketing of Perishable Crops:—Lastly, the marketing problem of perishable crops, such as fruit and vegetables may briefly be noticed. In the case of fruit like the mango, unlike in the case of export and food-crops, it is usually sold when it is on the trees, being ordinarily purchassed by "contractors" who are responsible for the operations subsequent to the sale. The existing methods of grading, packing and transporting fruit to the wholesale markets like Bombay,

* Bombay Banking Committee's Report, para 132.

where it is sold through commission agents, are highly unsatisfactory. The Bombay Banking Enquiry Committee make the depressing remark that "it is estimated that out of the price the consumer pays for the ripe fruit nearly two-thirds goes to cover the damage, the expenses and the contractor's profits, and only one-third is received by the grower".*

Vegetables are not sold as standing crops and there are no forward sales. At market places, the crop is sold through commission agents. In some markets this business is concentrated in the hands of a few persons only. The Agricultural Commission make certain useful recommendations in favour of standardisation of suitable containers for fruit and vegetables so as to increase the efficiency of transportation over long distances in the climatic conditions of India. To this end, co-operation between the Agricultural and the Forest Departments in discovering the best type of wood for the manufacture of containers is essential. The railways also can offer stimulus to the trade in fruit and vegetables by charging concession rates on the "returned empties" despatched in returning fruit vans. The Agricultural Commission also recommend investigation into the possibilities of cold storage in India under auspices of the Railway Board. The provision of cold storage facilities would do much to stimulate the internal traffic in fruit and vegetables and might also assist in developing an export trade in certain Indian fruits such as mangoes.

The foregoing survey of agricultural marketing in India reveals the complexity of the existing marketing organisation and the prevalence, therein, of many deficiencies and abuses. It also shown how the importance of an intensive study of the marketing problems with a view to placing the marketing organisation on a satisfactory basis

* Para 135.

is being realised in recent years in India. It may be hoped that as a result of the labours of the Agricultural Commission and Provincial Banking Enquiry Committees and recommendations made by them, the prospect of the cultivator realising a fair share of the good things of life is not far too remote.

IV

COTTAGE INDUSTRIES AS SUBSIDIARY OCCUPATIONS.

By Professor Braja Gopal Bhatnagar, M. A.
Head of the Commerce Department, University of Allahabad, Allahabad.

We often hear people saying that to an average worker in agriculture his main occupation does not provide work for all the days of the year and that we must encourage him to take up what are called cottage industries as subsidiary occupations. There is no doubt that the statement has a great deal of truth in it. But to be understood in all its bearing and limitations, the statement needs close analysis and study. It is these that we propose to do in the following pages. However, before we can give or get a satisfactory analysis of the problem it is essential to have a clear answer to a few questions, such as (1) what is the length of the period during which an average farmer has no work on his farm, (2) what is the object of human life, (3) why the free days of the agriculturist alone have attracted so much public attention, (4) what do we mean by Cottage Industries and Subsidiary Occupations, and is the encouragement of these the only solution to provide more work and greater income to the cultivators, and (5) what is our ultimate ideal in the matters of industrial and agricultural development.

That in most matters concerning India it is dangerous to dogmatize is proved nowhere more true than in the question of the length of the no-work period of the agriculturist. There are well known authorities on Indian economic problems who maintain that for seven months out of twelve the cultivator is idle; there are others who think that the period of idleness is nearer three or four months than six or seven. The fact is that no one general statement can be made about India as a whole,

All that we can say is that in some parts of the country the period of no-work is longer than in others. Generally speaking, we may say that people in the rice-growing areas, where rainfall is abundant, have a larger number of days on which they are free than people in the wheat-growing areas. Whether free days, even in the rice tracts like those of Bengal and Bihar, extend over a period of six or seven months is more than doubtful. But that they are never so long in the wheat-growing tracts of the United Provinces, the Punjab and the Central Provinces, is certain. In these parts, agricultural operations begin from about the beginning of June, and for ten to fifteen days till the *kharif* crops are sown the cultivator has an exceedidgly busy time. These are the days when he has to work at very high pressure, first in taking manure to his fields, then when the first one or two rains have fallen, in ploughing them and sowing the crops. After this he may, if he so chooses, take rest for a week or so, or may utilize the interval in ploughing the fields kept for the *rabi* crops. However, it is only the lazy ones and the do-nothings, who idle away the time, the great majority spending it in tilling the *rabi* fields. After a week or ten days of the *kharif* sowing, when the seedlings have become six or nine inches high, the cultivators' time is again claimed by his *kharif* crops which need weeding at comparatively short intervals during this period of frequent rains. And so on it continues till October-November, when the time for harvesting the *kharif* and the sowing of the *rabi* is reached. Here again we have another period of a month or so during which the cultivator has to work hard. This period of intense labour like its predecessor is again followed by three to four months of comparatively easy but steady labour on the fields. The months of December, January, February and March are spent in alternate watering and weeding the *rabi* crops. Then, again, there is a month or so of continuous labour spent in harvesting the crops. It is after this that for about a month or so the cultivator has nothing to do on the farms.

From this brief and sketchy survey of the time-table of an average cultivator in Northern India, it should be clear (1) that out of twelve months there are at least three, if not four, during which he has to put in very hard work, (2) that for another six or seven months in between the periods of intense work, he has to do easy and steady labour with occasional breaks of no-work, and (3) that for about a continuous month and a half there is nothing for him to do on the farm. Those who assert that the cultivator is idle for seven months in the year seem to take into consideration only the sowing and the harvesting periods and seem to believe that once a crop is sown, the only other work required is when it is ready to be cut. That this idea is manifestly wrong needs no elaborate proof for those who are familiar with agricultural conditions. The utmost we can say is that for about three months or so the cultivator has no work on his fields.*

Before we make an attempt to consider ways and means for providing occpations to the cultivators for these idle days let us reflect for a moment on the object of human life. Is it to work endlessly and continuously to maximize income, or, is it to maximize happiness and joy of life, or, putting it in other words, is man made for making money or for enjoying life? Whatever the verdict of others may be on this point, I, for one, feel no hesitation in saying that God has made man for enjoying life and that the aim of human life is the maximization of happiness. As a corollary to this, man

* The following remarks of the Royal Commission on Agriculture in this connection would be of interest:—

"A prominent feature of Indian agriculture is the amount of spare time which it leaves to the cultivator. This varies very greatly according to the local agricultural conditions, but it may be assumed as a broad generalisation that by far the greater number of cultivators have at least from two to four months of absolute leisure in the year.....As agriculture in the greater part of India cannot offer employment for the whole of the year, the problem is to suggest lines of work which can suitably be undertaken by the cultivator or his family in their spare time and without detriment to the cultivation of their land."—Editor.

should not make ceaseless and continuous work as the object of life, but should work only so much as would give him the necessary means for securing the maximum of happiness. Now if this dictum be true and, if it be also true that there is no one universal road to happiness but that ways and means through which different individuals may secure the same amount of happiness are different, then it follows that the fact whether an individual is happy or not can only be judged by each individual for himself and not by others.

We may now attempt an answer to the querry why the free days of the agriculturists alone have attracted so much attention. We are told that the income of the agriculturists is so low that they are not able to secure for themselves even the necessary minimum of the bare requisites of life ; that the income is low because the agriculturists have no work for all the days of the year, and that the only method to raise their income and thereby their standard of living, is to make them do more work. There is no denying the fact that there is a great deal of truth in the above statement and the truth of it becomes still more evident when we permit ourselves to judge of the standard of living of the average cultivator in India with the standard of the living of his confreres in certain Western countries. But the question is, is it right and proper on our part to doom all those whose mode of life does not happen to correspond to a certain standard, which we may have chosen to set up by looking at things in the West, as unhappy? My answer to the question is a definite No. Our prying into the personal and private affairs of the agriculturists of the country would be justified only if we were sure that the majority of those who belong to this class do not get even the minimum necessaries of life. Although we cannot arbitrarily lay down the minimum of certain things necessary for a person or a class of persons, as such minimum would vary from person to person or from class to class, yet, speaking generally, we can set up a minimum standard of cer-

tain class of things such as food, clothing and houseroom which at least every individual must have, and if his share of these requisites of life falls short of that standard, then we may say that he is ill-supplied with the necessary things of life.

Now looking at the agriculturists in the United Provinces, I do not feel justified in saying that all the agriculturists in India or the great majority of them are living below the minimum or just at the minimum. This statement may be true, and is true, of the agriculturists in certain parts of India, such as those of the United Provinces and the Central Provinces, but it is certainly not true of the agriculturists of the Punjab or the Bombay Presidency. Besides the fact that the statement that the agricultural masses in India are hopelessly poor is true of the agriculturist masses in certain parts of the country only, there is another point to be noted in this connection, and it is that a great part of the poverty of the masses is due to the change that has come over in the constituent parts of their standard of living. Whereas people of the last generation always gave the first claim on their income to good, wholesome and nourishing food, the people of the present generation taking their cue from the middle and the high class imitators of the Western modes of living, have begun to pay first attention to such things as fine clothes and showy trinkets and only a secondary place to food. The result is that when a Westerner looks at our people and finds them using things which their forefathers never used or used only sparingly, he takes for granted that these people must have added to their schedule of consumption in addition to what they were already accustomed to consume, and therefore cites them as strong evidence of growing prosperity of the masses and their rising standard of living; while a sympathetic native of the land, who sees things nearer home, when he finds that the quality of food has deteriorated and that this deterioration

is telling on the health of the people, is quick to deduce that the poverty of the people is growing and that the statement that the standard of living has risen is only a myth. None of them has cared to examine the question in its constituent and qualitative aspects, and that is why we find foreign writers and the Indian writers at loggerheads on this point.

Before we take up the question whether to provide more work for the agriculturists the introduction of cottage industries as subsidiary occupations is the only method, let us try to form an idea of our aims in the matter of rural development in particular, and economic development in general. That is, what we should be clear in our mind is, do we want to adopt, as our future ideal for national development, a life of a few wants satisfied by simple things, produced by the aid of simple instruments on a small scale, that is, relapse into that state of self-sufficient economy for each village and town which was met with in the country before the year 1850, and whose dominant note was a comparatively care-free existence with a sublime serenity peculiar to itself, or, do we want to adopt a life of many wants, satisfied by many and varied commodities, produced by the help of modern machines driven by power, on a large scale, that is, to come in line with other advanced countries of the world in the matter of consumption and production efficiently? Applied to rural development only, we may ask, do we want to perpetuate the present day farming of uneconomic and small holdings, or do we want to change all this and have fairly good-sized holdings cultivated by improved implements and methods? Whatever others may say or think about the future line of our rural and industrial advance, I am convinced that for us there is no going backward and we in India along with other countries of the world must advance forward and must modify the old order of things to suit the demands of the new and wider life that is now open before us. If this attitude of mind be correct there

is hardly any room in our future schemes of development for the present day uneconomic and small-sized holdings.

Having discussed, in brief outline, a few general questions which are relevant to the main problem, the place of cottage industries as subsidiary occupations, in our schemes of future rural development, we may now try to form an idea of what we mean by the terms "Cottage Industries" and "Subsidiary Occupations".

An industry may be classed as a cottage industry if it is carried on by the worker at his own house unaided either by outside capital or labour but his own and that of the members of his family. Thus spinning and weaving, carried on according to indigenous Indian methods are good examples of cottage industries; while the same, when carried on in modern factories, where expensive machines driven by steam or electricity are used, cease to be cottage industries. But in countries like Germany and Switzerland where cheap electric power is available in almost every country-side house and where the power-driven loom can with advantage be installed in the house, these very industries when carried on the most up-to-date lines, will be classed as cottage industries. This means that it is neither the nature nor the quality of capital or power used which decides whether an industry is to be classed as a cottage industry or not. The deciding factors are (1) the fact that it is capable of being carried on at the house of the worker, (2) with the resources at his disposal, and (3) on a small scale.

Coming to the term "subsidiary occupations", we may say that any occupation which is carried on by a worker in addition to his principal or main occupation, in hours or on days when he is free from work on the principal occupation, is classed as a subsidiary occupation. Thus many a village carpenter, weaver and potter is found cultivating a *bigha* or two. In such cases, therefore, agriculture is the subsidiary occupation; while if an agriculturist in his spare hours plies a bullock cart or

takes service in an adjoining town or does spinning then this latter is his subsidiary occupation. No occupation, therefore from its very nature can be classed as subsidiary; it becomes subsidiary when it is followed in addition to some other industry which is the main occupation of the worker under consideration.

Now we may take up the main problem, that is, the necessity and the desirability of, and the possible scope for, the encouragement of cottage industries as subsidiary occupations in the country-side. We have already noted that there are days extending in some cases over weeks when the cultivator has no work, and it is a well-known fact that a great majority of our rural countrymen are poor. No advance of any kind in the economic conditions of the country is possible unless the income of the people carrying on agriculture increases. There is no doubt that something must be done to increase the income of the agriculturists. But the question is: Is it only by making the agriculturists do more work in the sense of being busy on a larger number of days than they are now that their income can be increased, and if so, can they get more work only by adopting cottage industries and subsidiary occupations or are there some other ways open to them?

Taking the first, true to my dictum that life is meant for enjoyment and not for work and that work should only be done with a view to maximize joy and not merely to make money, I am opposed to any scheme of things that aims at treating the cultivator as a productive machine in the human form by providing work for him on all the days of the year. The yearly time-table of an average North-Indian agriculturist, if analysed with a little imagination, will be found to be arranged on the principle of plain living, alternated with periods of "toil and bliss". The longest period during which the cultivator has no work on his farm is after the *rabi* harvest and before the beginning of the monsoon and is about a month and

a half in duration. Now, though there is nothing to do on the farm, the cultivator is by no means idle. To begin with, this is the first marriage season of the year—the second falls during the off days of the winter—and all such auspicious functions as marriages, *gaunas* and *mundans* take place during this period. When he is free from these social obligations and festivities, he has to spend some time on the repair of his house. And then the days are long and the heat intense and if we consider it as our birth-right to enjoy a long *siesta* with *khas tatties* and the electric fan, why deny the poor cultivator, after the intense labour of March and April, his carefree festivities, his quiet pipe and sound sleep in the solitude of his *kachcha* house for a week or two in the year ?

From the above, it should be clear that I consider it undesirable to interfere with the existing time-table of work and free days of the agriculturists and that not only on mere sentimental but also on certain very substantial grounds. Firstly, I believe it to be possible to increase the income of the agriculturist without further loading him with the cares and burden of a cottage industry as subsidiary to his principal occupation, agriculture ; and, secondly, if we do not want the existing small scale farming based on the existing uneconomic holdings of one and two acres to be perpetuated—and I do not see why we should—then no occasion is left for encouraging the cultivator to adopt cottage industries like spinning, weaving, basket-making and so forth. To a person of my way of thinking, who looks forward to a day in India when there will be real diversification of industries, one method of securing more work, and that without materially interfering with the existing periods of work and joy, would be by securing to each farmer an economic holding, that is, a holding, that on the one hand would provide sufficient work for the cultivator and his family and on the other, yield sufficient income to keep the cultivator and his family in reasonable comfort. Another

method of providing more work to the cultivator would be to induce him to take up such subsidiary occupations as are complementary to agriculture, such as dairying and poultry farming, fruit and vegetable growing, and sericulture and sylviculture. These are the industries which are not only very much allied to agriculture and would therefore introduce no incoherent chords in the harmonious life of the agriculturist, but are also very largely dependent on agriculture and very much helpful to it. No farmer worth the name in progressive countries of to-day, and in the India of two generations back, is to be found without his herd of cattle. These are maintained out of the produce of the farm and their products provide the farmer with the most vital constituents of his daily food and the farm, its manure and driving power. The same may be said about the poultry; while the neglect of sylviculture by the farmers of to-day in India is considered by agricultural experts as a serious cause of the diminished rainfall and the continued improverishment of the soil.

The adoption of a cottage industry by the cultivator as his subsidiary occupation, may be to some the last word in the programme of Rural Reconstruction. If they will only look at the problem from the point of view I have urged in this paper, they will I have no doubt come to the same conclusion as I have done, that is: to make India rich and prosperous, what is essential is (1) to give each cultivator an economic holding, (2) to provide diversity of occupations and avocations not for the cultivators, but for persons released from agriculture, so that when released from agriculture each one may select for himself that industry or occupation which suits him best, and (3) to encourage the cultivators to adopt industries complementary to agriculture, as their subsidiary occupations. This would not only very much lessen the number of unoccupied days for the agriculturists but would also improve agriculture, increase the income of the agri-

culturists and yet leave the general rural time-table very much as it is at present in its essentials.*

---

* The following remarks of the United Province's Banking Enquiry Committee will be of interest in this connection:

" A system of farming combined with industry, which gives regular employment throughout the year enables the agricultural countries of Europe to maintain a density of 200 to 300 persons to the square mile. In our province, where the density is from 500 to 900, in the river valleys, and where agriculture cannot normally employ the population for more than 7 months in the year, the need for rural industries as subsidiary occupation to agriculture is far greater. For a stay-at-home population like ours, enforced idleness for a year of scarcity is a paradox, which indicates the lack of balance of occupations in the Indian village which Famine Commissions have repeatedly sought to remedy"—Editor.

V

RURAL RECONSTRUCTION.

By Mr. V. N. Mehta, B. A., Bar-at-Law, I. C. S.
Commissioner, Allahabad Division, Allahabad.

[Attention is being focussed more and more on the great need for the reconstruction of the village life and economy in India. In a country like India, which is predominantly agricultural, and where the rural population is about 90 per cent of the total population, it is being increasingly realised that the progress of the nation and the development of its resources is intimately bound up with rural development and progress. So long as the rural population remains steeped in illiteracy and ignorance, is heavily if not hopelessly indebted, has a fatalistic outlook on life, has a very low standard of living, carries on agriculture with simple tools and implements and in a more or less primitive fashion, no great approach to the ideals and the goal of the co-operative and of all other rural movements—Better farming, better business and better living—is possible. The Co-operative Movement, itself, is indeed a great experiment in rural reconstruction, aiming to protect the agriculturist and persons of limited means from exploitation, be it of the usurer or of the middlemen *dalals* and merchants. But this great experiment has not proved as successful at it was expected to do, and the reasons are not far to seek. Concentration on the credit side of the movement, with but half-hearted attempts for the co-operative organisation of supply and marketing, a growing multiplicity of institutions for various purposes, the tendency to regard the agriculturist as a bundle of various needs to be met separately, the neglect of the educational, sanitary medical and the social sides of village life explain very clearly why the achievements of the Co-operative Movement during the last 25 years have fallen short of its objective.

Rural reconstruction has however of late years claimed an increasing amount of attention. But so far organised attempts on a mass scale have not been made ; what has been done, so far, has been individual efforts—the efforts of individuals fired by the impulse of social service, and moved by enthusiasm to utilise their opportunities to the best advantage by contributing to the welfare of the humble village folk. To-day, a number of such experiments are being made, largely directed by individual effort, in various rural reconstruction centres.

The best known of such centres is undoubtedly at Gurgaon, in the Punjab. The Gurgaon scheme originated by the Collector of the district—Mr. F. L. Brayne—and it was his and his wife's devotion, persistence, energy and enthusiasm which have secured very substantial results indeed and made Gurgaon famous in the sphere of rural reconstruction work. The Gurgaon scheme is comprehensive and is not confined to starting of co-operative societies. It covers work for education, sanitation, medical relief, improvement of agriculture, female education and maternity welfare. Magic lantern and other lectures, a regular campaign against malaria and other epidemics and personal touch—teaching, explaining and guiding, help from all government departments concerned—these are the methods employed and it is no wonder that when urban intelligence and state help are utilised for the instruction and the improvement of the village, the response is gratifying and the results satisfactory. At Lyallpur in the Punjab, the scheme of rural reconstruction has grown out of co-operative societies embarking upon the wider functions of cattle-breeding, the improvement of cattle and agriculture, adult education, thrift, better living, and arbitration of disputes. The late Mr. C. R. Das had also a scheme of rural reconstruction based largely upon the revival of the *punchayats*. The chief feature of the scheme consisted in the formation of grain stores for every village, so as to provide for the agri-

culturists in times of famines. The great Indian poet, Sir Rabindranath Tagore, is also interesting himself in this work of rural reconstruction through his university—the Vishwa Bharati. His scheme is based on principles of co-operation and action is being developed on the lines of the Gurgaon scheme. Boy scouts are made use of for the purpose; these are being trained up for village work and are making very useful missionaries in the cause. Sir Daniel Hamilton has developed the deltaic lands of the Sunderbans by establishing colonies there on modern lines. Outsiders are attracted to settle there; co-operatives societies are started; disputes are settled by the *punchayats;* the houses are kept neat and clean; rice-mills have been started and the sale of produce is being effected co-operatively, thereby reducing exploitation by *dalals;* vernacular and English schools have been opened; spinning and other cottage industries are being encouraged and medical organisation has been set up to guard against the spread of epidemics. The Anti-malarial societies of Bengal are also attempts in the same direction, only the effort is being restricted to one aspect of the situation. At Coimbatore in the Madras Presidency, a new organisation has taken in hand the work of the removal of the ignorance of the people, of agricultural improvement, cottage industries, mutual help and so forth. Co-operative credit societies have succeeded in reducing the indebtedness of the people; poultry farming has been successfully introduced and a model farm has been opened near Ramnathpur, where agriculture is being carried on on modern lines. Mr. V. Ramdas Pantulu's name is also associated with a scheme of rural reconstruction in the Madras Presidency. The *panchayatdars* are being trained up for the work and they have acquitted themselves well. The work is largely based on the Gurgaon lines. Mr. N. K. Roy, the Deputy Registrar of Co-operative Societies, Orissa, has been trying to collect funds from the people themselves for educational purposes and has already been able to start a few schools. The Alamaru village re-

construction scheme is also a very notable one. The centre is situated in the East Godavari District; the region is densely populated, and Mr. H. N. Satyanarayan is mainly responsible for the success that has attended the scheme there. Co-operation has spread and has produced beneficial results. Construction of wells and tanks, construction of good roads, education of children, liabraries, programme of lectures, co-operative societies of various types, including a land-mortgage bank, are the chief features of the work being done there. The *Rammandir* is the principal institution for village work. Prevention of gambling and the prohibition movement are also strong in the area. In many respects the Alamaru scheme is one of the successful rural reconstruction schemes in India.

Mr. V. N. Mehta is associated with the rural reconstruction scheme in Benares. The *panchayat* is the chief agency employed for the purpose. Consolidation of holdings, development of cottage industries and subsidiary occupation for the agriculturists, and improvement of agriculture are being pushed on through co-operative societies. The improvement of roads is also being attended to, and much appears to be done also in the matter of adult education or the education of children. The following article will be of considerable interest, dealing as it does with the typical problem of rural reconstruction and the correct outlook of the reconstruction worker and written as it is by one who has actually sponsored and guided one such scheme himself.—*Editor.*]

I

The Victorian era* in India was *par excellence* the period of urban glorification, of the apotheosis of the middle classes of the civil service and the trades, and the ignoring of the country-side. Except here and there in the writings of Ranade, one might as well say that, for the publicist, it did not,

* Cf. E. F. Benson's "*As We Were*" which refers to the smug self-sufficiency of the towns people.

exist. The inevitable revulsion of feeling has come about, the rural conscience has been stirred and the danger to be guarded against at present is the uncritical zeal of the reformer. There is a school of thought that tries to rebuild the village in the image of the city with which the reformer is familiar; there is another which wishes to reform the organism from within and make it an efficient organ for the discharge of multiple functions for which it was originally created. *Gramoddhar*—village uplift—is the policy of the one —the condescending attitude of the proverbial top-dog towards his suppressed brethren; *Gramsanghatan* (*Sam*-together and *ghatan*, corrupted into *gathan*,—putting together, consolidation) is the policy of the other. The writer of this article has tried to portray the *milieu* in which the first rural reconstruction society in the United Provinces saw its birth. Village Chiraigaon is inhabited by an enterprising caste of *Koeris*, who besides being good agriculturists, have become famous traders as growers of fruit gardens and weavers of Benarsi cloth. Their co-operative society had lost all the elements of co-operation and had practically become moribund. The village was selected because the late Rai Bahadur Batuk Prasad, the proprietor of the village, was anxious to fall in line with the policy of reform from within of the writer who happened to be at that time Collector of Benares. The real cause for the prevailing economic distemper had been diagnosed. The spirit of mutual help was non-existent and it was realized that until the village was permeated with the true spirit of co-operation, the society would not have a fair chance of success. Accordingly, with the help of the Deputy Registrar of Co-operative Societies, Rai Bahadur Pandit Gursewak Upadhya, an adult class was started in the school. The teacher tackled the grey heads and in a short time created so much enthusiasm for literacy that even women began to attend the school and the attendance of girls in the boys' school also went up. The school became the centre of community life and various associations for the preservation of the health of

the locality, for improving the sanitary condition of the village and for building up the physique of the youth were formed. No reform was imposed from outside. No outside agency was employed to move the inert mass. Enthusiasm for self-help was kindled in groups and they energised the whole mass so that each individual worked with the momentum of ten units. The village soon became a model village. The change was eloquently described by the Registrar of Co-operative Societies, in an impressive manner in the report of his department for the year 1927-28.

At that time another incident came to the notice of the writer. Village Bahadurpur is situated not more than three miles from the sacred city of Benares on the Grand Trunk Road. It was one of the big eclipse bathing fairs and pilgrims were coming in to have a dip in the holy waters of the Ganges on that day. Many, who could not afford to come by rail, came on foot. It was one of those unfortunate pedestrian pilgrims, who, while attacked by cholera on the way, fell in a well from which he was trying to draw water to quench his thirst. Nobody knew that any person had fallen in and the well water was drunk by a part of the village with the result that over 70 persons were attacked by cholera and as many as 40 died within two days. The writer, as District Officer, got news of this on the third day. The *chaukidar*, who is usually expected to send intimation of the outbreak of any epidemic disease, had also died. The people in the village considered this to be a visitation of the goddess and did not consider it necessary either to inform the authorities or to get any medical assistance. On coming to know of the outbreak of of the disease, I visited the place with the Health Officer and took drastic measures to arrest the spread of the disease which might have played havoc among the pilgrims coming to the city. At that time it was forcibly brought to my notice that we ought to have some sort of unfailing indigenous agency which would provide the live wire and bring the vil-

lage into immediate touch with the head-quarters. We have, as far as possible, perfected our machinery for coping with these epidemic diseases, but unless villagers co-operate with us and give us timely intimation, the remedy might arrive too late to keep the spate from inundating the country-side with death and demoralization. It was then realized that the District Board, which in its ideal form ought to be the Parliament of the district, had ordinarily seldom gone beyond its duties of providing elementary education, medical relief of some sort at tahsil head-quarters, facilities for the vaccination of the young and rudimentary transport conveniences. It had failed to do anything to provide relief at the village. The weakness of the District Board administration lay in its over-centralization and in its want of contact between the village agency and the district head-quarters. It was after the writer's experience of these two types of villages, Chiraigaon and Bahadurpur—the one full of intelligent but mutually distrusting people, and the other of ignorant and resigned *Ahirs*—that the need was felt by him that it was desirable to start at the head-quarters of the district an organization, mostly non-official, for supervising the revival of rural reconstruction agencies in rural areas. It was thought desirable to make the organization non-official because in Benares it was considered that a sufficient number of non-officials would be forthcoming to wet-nurse the movement in its infancy. It was never the intention of the originators to lay down that the district organization should invariably be a non-official one. The Indian mind has looked upon the *gramani* of the village not less than the *deshpati* as the one individual entrusted with the duty of seeing that *dharma* was maintained, and it would not be a wrong thing if the District Officer, who represents in himself the majesty of the State, was called upon to preside over the district committee to look after this work. But the danger in a purely official movement lies in the fact that on the one hand it may fail to attract under its banner workers who would like to work out

village salvation on their own lines; and on the other there are limits beyond which spoon-feeding should not go, because the baby is apt to remain imbecile if it is always assisted by outside agencies in his movements. Anyway, a non-official organization was set up and rural reconstruction of *gram sanaythan* work was started in right earnest. Now, the whole object of the Chiraigaon experiment was not the imposition from outside of an agency for amelioration of the condition of villagers—hygienic, agricultural, educational or industrial —but the inculcation of the spirit of self-help, which had been implicit in the old organization of the village, to call back to the memory of the villager, those linaments of village life which riveted his mind to the problem of reforms from within instead of improvements effected from without. One has to capture that illusive spirit that held the village together and prevent its disappearance. One has to tour and live in tune with the environment and gain his regard before the rustic bares his breast and speaks out his joys and sorrows. It is in the sayings of Bhaddali*, the meteorological observer and agronomist, that one has to look for peeps into the life of the ideal farmer. One has to revive village institutions and village customs which embodied the spirit of mutual help, gloried in the triumph of the team-spirit and saw, in the good of the whole, the good of the individual. The folk song has to be made the handmaid of the reformer. Some publicists have objected to the use of the words " rural reconstruction ". For instance, Mr. Surya Narayan Rao in his note on Rural Reconstruction work in Malabar in the issue of the " Servant of India " of November 6, 1930, writes as follows :—

" The word 'reconstruction' is not a happy word, for it implies the existence of something that was valuable which has been destroyed and which it is our attempt to recon-

* I have collected agricultural sayings of the United Provinces, and Pandit Ram Naresh Tripathi has collected Folk Songs.

struct. Any unprejudiced student of the history of the country cannot certainly feel proud of the inglorious past in our village life." In the writer's opinion Mr. Rao has misread the annals of rural development in the past. They form the most glorious chapter in India's history of Self-Government, and it is our object to revive, though with necessary adaptations, the agencies of yore that served the country-side well. The reformer has to be not the iconoclast, out to destroy village institutions which he does not understand, but the iconodule, who grasps the true inward significance of the village organization and tries to put life into a structure, now reduced to a scaffolding that has failed to respond to the changes in its functions necessitated by the passage of time. It is a truism to say that the village in the hey-day of India was a self-contained unit. With the disappearance of self-contained economy, however, we cannot attempt to cut the village asunder from communion with the outside world, but we can arrange to barter its surplus produce against articles required by the villagers, intent on living at a higher level than their ancestors. We want to ensure for the village the advantages of collective bargaining by selling in the dearest and buying in the cheapest markets. We, therefore, lay stress on the feeling of economic solidarity that the village enjoyed in the past and thus ensure for it the benefits of large scale transaction without making each individual lose interest in the products of his own handiwork. We would like to introduce collective buying and collective marketing.

The problem before the revivalist reformer is therefore the dual problem of the rehabilitation of the economy of country life and quickening of the pulse of family life. Education of grey heads and the young is the first desideratum. The cultivation of the sense of curiosity in the elders in the written word and in the world outside the little village is the right avenue of tackling the problem of *gram sangathan*. The

villager must be stirred out of the *murdab* or the dead waters of apathy into which he has sunk. He must be made literate; he must be feel the magic of the written word and he must be made to taste the sweets of a life fuller and richer than the one he is accustomed to lead. It would be then that the elders would see that the toddlers at home, boys and girls, remained longer at school and got the full benefit out of the five years' instruction provided in the primary school. The school would become the centre of community life, that is to say that the Pandit in charge of teaching should be the centre of intellectual communion in the sense that he should provide recitation of poetry—ethical or folk songs—which while it amuses, seldom fails to instruct.

There are many indications in the folk songs that literacy was at one time general in the upper classes and it was not, as in these days, when it is taken for granted that a Brahman or Thakur, after giving evidence, must put his thumb-impression on his statement and not be able to sign his name. Even women were evidently literate. There are songs depicting devices, which the wife, separated from her husband gone abroad for trade, resorted to in sending a delicately erotic reminder to her erring lord. The chit was sent either through the parrot (a human bird in poetry) or the sky-kissing kite. And yet the percentage of female literacy now scarcely comes to 1. It was the village Pandit who initiated the boy and the girl in the alphabet and opened out the treasures of the *Ramayan* and the *Bhagwat* to the young and old of the village.

The institution of the village school must be revived. Co-education is always possible up to the primary standard, and as observed by the Hartog Committee, when the proper type of preceptor is obtainable, there is no need for separate schools for boys and girls. Schools should rather be located on regional than on a communal or sex basis. If the District Board is not in a position to maintain a teacher, the co-

operative society should, from its 5 per cent. funds set apart for higher life, find the wherewithal for the employment of a teacher who should instruct the young and the old, male and female, in the mysteries of the written word. The success of the village school may not be uniform everywhere, but where it has taken root, the pleasure experinced by the grown-up who have received a second sight can only be described in the language of Keats' *On First Looking into Chapman's Homer*.

The next desideratum appears to be cleanliness of the village. It is all very well to find funds from the District Board or the central exchequer for the maintenance of sweepers. Sweepers may be required to clean the communal dunghill but the front and back-yard of every house should be swept by the house-owner himself. There are festivals which lay down periodical cleaning of the village besides the front and back-yards which receive daily sweeping. In the month of *Shravan*, the house is to be made ready for the reception of the daughter from the house of her husband. This is the time of family reunion and the *kajli* songs celebrate feasts of reason and flows of soul in a household that has been made trim for the occasion. The *Diwali* is another occasion for a general village cleaning up and it is a well-known fact that "*Daridra Narayan*" i.e. the spirit of poverty and dirt, is driven out of the village with the accompaniment of music on the 11th of the bright half of *Kartik*, 11 days after *Diwali*, when housewives go about proclaiming to the world that dirt and poverty have left and prosperity and happiness have come in.

Holi is another time for the cleaning up and burning of rubbish. The village *Safai* society, wherever constituted, has taken interest in the diurnal sweeping of front and back yards and has taken care to celebrate festivals necessitating general cleaning up several times during the year. The refuse is collected in a part of the field, and the periodical

burning of matter, which is not required, is resorted to as an act of religious observance.

It is invariably noticed that villages suffer from scarcity of fuel and fodder on account of the indiscriminate policy of felling trees without any systematic arrangement for replanting them. The anxiety of the villager in the past for keeping up his groves has been sung in songs at the time of the weeding of weeds (*Nirwahi*) in the month of *Shravan* or the grinding of corn early in the morning. A daughter tells her father not to cut the *neem* tree ; it harbours the birds as the mother harbours the daughters ; the and the daughters fly away but the mother remains in the house and so should the *neem* tree. There are descriptions of the groves planted, not for the profit of the planter* but to provide shade and fruit to the traveller, of the necessity for excavating tanks for the thirsty cattle, and of wells for the wayworn traveller. It is to this custom that we can trace the existence of village *lakhperas* which are owned by the community. They formed the real fodder and fuel preserve and, the necessity for a communal fodder and fuel preserve has been borne home on many a village community which lives on its resources in the shape of burning up of its own cowdung and thus reaps a lean harvest from its unmanured fields. The "Arbor" day which is a special feature of the American community needs also to be revived. As planting of trees has been laid down in the *Shastras* as a special duty of every house-holder, let the village school revive the spirit and institutionalise the the planting and maintenance of groves in the village. *Shravan Shukla Saptami* has been chosen by some societies for planting of the *Tulsi ban.* In this connection i. e. hygienic reorganization of the village and its afforestation, the question of remodelling the *abadi* is of immediate importance. In a

* What is the merit for Sinking a well ? "Crowds of women drawing water at the well". What for planting a grove ? "When the wayfarer tastes the mangor." "What of excavating a tank ?" "When cows in herd are watered there."

typical up-country village, the inhabited area is kept constricted by the necessities of cultivation. Concentric rings of cultivation narrow the elbow room for the village site. The more the mouths to be fed the larger the area in the cultivated part that has to be put under food crops, and therefore there is available for the householder a correspondingly smaller area for extension of the homestead. The space that sufficed for a limited village population, attenuated by disease and war, is now made to suffice for a population which has grown and is growing, and the problem of village health is inseparably associated with provision of larger elbow room. No external cleaning of internal hygiene is possible when the human being, herded with his companion the bovine, has not the space to move without treading on some one's toes. I took care to study village disputes that are litigated in the Munssiffs' Courts or that figure before arbitration societies in rural areas. They are cases of encroachment or infringement of easements. What is urgently needed is a spirited policy of plantation of fresh *abadis*. The centrifugal tendency is always there, tempered on the one hand, by the exorbitant demand of premia from the landlord and on the other by arrangements for watch and ward. Certain communities like the *ahir* and *ghosis*, who keep cattle, agricultural and pastoral, refuse to yield to the call of safety and start new hamlets. They have, however, to pay dearly for the right of breaking away and occupying *parti* land for building up their homesteads. A change in the outlook backed by change in the law is necessary. Congestion perched on a dunghill, which not inaptly describes some of our worst villages, can only be dissipated by a spirited policy of organized centrifugal plantation of *abadi* all over the village, with the cultivated area situated around these new hamlets. A new convention needs to be created for the planting of trees on a profit-sharing basis between the landlord and the resident or *chhapparbandh* tenant, while the duty of replacing a tree that has been felled should be emphasised by setting up a right on the part of

the villager to do it. If necessary a small premium may be payable for permission to replant. But it is clear that unless and until the question of *abadi* is settled and the right of the resident ryot to replace grove trees is made clear, village economy can never be planned on right lines.

In olden days a great deal of stress was laid in village songs on physical culture. The young man was shown to ride, carry a sword, a lance or a bow, was short-tempered and prepared to fight against any odds, and constant reference was made to the good milk yielded by the cow which produced this progeny. The husband refuses to live on his wife's wealth and goes abroad, generally to busy himself in the carrying trade, generally salt, fine cloth, cloves or caramel. The destination in most cases is Morang, which is the "Tarai" part of the Champaran and Saran districts. The absence is generally of twelve years and the husband on return finds the wife waiting for him, faithful to her oath. There are occasions when her chastity is doubted and she takes the *Shapath* i. e. she goes through the trial by ordeal, in all cases successfully.

The young Leander is expected to swim the river to meet his Hero on the sly. A candidate for sacred thread is refused a boat by his people on the ground that he must learn how to swim across the river before he can receive the sacred thread.

To-day there is one defect in the training. The *khalifa* or the village gymnastic tutor is generally a drum-beater or follows some other profession of low social repute. His one anxiety is to develop the sense of individual physique, so that the *shagird* of his *akhara* or coterie may beat the *shagird* of a rival *akhara*. He never aims at the inculcation of team spirit in which the player subordinates his individual self-assertion to the glorification of the community to which he belongs. The training is training by rivalry—re-enacting of the warfare tactics on the social plane, instead of inculcating the

glories of peace i. e. mutual help and social solidarity. The present tendency is to introduce games like *kabaddi* which like Hockey and Football compel every unit to hang by the other and support him in his job. Games are now played on *Ekadashi* and *Amavasya*, days of enforced rest in villages, and the village tank and grove are the scenes of lively games played which while improving the physique inculcate the spirit of solidarity.

I have tried to indicate the sign-posts on the march towards rural reconstruction and have accompanied the reader part of the journey on the various roads leading to the goal of village *sangathan*. There are two institutions on which we must concentrate—the school as centre of community life and the family life with woman as its pivot. The former will be the head-quarters of the young men's association which, as in Japan, will co-ordinate all the activities of the village, the various *samitis* in charge of agriculture, cattle-breeding, trade and sanitation, will have their head-quarters at the school. We have to make the *shala* play the part it did in the life of old, and revive the *guru* or the teacher, to respect whom came to be part of one's own self-respect. It is for the school to see that the elements in rural economy, which have fallen in a state of disequilibrium, be oriented aright so as to help to bring about that harmonious setting in which alone the individual of a co-operative commonwealth can have his future.

II

Turning to the other institution, the attention of the reformer of the family who is intent on quickening the pulse of domestic routine has concentrated on the housewife—the *Grihini*. She has now-a-days become, instead of the radiant mother scattering joys all round, the household drudge incapable of doing anything but menial work. The question of her education has already been tackled. Maternity and child welfare enthusiasts have improved amenities for the urban-dweller but the lot of the village woman is still deplorable.

The folk songs represent the *jachcharani* as well housed and well looked after. A song represents her lying in a room situated below a lemon tree. The juice exuding out of the lemons wetted the bed of the mother though it spread fragrance all round. The brother came and took out his dagger to cut the lemon tree. The *jachcharani* came out of her room with collyrium in her eyes, the *sindur* in her parted hair, betel in her mouth and the baby in her lap, looking radiantly happy. She tells her brother, 'Do not cut this tree, my deceased father-in-law has planted it.'

In another song, the expectant mother is asking which room she was going to have for child-birth. It was decided by the jealous sister-in-law that she would have the thatch. The expectant mother was on the point of cleaning and *lipoing* it when her husband came and insisted that should have the best room for confinement.

The contrast with the present position is too obvious to escape notice and, therefore, it is more necessary to convey the benefits of maternity welfare scheme to the door of the villager. There are reformers who have considered the duties which devolve on a housewife as too crushing for the full-flowering of the woman. Apart from the fact that there is no idea of unjust persecution by imposing onerous work, the work of cleaning the house, of looking after the cattle, of grinding the corn and sweeping the floor has kept the average Indian woman in the village healthy and happy and prevented her bearing too many children. The songs that are sung at the time of grinding corn (*Jant* songs) show that this work was done without the monotony of degradation associated with this kind of work, and it is a thousand pities that to-day mill-ground flour, with consequent loss of bran and its proteid content, is used by villagers. But there is no use denying the fact that the young wife in her role in the drama, as staged in the joint family, is a tragic one. Folk songs are full of this tribulation of the daughter-in-law but her unalloyed

grief is tempered by the contemplation of the mother-in-law in good time going the way of all flesh and sister-in-law going to her husband's house. A folk song represents the father asking his daughter to come home every day, the mother, every six months (because of the presents that have to be given every time a daughter is sent away); the brother asks her to come whenever there is marriage in the family, and the sister-in-law says, "why come at all?"

There are, however, many incidents mentioned in which the wife is fondled by her husband. The expectant mother is lying on a sandle-wood bed the legs of which are beautifully lacquered. It has a silk cushion with beautiful tassels. Tailors have come from Agra and needles from Patna to do up the bed. She knows very little *purdah*, except the *purdah* of modesty. The young damsel sees her would-be husband on the sly and he talks to her. In one poem, the would-be husband is actually represented as coming and sitting at the door of her father and when he is asked to go, the girl comes out and says that she has all along wanted to marry him. Life is modelled more and more on Sita in search of Rama in the garden of her father Janak. Hers is not the drab existence of her sister in cities. She is in touch with nature.

> Rural sights and rural sounds,
> Exhilarate the spirit,
> And restore the tone of languid nature.

Sympathetic observers have noticed the great purity of the family and the strong public opinion that resents the intrusion of *hatwra* in the family circle, a phenomenon which goes unnoticed in cities if it is to tickle the jaded fancy of the sophisticated bread-winner. She is represented as saying:—

> Tut khat, ghar tapakat, tatiyau tuti,
> Piya ke banh siharanawan sukh kailuti.

which in brief comes to this: "Where there is the beloved, there is happiness even in a leaking hut with a broken bed."

She has never lacked spontaneity. She is still the gay skylark cracking jokes with her friends. Compare *Rajlo* vomitting because her Moghul lover had a beard which used to tickle her whenever he kissed her, or *Reshma* telling the Kotwal, who was trying to make love to her, that he must be a fool to think that a goldsmith had fashioned her. There is an old birth song in which the *enciente* mother proposes to her husband that they should share by turns the travails of child-birth (a kind of Couvade) and the naive reply that the husband returns that if he had to thatch the roof he might do it, but the proposal was beyond him to accept. In another song the wife asks the husband to fan her, the husband replies, 'How can the rainwaters rise up the inclined plane of the roof?' He at once yields when the child is born. Then there is the wail of the *Kurmin* whose husband is always in the sugar-cane field all the year round engaged in one operation or other connected with the sugar-cane.

The cynical indifference with which a mismated bride speaks about her tiny boy husband is so naively put in a folk song that the whole of it deserves to be read in the original. But the emphasis is on the devoted wife and the harmony of the household. The song means: "Oh river: flow gently and let me be ferried across." The river asks, "Of what material is your boat made and your oars? Who is the oarsman and who wants to go across?" "My duty is my boat; there are seven oars plying; my husband is rowing and I want to go across."

Marriage customs invariably represent the parties to be of marriageable age but the poison appears to have already permeated the rustic's life. The custom of marrying girls in families higher in status than one's own (hypergamy) had crept in and the birth of a daughter with the future liability of dowry (*dahez*) had created a weightage even in parental preferences (*Duhita bhali na ek*). This custom of giving dowry in marriage of the girl is symptomatic of two tendencies.

On the one hand, with the march of the Aryans to the East, there was more dilution of the Aryan blood with the blood of the autochthones, and the anxiety of the emigrant for keeping his blood pure started the originally eugenistic custom of marrying in the West. This ultimately meant putting a premium on marriages in the West, the rise of class snobbishness, the further you moved away from the West, and looking upon certain type of work as degrading, creating that chasm between classes and masses which destroyed the solidarity of the village.

There are songs representing the highest in the land busying themselves with ploughing and sowing the fields, reaping the harvest, spinning yarn and weaving cloth; but to-day ploughing the field or handling a *kudali* (pickaxe) results in social ostracism for the Thakur or Brahmin. The daughter-in-law herself spun the yarn and wove the cloth which was sent as the marriage garment for the bridegroom.

Both the *janeo* and marriage ceremonies were simple. This idyllic condition gives place to the artificial life more or less on the pattern of the town which has divided the house against itself, and set up man against man. The reformer has to revive the old solidarity in the village. In a song sung at the time of sacred thread ceremony, the various functionaries at the ceremony are described as hurrying to the house of the father of the unhated—the Pandit—with sacred *pothi* in his hand, the barber with his bag, the carpenter with his wooden plank for scribbling for the novice, the *kumhar* with his pot, and the *phupa* or the aunt's husband with a *janeo* in his hand. The usual twelve castes, *barah paraja* are still mentioned in one breath.

Certain castes mentioned here belong to the category of depressed and untouchable but even on a sacred occasion like this all these functionaries of the village, who are sometimes described as village servitors, gather together on an equal

footing and are not shunned. Men and women of different ages are described, irrespective of caste, by appropriate appelations as grandfather and grandmother, uncle and aunt, brother and sister, son and daughter. It is hoped that the co-operative movement will revive this feeling of solidarity, of looking upon one's neighbours as a helpmate in the development of self instead of as a potential enemy.

III

Under sections I and II have been narrated the details of village agencies, namely, the housewife and the school, the improvement of which is considered necessary before the village can come to play the part in the life economy of the citizen as of old. There is an old Alsatian saying quoted by Mr. Wolff which runs as follows:—

"A farmer's wife can carry out of the farm in her apron more than the farmer can bring in on a four-horse wagon."

It has been our endeavour to train the housewife so that the problem of waste, or to put it in another way, the elimination of dirt, which is matter in the wrong place, may be visualized in all its bearings and solved. Vogt, an authority on rural sociology, has emphasized the part that is being played by schools in the reorganisation of village life in America. We have in these provinces attempted to form, at the head-quarters of the district, a society which is called the Rural Reconstruction Society. Its objects have been detailed in the Articles of Association of the Benares Society. It is registered under the Co-operative Societies Act, and primary societies are formed with the same object in villages which are prepared to take up rural reconstruction work and seek affiliation with the society at the head-quarters of the district. We hope to improve the school as centre of community life. The district society employs persons trained by the Co-operative Department as village '*girdawars*' (or circle officers) wrongly called 'guides', and it is these '*girdawars*' who convey to the doors of the people instruction, which the specialised

departments like those of Agriculture, Co-operation, Industries and Public Health, have to issue so as to make the life of the villager happier and the yield of his labour ampler. So far the march of progress on the scientific or the social side has left the villager unaffected. A liaison is sought to be established between the villager and the head-quarters and the intermediaries are, on the one side, the village primary society, which may be called the Better Living Society, and on the other, the Central Rural Reconstruction Society. The difficulties of the villagers and their special problems are presented to the experts at head-quarters and from the symptoms available the disease is diagnosed and the treatment prescribed. The village '*girdawar*' is expected merely to dispense the medicine that has been prescribed and to carry on propaganda which would make the new method of treatment acceptable to the villagers. The village *girdawar* is generally chosen from the ranks of village teachers. He is a *dehati* (villager) born of the soil and in tune with those whose hands are soiled by the clod behind the harrow. The agency, therefore, is indigenous, instead of one imposed from outside. Great care has been taken by the Registrar, Co-operative Societies, in training, on the one hand, the village teacher for the rural reconstruction work and as adult school teacher, and, on the other hand, in training him to serve as village *girdawar*. The co-operation of the Departments of Public Health and Agriculture is always available to the Co-operative Department in the work of training. It has been realised that unless prepare the necessary seed-bed for the reception of ideas of co-operation, the co-operative plant would continue to have a sickly growth in the country-side. This has been found to be the only way of linking rural reconstruction work done in villages with the District Board. Ultimately the *Gram Sangathan Samiti* will be a sub-committee of the District Board for rural reconstruction work, though the present sections 56 and 57 of the U. P. District Boards Act will have to be altered so as to allow a larger percentage of co-opted mem-

bers. The rules made by the primary society of the village for sanitation or any of the objects mentioned in section 174 (1) (a) to (v) of the District Boards Act will become the bye-laws which the Board, with the approval of Government, will pass and when rules are imposed from within, few sanctions will be required to get them enforced. This is the contribution to the solution of the problem of village reconstruction which the United Provinces have to offer for the consideration of the economist in this country. It is frankly revivalist in outlook. Effort has been made, on the one hand, to make the agency as little alien as possible to the life of the village, and on the other, we have visualised, in its full extent the immensity of the problem,* the paucity of funds available —not to speak of the difficulty of finding the proper type of worker with the zeal of a missionary and the patience which can wear out the tragic indifference of the peasant.

Conclusion.

Various panaceas have been offered for curing rural distempers. "Feed the brute" is one recipe. "Tickle him" is a slogan of others. It would be nearest to his interest to say, "Interest him". We want to make the villager take an intelligent interest in his institutions and revive them with necessary changes that the spirit of the times demands, where they have fallen into desuetude. We want the specialist departments at the head-quarters of the province to be put in possession of the special needs of the villager so that they may be able to make provision for them with materials which are indigenous, and which are manipulated by an agency which is locally drawn. We want to ensure for the housewife a life free from preventible ailments by improving

*Reference is invited to the system of doing community work without any remuneration. cf. *Losaka Jataka* (41) and *Takka Jataka* where there is mention of the village community establishing a village school and putting up a hut for the village teacher. Kautilya also mentions in his *Artha Sastra*:—

पुण्यास्थानारामाणां च संभूय सेतुबंधादप्रकामतः व्ययकर्मणि च भागी स्यात् न चांशं लभेत।

the indigenous agency for maternity and child welfare. We want customs, which are economic handicaps, to drop out, and waste, which attends the performance of sacramental rites, to disappear by enacting self-imposed sumptuary rules. Then alone will there be a larger dividend to go round and the moral factor will co-mingle with the economic in establishing the solidarity of the village worker. The village is still an unexplored country; it calls for the worker. To the majority it is like Wordsworth:—

> "Primrose by the river brim,
> A yellow primrose is to him,
> And nothing more."

To the initiated its true inwardness offers an inexhaustible mine of priceless utility.

INDIAN WOMEN AND CO-OPERATION.

By S. G. WARTY, M. A., *Bombay.*

"The innate intelligence of the Indian woman, her feeling of domestic responsibility, and her experience of household management, make her shrewd, penetrating and wise within her own sphere." Such is the verdict of the Hartog Committee in their Report on the Growth of Education in India presented to Parliament in September 1929. Other observers have expressed themselves in no less emphatic terms. The famous French missionary Abbé Dubois, who passed a lifetime in India in close and intimate contact with the people, wrote a century ago in his *Letters on Christianity in India* that "in the management of their domestic business, Indian women in general show a shrewdness, a savingness and an intelligence which would do honour to the best house-wives in Europe", while as regards the women of the working classes especially, the Abbé spoke in even more explicit terms:— "Besides the management of the household and the care of the family which are under their control, the wives and daughters of husbandmen attend and assist their husbands and fathers in the labours of agriculture, many females are shopkeepers on their own account, and *without a knowledge of the alphabet or of the decimal scale, they keep by other means their accounts in excellent order*, and are considered as still shrewder than the males themselves in their commercial dealings. In short there is no kind of work, no kind of trade, in a civilized society, in which the Hindu females are not seen actively engaged and occupying a conspicuous place."

Such being the actual position, the question very naturally arises, should not this innate intelligence of the women of India, their practical knowledge and the capacity they display in the concerns and management of the family, be harnessed to wider ends? Should they not move a step forward and play their legitimate part in those departments of public

activity for which they seem to particularly fitted, and contribute thereby to the well-being of society as a whole? Herein, indeed, lies the chief problem of to-day in India, the problem, namely, of calling out the vast latent power of the women folk and directing and utilising it to promote social good. Men of all shades of opinion have come to realise that India has now reached a stage in her advancement, when for her future progress the co-operation of her women in all social undertakings is essential. "The women's movement holds the key of progress," says the Indian Statutory Commission, "and the results it may achieve are incalculably great. It is not too much to say that India cannot reach the position to which she aspires in the world until its women play their due part as educated citizens." · If, therefore, by any means, the wealth of capacity in the women of India that is now largely wasted through lack of opportunity be made available to the country, the immense gain resulting therefrom would ensure its rapid progress.

It is not the purpose of this article to discuss the place of women in India in all spheres of public activity. We confine ourselves only to one aspect of the question the spread of the co-operative movement among them. This movement is in itself so far-reaching in its character and its effects, that we shall necessarily be led to refer to its social value and point to its potent influence in the evolution of a new and reforming mentality. It will also be necessary to indicate what kind of activities can be co-operatively organised amongst women in the most successful manner and which of them are of the most urgent and desirable character, considering the needs and conditions of present times. Incidentally we shall have to take stock of our past achievements in this sphere, small and inconsiderable though they be, to see if our experience hitherto in this direction can yield lessons of some value and throw light, however insufficient, on problems which will have to be faced. The trying diffi-

culties one necessarily meets with in the propagation of a new creed among an illiterate and conservative mass of humanity, as Indian women mostly are to-day, the many prejudices and social restrictions to be overcome, and various other obstacles which suddenly crop up but will not bear cataloguing in advance, do not make an undertaking of this type altogether a delightful job. "If to do were as easy as to know what was good to do" said Shakespeare's Portia, "chapels would have been churches and poor men's cottages, rich men's palaces." More often than not, we can but feel our way at start. It would thus appear that some discussion of the nature of the difficulties that arise, is certainly called for in an article which purports to deal with the question of bringing women more extensively to public activity. Nor is it of less importance to know what women in more progressive lands are doing, how through self-help and organised action they have raised their capacity, their standard of intelligence and their social value, and how thereby they are contributing to the general progress of their country equally with men, sharing with them their burdens and responsibilities in a spirit of emulation and marching with them in true comradeship towards the common goal of national well-being.

These, then, are the principal questions with which we deal in this article. We shall start with a discussion of the social and economic value of the introduction of co-operation among women, but before doing so we shall dispose of one interesting point which has often been raised, the point whether for the spread of co-operation among women we do require a special women's movement at all. Why should not women, it is asked, be members of co-operative organisations of which men are also members? Why should these co-operative organisations not be the joint concerns of men and women together? Why should the co-operative movement as such be divided into two, one for men and one for women? In any case, if men and women are doing practically the same

kind of work in their respective societies, if they are virtually engaged in the very same business, is there any excuse for dividing their activities in separate compartments?

Without denying the force of this argument, we may well recognise that there are practical considerations on the other side which render the starting of a special movement for women not only desirable but absolutely necessary. Take for example the social custom of India, according to which men and women are forbidden to mix freely with one another. The custom is so strong and so closely woven into the delicate web of social life, that no movement can hope to thrive among women which ignores this fundamental fact. We may contrive to grant the greatest possible facilities for women to take their due share in the management of the joint concerns of men and women, but they will all prove futile and women will leave the concerns in men's hands entirely. Secondly, apart from the particular custom that obtains in India, it seems to be desirable that women should possess their own organisations, to face the anxieties, the problems and difficulties of management and thereby to develop their sense of responsibility to the full. Not only have they their own particular problems which they themselves can best solve, but their capacity for the management of public affairs which develops in the shouldering of common burdens in the public interest, and the high ideal of practical citizenship, would also best be promoted in special organisations where woman would be the sole mistress and find the fullest scope for the expression of her talents, unhampered by social custom and unhindered by the presence of men. The principle has been so fully recognised even in the more progressive Western countries that there, despite the fact that free intermixing is not disallowed a special women's movement in the co-operative field has been regarded as necessary and has been thriving for many years now.

Those who are opposed to a special women's movement seem to labour under a misunderstanding that special organisations mean a separation of ideals. The ideals of co-operation wherever applied will remain the same, though the immediate objectives may differ. Our great aim being to develop woman as a citizen of the State, we have to train her capacity in that direction through means which are open to her. It is practical considerations that make a special movement highly desirable, if not necessary, because only thus can woman hope to approach the standard man has reached within the shortest possible time. The whole argument has been very able summed up by Mrs. Emma Freundlich of Austria, President of the International Co-operative Women's Guild, in the following words :—

"A woman's co-operative movement may therefore be an organic member of the whole movement and work in closest harmony with it. It has never been possible—and a practical example would prove it—for a woman's movement to be organised if led by men. Women had always to prepare the way for their sisters.

"Propaganda and the education of woman must be organised on different lines from those of man. Man is not a house-wife; he does not know the little world of the household although he lives in it, and many things which are of vital importance to woman appear as mere trifles to man, because he does not understand them. The house-wife can only be understood if the bridge between domestic economy and co-operation is built consciously and with a definite end in view. In most countries the women's movement does not owe its origin to man but came into being by the power of woman. That power can and must be roused."

The great desirability of starting a special women's co-operative movement being thus conceded, we will proceed to discuss the social and economic results that might be expected flow from the spread of co-operation among the women of India. In so doing, we shall have to consider the action and interaction of one upon the other; of how, for example, woman on the one hand would contribute to the strength of the movement and its success by taking active part therein, and how on the other hand the movement would widen the woman's mental horizon and the sphere of her interests, thereby enhancing her social utility and her value as a citizen of

the State. The one fundamental fact regarding woman and especially the Indian woman is that the co-operative instinct is much stronger in her than in man. The germ of co-operative mentality lies already there waiting to be developed, while in man it has to be created by a specific appeal. There is thus greater success awaiting spread of co-operation among women than among men. Women, besides, display less recklessness; they are more susceptible to the idea of responsibility; they bear their burdens cheerfully and are prepared by habit to make willing sacrifices for the common end. Thrifty by nature, moderate by temperament, and industrious by habit, they would take care to put the co-operative mechanism to fruitful uses and contrive to reap the greatest benefit out of it.

Even the nature and quality of co-operative achievement would undergo remarkable improvement if women entered the Movement more freely. It is a truism that women by nature exert a steadying influence on life, and experience in all countries has amply proved that in matters of social and economic reform especially, their counsel and active work are essential for attaining the maximum amount of success. Thus the spread of co-operation among women in India should serve to make the co-operative movement itself strong and progressive, and keep it true to its original principles and ideals. The frequent complaints that we hear regarding the failure of the co-operative movement in India arise principally from the fact that the co-operative mentality that is essential for its success is not active to a sufficient degree. The movement has been practicably confined to men in whom the co-operative instinct has been perceptibly weak. Besides, by an unfortunate mistake which, however, did not at first appear to be such, the primary emphasis was laid on the economic aspect, the moral and educational aspects coming in only for a nominal recognition. The advent of women in the co-operative sphere must serve to emphasize the moral aspect equally with the economic,

and is bound to exercise a corresponding influence on men's co-operation, the ultimate result of which would be, a strengthened, vivified and withal a reformed co-operative movement as true to its ideals and principles as it could be under the circumstances obtaining in India.

Equally beneficial would be the effect of co-operative work and association on Indian women and their social utility. So far as the economic needs of the family are concerned, none knows them better than they. "The man, whose vocation and inclination in life lie more outside than inside the home, can no longer be regarded as the centre of the family, even though he supplies the means. Woman is mistress of the house inspite of civil laws. She provides for the family chiefly by the labour of her own hands and gives her services often without reward or thanks, for the welfare of the family and the society. It is the woman who brings up the children and takes care of them, and her efficiency has a far greater influence on the happiness of the family and the education of the children than that of the man." When this mistress of the house becomes a member of co-operative society, say a co-operative store, and comes to realise that it is a business which alone with many others she can claim as her own, and that in its success lies the good of herself and her family, she begins to take greater interest in its management and tries to acquaint herself with its intricacies. Slowly her mind is imbued with novel ideas, and while they are fermenting there and awakening her to a new world, to compare notes, to exchange ideas and experiences and to widen their horizon.

"Even a little knowledge is a blessedly dangerous thing. It causes a mouldering discontent which may flame into active rebellion against a low level of life, and produces a demand however stammering for more interests and chances."

Soon an eager desire springs up among the illiterates to become literate, among the ignorant to acquire knowledge, and this desire invariably brings into existence the necessary agency to supply the demand, a class or a small school. The

library and the newspaper make their prompt appearance soon after this, and questions of public importance affecting the town, the city and the country come to be discussed, crudely in the beginning but very intelligently after a time. Public life at this stage presents its attractions and offers its opportunities and many other allied activities begin to claim their attention.

Thus from being an obscure member of a store in the beginning, the woman can hope to be a highly intelligent citizen, taking active interest in the national life of the country and often playing her part as well. The small co-operative store, which seemed to begin and end with the supply of economic demands, becomes in time an educating and liberalising force, a centre of light and knowledge, spreading the benefits of civilization and culture all round. The process undoubtedly is a slow one, and under Indian conditions is bound to be exceedingly slow. But it is a sound and sure process, and the level of acquisition reached comes in the nature of an unconscious, effortless move. Indeed one may almost venture to assert that no better agency can be devised by man than a co-operative society to educate and equip woman for the responsibilities of citizenship. And all the time that this co-operative woman is realising this widened view, she cannot help reflecting on her own positition in her home and all that in her relations with her husband and children go to make the best family life. Her influence as the presiding mistress of the family percolates through all the children, and is the surest guarantee of the education of the family in the broadest sense of the word.

We have now sufficiently discussed the moral and educational aspects of the spread of co-operation among women and also pointed out how the movement itself will gain in strength by reason of the active part women would play therein. Let us now consider the ways and methods of

advance, and try to find out if possible which fields of activity and what forms of co-operation would yield the best results in the case of women in India ; and further which of their needs and requirements demand the most urgent co-operative solution. This question, however, can only be rightly studied in the light of past experience and the results that have followed the attempts made hitherto in the field of women's co-operation.

Now, these attempts in the field of women's co-operation are chiefly centred in the Punjab, where they have attained the highest amount of success possible under circumstances. It is found that on July 31, 1929 the total number of such societies was 130 with a total membership of less than 2000, showing that after all they form an infinitesimal part of the total co-operative strength of the Province. But they are a beginning and their value is to be judged not from their actual achievements, but from the promises and possibilities they hold out for the future as also for the experience they have supplied in regard to the difficulties of management and organisation. Most of the societies are thrift societies which require little skill in management, and which particularly satisfy the woman's natural inclination to save. There are a few societies for adult education and for some other social purposes but it is as yet too early to express any definite opinion regarding their success or otherwise.

In Bengal, there are only six co-operative organisations among women and all of these are in fact social and educational institutions, started on the co-operative basis. They impart training in hygiene, midwifery, nursing, domestic service, sewing, knitting, embroidery etc. The Registrar of Co-operative Societies in Bengal, speaks very encouragingly of these women's organisations which, he says, hold out very good prospects of their successful expansion. In the United Provinces there are about five co-operative schools and a

thrift society also. It appears that these have served to stimulate the demand for education among women, though, according to the report, progress is handicapped for want of suitable female teachers. In Bombay, which claims to be a very progressive province in the matter of social reform, there is only one co-operative credit society for middle class women in the city, and recently two co-operative stores have been started in the city itself, one for the Gujerati ladies and another for the Deccani ladies. These stores, though yet in their infancy, have shown good results so far and are very well conducted, and because highly educated ladies are taking a personal interest in their management, we may well be sure that they form today the nucleus of an expanding organisation with large possibilities in future.

This, in brief, is the sum total of India's co-operative achievements in the woman's sphere. It is admittedly meagre, and for very obvious reasons. The idea itself took shape very recently in India, and the attempts made to embody that idea in an organised society were more of the nature of a pastime and a playful enterprise than of serious experiments. Besides, the conservative instinct of the Indian women does not make progress easy. Nevertheless the experience gained, meagre, inadequate and partial though it be, is not quite valueless. It serves to point out the initial difficulties of the undertaking, and suggest certain lines of action along the lines of least resistance. It appears to be certain that as in the case of men, so in the case of women, the needs of the middle classes are to a considerable extent different from those of the working classes, and the methods of approach in these cases should also differ. Only the middle class women have so far been handled, and thrift societies which are the easiest managed may prove the best start. They hold out inducements to women to economise their expenses of the household and to deposit their savings in the societies, teaching thereby the habit of investment.

The great drawback even in this simplest form of society is the general illiteracy of women, and a Punjab lady worker has observed that in most of the societies in the beginning, "women were only nominal members, the payments of contributions, entries in registers and other business being done either by their male relatives or by the local sub-inspectors on their behalf." There is also the great difficulty of finding secretaries and treasurers with some at least of the necessary qualification. Then, again, the conservative nature of the women, their general reluctance to step beyond the beaten track, their lack of adequate freedom, the traditional dislike of the men folk for the association of their wives with public concerns, in many cases the *purdah* and its enforced seclusion,—all these contribute their handicaps to the progress of undertaking and make of it a very tiresome and difficult job. The work does not stop with the starting of the society. "On paper the societies are simple enough" says the Punjab report, "but in practice they bristle with difficulties." The society requires constant supervision so that its working may not go wrong. Especially at start, the utmost care has to be taken to ensure correct accounts and efficient management. Even the slightest mistake would shake confidence and bring about a set-back.

Like the thrift society, the co-operative adult school seems to offer very favourable prospects at start, but in addition to the difficulties mentioned above, there is the difficulty of funds. In small towns or villages, suitable female teachers are also not available, and in regard to this the Registrar of Co-operative Societies of the United Provinces considers that the best hope of success in this direction lies in enlisting the services of the wives of village teachers, "provided they have at least passed the primary school standard." He further states that attempts were also made to persuade some women to join a special training class in Lucknow to help them to work as female village guides, but that

the response was very meagre. Co-operative associations for the teaching of nursing, midwifery, first aid, hygiene etc. can also be easily successful in cities where it is possible to draw upon the voluntary services of a number of practitioners. There is real success awaiting also the co-operative marketing of sewing, knitting, embroidery and similar woman-craft production, if the necessary provision for teaching these arts is made a part of the organisation. The need of this last seems to be urgent, for not a few women of the poorer middle classes would willingly make thereby a welcome addition to the earnings of the family.

In the West, woman like man begins her co-operative life as a consumer and the stores are the most important of co-operative organisations. In India, so far, stores have formed the exception rather than the rule. We need not here discuss the reasons why this has been so. But there is reason to think that co-operative stores for the supply of household requirements, if organised for women, have better prospects of success than if they are organised for men. A store usually suffers for want of loyalty of its members. The defect is not so common among women as among men, and further, women show a better capacity for sacrifice for common ends, and would willingly give their leisure to the work of the store. They can also better appreciate than men do even the very slight economy in expenditure that may result from buying at the co-operative shop. The one great drawback in regard to stores is the lack of properly qualified persons to manage its business. The greater care women usually exercise in all their dealings and their honesty would prove an asset of considerable value in management. It does not appear on the whole that because men have met with many failures in co-operative stores, women also would meet with the same fate. Attempts may, therefore, be made, on cautious lines at the start, to win over women to co-operative buying wherever practicable.

As regards women of the working classes, there is little experience as yet to guide us. Nevertheless, for such women, especially widows, who work on their own account or engage in some business or trade which they can easily manage, co-operative credit should prove of great benefit. Where persons are engaged in productive business, the need for loaned money on particular occasions cannot be dispensed with. In the case of wives and other women of the household, who besides doing their household work assist their male members in their outdoor employment, the starting of some cottage industries among them on co-operative lines may prove practicable. More correctly, an existing cottage industry of the locality, if it is specially suited to woman labour, should be organised on a co-operative basis. Special investigations should be started to ascertain women's chief occupations in each area. It appears milk production would prove an ideal co-operative industry for women. Another such industry in rural areas for which there is undoubtedly unlimited scope, if the women folk are properly organised for it, is poultry farming. Women are specially fitted for such work as they are doing it at present, and if with the knowledge of improved methods, the necessary financial assistance, and the facilities for marketing, all of which the co-operative organisation will provide, the industry expands and attains the prosperity which it deserves, the gain to the women concerned, their family, their village and the country would be immense. The production and marketing of vegetables especially in the neighbourhood of towns and cities may also prove amenable to co-operative handling with benefit to all the parties concerned.

Such, then, are some of the lines on which co-operative work among women can be undertaken, and such are the possibilities of the future. These hopes can materialise if an active women's co-operative movement comes to exist. A brief reference at this stage to the valuable achievements of western women in the field of co-operation may not be out of place.

In England to-day there has grown a very highly organised women's movement known as the "Women's Co-operative Guild" which is described as "a self-governing organisation of women who work through co-operation for the welfare of the people, seeking freedom for their own progress and the equal fellowship of men and women in the Home, the Store, the Workshop, and the State." The Guild organises women as co-operators for the study and practice of co-operation and other industrial and social reforms. It has about 1300 branches with a total membership of about 65,000. Propaganda is is regularly carried on through the press, through meetings and through conferences, on all subjects touching the interests of co-operative women. Education of guildswomen is one of the principal activities. Welfare work among infants and in connection with maternity is also undertaken and special literature is published and distributed on topics concerning the needs of the family, such as health and sanitation in the home, the care of infants, the problem of milk, the supply of pure food-stuffs etc. Similar Guilds exist in other European countries and the work done is really of so valuable a character that its great and wonderful effect on the progress of women and of the country as a whole, cannot but conjure up in our minds visions of the great future of India if similar activities were undertaken in this country also.

Not content with the success that has attended their co-operative efforts in their own countries, these co-operative women of Europe have joined together in the International Co-operative Women's Guild which is to-day a very strong body, holding annual conferences and exercising real influence on the decision of international questions—social, economic and political, including peace and war. In the Memorandum on Disarmament which it presented to the Commission for the Disarmament Conference in 1929 this International Guild describes itself as follows :—

"Founded four and half years ago, it now embraces ten national organisations in Austria, Belgium, France, England, Holland, Ireland, Norway, Scotland,

Sweden and Switzerland ; it has consultative members in Germany, Czechoslovakia, the U. S. S. R., the U. S. A. and Japan; it is in contact with the co-operative women of Canada, Australia, New Zealand and South Africa and has connections also with several other countries."

This Guild carries out systematic enquiries into the position of women in various countries, their ways of life, their conditions of living, their employment etc. and publishes reports, which are often of very great value.

Let Indian women aspire to progress in the same direction and achieve similar results. The same degree of achievement seems to be yet far off. For the present one step is enough for us, and we may well indicate here what should be our immediate programme. An All-India Women's Movement already exists, but it has not yet directed its attention to the co-operative organisation of women. It would appear to be necessary as an immediate, preliminary step to establish a special Co-operative Committee of the Indian Women's Conference, whose work should be (1) to call provincial conferences of women to discuss ways and methods of organising women co-operatively, (2) to establish provincial bodies to carry on the necessary propaganda and to continue the work of the conferences, and (3) to bring pressure on the Provincial Governments through various sources to start special branches of the Co-operative Departments engaging a sufficient number of well-qualified lady co-operative organisers for organising women and looking to their special needs. When once the Provincial Co-operative Conferences are called and set into motion, they may well be expected to carry on educative propaganda on their own account and begin co-operative organisation wherever practicable. Simultaneously with this, each Provincial Government should be induced to appoint a Committee of Enquiry composed of women to enquire and report in detail on which lines work can best be undertaken and which forms of business, employment and social activities, are best amenable to co-operative handling.

As soon as the provincial organisations are fairly well established, these can be linked with the Provincial Co-operative Institutes that now exist and represent the Co-operative Movement as a whole. Further developments may well be left to time, but it would be advisable from the very beginning to send representatives of Indian women to the International Co-operative Women's Conference to bring from there the light and the message of world-citizenship.

Will the Indian women whose courage and fortitude in the most trying circumstances, and whose wonderful capacity for sacrifice have elicited the admiration of the world in recent times, fail to adopt the co-operative sphere for their constructive work and to prove devoted labourers in this chosen field? Shall we not have our own Honora Enfields and Emmy Fraundliches to establish the reputation of their sisters in the international world and adorn the world-wide structure of co-operation and social service?

DIRECTORY.

I CO-OPERATIVE PUBLICATIONS.

II CO-OPERATIVE JOURNALS.

III CO-OPERATIVE ORGANISATIONS.

IV WHO'S WHO IN CO-OPERATION.

CO-OPERATIVE PUBLICATIONS.

With the increasing insistence upon the training of workers in the co-operative institutions and departments by the Royal Commission on Agriculture and the Banking Enquiry Committees, both Provincial and Central, and by the growing recognition of the importance of co-operative education and training by the Registrars of Co-operative Societies, the Provincial Committees on Co-operation and by the leading co-operators themselves, and with the establishment of training classes, regular schools and training institutes in the different regions of India, need has been felt for co-operative literature and it is gratifying to note that in recent years a fairly large volume of co-operative literature has made its appearance. Apart from training purposes, the co-operative institutes, which have been interesting themselves very largely with propaganda, have felt the need for pamphlets for the use of the workers and propagandists. To-day, so far as we have been able to ascertain, the total number of books dealing with co-operative matters published in India is 82, and the total number of pamphlets 164. Of these, as many as 24 books and 58 pamphlets have been published in Bombay; the Central Provinces come next with 9 books and 26 pamphlets, and the Punjab comes third with 12 books and 16 pamphlets. A large proportion of these books and pamphlets are in English, 31 books and 44 pamphlets; Marathi holds the next place with 10 books and 29 pamphlets, while Urdu stands third with 9 books and 19 pamphlets. The tables below give the distribution of books and pamphlets by province and language. The early publications were largely by the departments or by departmental heads and were in the nature of Manuals for the guidance of co-operative societies, embodying the model bye-laws framed by the Registrars for the various types of societies. Among these earlier publications,

however, mention must be made of very useful books brought out by Mr. H. Calvert on the Law and Principles of Co-operation, by Mr. P. Mukherjee on the Co-operative Movement in India, by Mr. Crossthwaite on Co-operation in the Central Provinces and by Mr. Ewbank on Studies in Indian Co-operation. The later publications have been largely stimulated by the establishment of Co-operative Institutes and Unions.

BOOKS.

Provinces and States.	English.	Gujarati.	Marathi.	Kanarese.	Urdu.	Hindi.	Bengali.	Burmese.	Tamil.	Telugu.	Malayalam.	Total.
Bombay	12	3	4	5	...	...	...	...	...	...	...	24
Punjab	8	...	...	...	4	...	...	...	...	...	...	12
United Provinces ...	5	...	...	...	....	...	...	...	...	...	...	5
Bihar and Orissa ...	5	...	...	...	...	...	...	...	...	...	...	5
Bengal	...	...	...	...	...	...	5	...	...	...	...	5
Madras	...	...	...	...	...	...	...	...	2	4	...	6
Central Provinces and Berar.	1	...	6	...	...	2	...	...	...	...	...	9
Assam	...	...	...	...	...	...	1	...	...	...	...	1
Burma	1	...	...	...	..	...	...	4	...	...	...	5
Hyderabad... ...	...	...	...	...	4	...	...	..	...	.	...	4
Baroda	...	2	...	...	...	..	...	...	...	...	...	2
Kashmir	...	...	...	...	1	...	...	...	...	...	...	1
Travancore ...	...	...	...	...	...	...	...	...	...	...	1	1
Cochin	...	...	...	...	...	...	...	...	...	...	1	1
Pudukottah ...	...	...	...	...	...	...	...	...	1	...	..	1
Total ...	32	5	10	5	9	2	6	4	3	4	2	82

PAMPHLETS.

Provinces and States.	English.	Gujarati.	Marathi.	Kanarese.	Urdu.	Hindi.	Bengali.	Tamil.	Telugu.	Malayalam.	Total.
Bombay	18	7	18	15	...	...	...	...	...	...	58
Punjab	10	...	...	...	6	...	...	...	...	...	16
United Provinces ...	...	...	...	...	...	3	...	...	...	...	3
Bihar and Orissa ...	3	...	...	...	...	...	...	...	...	...	3
Bengal	11	...	...	...	...	...	6	...	...	...	17
Madras	...	...	...	...	...	...	...	5	9	...	14
Central Provinces and Berar	...	...	11	...	...	15	....	...	...	...	26
Assam	...	...	...	...	...	...	3	...	...	...	3
Burma	1	...	...	...	...	...	...	...	...	...	1
Hyderabad	...	...	...	...	13	...	...	...	...	...	13
Baroda	...	5	...	...	...	...	...	...	...	...	5
Kashmir	1	...	...	...	...	...	...	...	...	...	1
Travancore	...	...	...	...	...	...	...	...	...	3	3
Cochin	...	...	...	...	...	...	...	...	...	1	...
Total ...	44	12	29	15	19	18	9	5	9	4	164

BOOKS.

BOMBAY PRESIDENCY.

ENGLISH.

1 *Manual of Co-operative Societies in the Bombay Presidency* : by Mr. R. B. Ewbank, I.C.S., Registrar, Co-operative Societies, Bombay. 422 Pages. Price Rs. 2-8-0.

2 *Indian Co-operative Studies* : by Mr. R. B. Ewbank, I.C.S., Registrar, Co-operative Societies, Bombay. 264 Pages. Price Rs. 6/-.

3 *Impressions of the Co-operative Movement in France and Italy* : by Mr. Otto Rothfeld, I.C.S., Registrar, Co-operative Societies, Bombay. Pages 111, Price Rs. 1-8-0.

4 *Bombay Co-operative Societies' Act VII of 1925* : by Mr. Khandekar, Poona. 47 Pages. Price Rs. 1/-.

5 *Studies in Co-operative Finance* : by Mr. V. L. Mehta, Managing Director, Bombay Provincial Co-operative Bank. Published by the Servants of India Society, Poona. 170 Pages. Price Re. 1/-.

6 *The Co-operative Movement in India* : by Mr. J. L. Raina. Published by Messrs, D. B. Tarap orevala and Sons, Bombay. 130 Pages. Price Rs. 2/-.

7 *Co-operation in Bombay*: by Prof. H. L. Kaji, M.A., B.Sc., I.E.S. Published by Messrs. D. B. Taraporevala and Sons, Bombay. 433 Pages. Price Rs. 10/-.

8 *A Social and Economic Survey of a Konkan Village* : by Mr. V. G. Ranade, M.A., B.Sc. Published by the Provincial Co-operative Institute, Bombay. 113 Pages. Price Rs. 0-12-0.

9 *Report of the Pardi Taluka Economic Enquiry Committee* : Published by the Gujarat Divisional Branch of the Provincial Co-operative Institute, Bombay. 70 Pages. Price Re. 1/-.

10 *A Study of the Economic Position of the Members of Co-operative Credit Societies of Satara District* : by Mr. P. G. Kelkar, M.A., Hon. Secretary, Satara District Branch of the Provincial Co-operative Institute, Bombay. Published by the Satara District Branch of the Provincial Co-operative Institute, Bombay. 178 Pages.

11 *Aladar (Taluka Vagra) Economic Enquiry Committee's Report* : by Mr. G. C. Mukhtyar, M.A. Price Rs. 2/-.

12 *Co-operation in India and Abroad* : by Rao Bahadur S. S. Talmaki, B.A., LL.B. Pages 502. Price Rs. 3-8-0.

GUJARATI.

13 *Sahakari Mandaliona Kayada* : by Mr. Nanabhai Lalbhai. Price Rs. 1-8-0.

14 *Sahakar Pravruti* : by Mr. Natwarlal N. Bhagwati. Price Rs. 0-12-0.

15 *Sahakarila Ane Sahakari Mandalio* : by Mr. Chhotalal Babarbhai. Price Rs. 0-10-0.

KANARESE.

16 *Studies in Indian Co-operation* : by R. S. C. S. Shirhatti. Published the Karnatak Divisional Co-operative Institute, Dharwar. 400 Pages. Price Rs. 2-8-0.

17 *Sahakar Parichaya* : by Mr. M. M. Basrur, B. Ag. Published by Mr. M. Basrur, B. Ag. 66 Pages. Price Rs. 0-8-0.

18 *Sahakar Prabodha* : by Mr. M. M. Basrur, B. Ag. Published by the Karnatak Divisional Co-operative Institute, Dharwar. 92 Pages. Price Rs. 0-8-0.

19 *Sahakar Tatwa* : by Mr. M. M. Basrur, B. Ag. Published by the Karnatak Divisional Co-operative Institute, Dharwar. 67 Pages. Price Rs. 0-8-0.

20 *Co-operative Act of 1925* : with annotations, by Mr. M. M. Basrur, B.Ag. Published by Mr. Y. B. Jathar, B.A., LL.B., Dharwar. Price Rs. 1-8-0.

MARATHI.

21 *Shetki Ani Sahakarya*: by Mr. Sahakari Krishna. Published by Mr. N. S. Hasabnis, Shaniwar Peth, Poona City.

22 *Gavgada*: by Mr. T. N. Atre. Published by the Arya Bhushan Press, Poona. Price Rs. 1-4-0.

23 *Dakshinentil Shetkaryanchi Sampattik Sthiti*: by G. Kittings. Published by the Arya Bhushan Press, Poona. Price Rs. 2-8-0.

24 *Uropantil Sahakari Mandalya*: by Mr. Vishwanathrao Herlekar. Published by the Samartha Vidyalaya, Talegaon Dabhade, District Poona. Price Rs. 0-8-0.

PUNJAB.

ENGLISH.

25 *What is Co-operation*: by Mr. C. F. Strickland, I.C.S. Published by the Punjab Co-operative Union, Lahore. 35 Pages. Price Rs. 0-6-0.

26 *The Law and Principles of Co-operation*: by Mr. H. Calvert.

27 *The Punjab Peasant*: by Mr. M. L. Darling, I.C.S. Published by the Oxford University Press. 300 Pages. Price Rs. 7-8-0.

28 *Rusticus Loquitor*: by Mr. M. L. Darling, I.C.S. Published by the Oxford University Press. 386 Pages. Price Rs. 9/-.

29 *Co-operation in Germany and Italy*: by Mr. M. L. Darling, I.C.S. Published by the Government Printing Press, Lahore. 191 Pages. Price Rs. 3-8-0.

30 *Studies in European Co-operation, Vol. No. 1*: by Mr. C. F. Strickland, I.C.S. Published by the Government Printing Press, Lahore. 166 Pages. Price Rs. 3-8-0.

31 *Studies in European Co-operation, Vol. No. 2*: by Mr. C. F. Strickland, I.C.S. Published by the Government Printing Press, Lahore. 182 Pages. Price Rs. 2-8-0.

32 *Co-operative Hand-book*: Published by the Punjab Government at the Government Printing Press. Pages 117. For Official Use.

URDU.

33 *Co-operation Magazine*: by Mr. Mohd. Bakhsh Muslim. Published by the Punjab Co-operative Union, Lahore. 53 Pages.

34 *Guldasta-Hadayat*: by Ch. Abdul Hamid Khan. Published by Habib Brothers, Gujranwala. 270 Pages. Price Rs. 2-8-0.

35 *Studies in European Co-operation, No. 1*: by Mr. C. F. Strickland, I.C.S., translated by Mr. S. Zahur Hussain. Published by Mufid-i-Am Press, Lahore. 488 Pages. Price Rs. 2/-.

36 *Co-operation in Agriculture*: by Mr. Henry W. Wolf, translated by Mr. Bishamber Dass. Published by the Mercantile Press, Lahore. 184 Pages. Price Rs. 1-6-0.

UNITED PROVINCES.

ENGLISH.

37 *Manual for Co-operative Societies in the United Provinces, Vol. I* : Published at the Government Press, United Provinces, Allahabad. 227 Pages. Price Rs. 0-12-0. Translations in Hindi and Urdu.

38 *Manual for Co-operative Societies in the United Provinces, Vol. II* : Published at the Government Press, United Provinces, Allahabad. 209 Pages. Price Rs. 1-8-0.

39 *Co-operative Societies in the United Provinces* : by Mr. S. H. Fremantle. Published at the Government Press, United Provinces, Allahabad. 45 Pages. Price Rs. 0-6-0. Translations in Hindi and Urdu.

40 *Co-operation in India, Its Meaning and Its Message* : by Mr. B. Mukherjee. Published by the Department of Co-operative Societies, United Provinces. 40 Pages. Price Rs. 0-8-0.

41 *Co-operative Principles and Practices* : by Mr. B. Shiv Charanlal, B.A., LL.B., c/o Registrar, Co-operative Societies, United Provinces. 34 Pages. Price Rs. 0-8-0.

BIHAR AND ORISSA.

ENGLISH.

42 *Bihar Co-operation* : by Babu Sadashiv Prasad, B.A. Published by the Bihar and Orissa Co-operative Federation, Ltd., Patna. Price Rs. 1-8-0.

43 *Co-operative Movement in Bihar and Orissa from 1913-18 in 2 Volumes* : by Babu Thakur Bhola Nath Sinha, Honorary Secretary, Central Co-operative Bank, Daltonganj. Published by the Patna Divisional Federation Board, Daltonganj.

44 *Co-operation and Rural Welfare in India* : by Prof. B. B. Mukherji, Muzaffarpur. Published by Messrs. Thacker Spink & Co. Price Rs. 3-0-0.

45 *The Bihar Mahajan, Study in Indigenous Banking in Bihar* : by Prof. B. B. Mukherji. Published by Principal B. B. Mukherji, G. B. B. College, Muzaffarpur.

46 *Co-operative Sale* : by Prof. B. B. Mukherji. Published by Motihari Centra Co-operative Bank.

BENGAL.

BENGALI.

47 *Proteekar* : by Mr. T. C. Roy. Published by the Bengal Co-operative Organisation Society, Ltd. 120 Pages. Price Rs. 0-12-0.

48 *Samabaya O'Pallisanskar* : by Mr. Suresh Chandra Sen. Published by the Bengal Co-operative Organisation Society, Ltd. 139 Pages. Price Rs. 1-4-0.

49 *Saral Krishi Siksha* : by Mr. Santosh Behari Bose. Published by the Bengal Co-operative Organisation Society, Ltd. 186 Pages. Price Rs. 1-4-0.

50 *Samabaya (Drama on Co-operation)*: by Mr. A. K. Bose. Published by Mr. A. K. Bose. 56 Pages. Rs. 0-12-0.

51 *Samabaya Bignan* : by Mr. L. K. Sen. Published by Mr. L. K. Sen. 117 pages. Price Rs. 1-8-0.

MADRAS.

TAMIL.

52 *Cottage Industries* : by Mr. N. Shivsutramaniam, B.A. Published by the Tamil Nadu Co-operative Federation, Coimbatore. 56 Pages. Price Rs. 0-6-0.

53 *Calvert's Law and Principles of Co-operation* : by Mr. M. Raja Gopalchari. Published by the Tamil Nadu Co-operative Federation, Coimbatore.

TELUGU.

54 *Duties, Rights and Liabilities of Panchayats* : by Mr. N. Kameshwaran. Published by the East Godavari District Co-operative Federation. 61 Pages.

55 *Membership in a Co-operative Society* : by Mr. N. Kameshwaran. Published by the East Godavari District Co-operative Federation. 53 Pages.

56 *Sahakara Bodhini* : by Mr. N. Kameshwaran. Published by the East Godavari District Co-operative Federation. 114 Pages.

57 *Sahakara Deepika* : by Mr. N. Kameshwaran. Published by the East Godavari District Co-operative Federation. 88 Pages.

CENTRAL PROVINCES AND BERAR.

ENGLISH.

58 *Co-operative Finance and Other Essays* : by Rao Bahadur K. V. Brahma, B.A.,LL.B. 59 Pages. Price Rs. 0-8-0.

HINDI.

59 *Sahakari Sakh Sabha Darpan* : by Mr. J. K. Tiwary, Circle Auditor. Published by the C. P. and Berar Co-operative Federation. 100 Pages. Price Rs. 0-5-0.

60 *Ratiramka Bhagyasudhar* : by Mr. M. Pyarelal Gupta, Manager, Central Bank, Bilaspur. Published by the C. P. and Berar Co-operative Federation. 100 Pages. Price As. 4/-.

MARATHI.

61 *Sahakari Paddhati* : by Mr. R. V. Dharmadhikari, B.A. Published by the Berar Co-operative Institute. 347 Pages. Price Rs. 2-0-0.

62 *Panjabantil Sahakari Chalval* : by Rao Bahadur K. V. Brahma, B.A.,LL.B. Published by the Berar Co-operative Institute. 79 Pages. Price Rs. 0-8-0.

63 *Hisse Asanari Patapedhi* : by Rao Bahadur R. M. Khare, B.A.,LL.B. Published by the Berar Co-operative Institute. 52 Pages. Price As. 4/-.

64 *Kapus Vikrichya Sahakari Sanstha* : by Mr. T. R. Pingle, B.A.,LL.B., and others. Published by the Berar Co-operative Institute. 78 Pages. Price Rs. 0-6-0.

65 *Sahakari Patapedhi, Itihasa, Rachana and Karya* : by Mr. S. V. Mehendale, B.A. Published by the Berar Co-operative Institute. 145 Pages. Price Rs. 0-12-0.

66 *Sahakari Prathamika Sanstha* : by Messrs. Karve and Khare. Published by the Berar Co-operative Institute. 149 Pages. Price Rs. 0-8-0.

ASSAM.

BENGALI.

67 *Daridrya-O-Samabay (Poverty and Co-operation)* : by Mr. K. C. Purkayastha, M.A.,B.T., F.E.S., F.S.S. 55 Pages. Price As. 4/-.

BURMA.

ENGLISH.

68 *Catechism on Credit Co-operation* : by Mr. W. L. Baretto, B. A., Deputy Commissioner.

BURMESE.

69 *Catechism on Credit Co-operation* : by Maung Maung Bya, C. I. E., Late Assistant Registrar.

70 *Manual of Accountancy, Part I and II* : by Mr. W. L. Baretto, B. A., Deputy Commissioner.

71 *Hand-Book of Co-operation* : by U. Po Tin, A.T.M., Deputy Registrar, Co-operative Societies.

72 *Hand-Book of Co-operation* : by U. Po Han, E.A.C., Co-operative Branch.

HYDERABAD (Deccan).

URDU.

73 *Co-operative Manual* : by Moulvi Hasamuddin Ahamad, Assistant Registrar, Hyderabad Co-operative Societies. Published by the Co-operative Department Employees' Society, Ltd., Hyderabad (Deccan). 702 Pages.

74 *Translation of the Maclagan Committee Report, with a Chapter on "Co-operation in the Royal Agricultural Commission Report"* : Published by the Hyderabad Central Co-operative Union, Ltd. 625 Pages. Price Rs. 4-0-0.

75 *Rural Reconstruction* : Published by the Hyderabad Central Co-operative Union Ltd. 449 Pages. Price Rs. 4-0-0.

76 *Rural Uplift through Co-operation* : by S. Fazlullah, Registrar, Co-operative Societies. 52 Pages. Price Rs. 0-8-0.

BARODA.

GUJARATI.

77 *Sahakar* : by Mr. Maganlal D. Shah. Published by the Baroda State Co-operative Department, Baroda. 201 Pages. Price Rs. 1-8-0.

78 *Gramjivanman-Sahakarya* : by Mr. Keshavlal A. Thakur, B.A., LL.B. Published by the Baroda State Co-operative Department, Baroda. 114 Pages. Price Rs. 0-12-0.

KASHMIR.

URDU.

79 *Ganjina Hidayat* : by Mr. Chaudhri Tulsi Ram, Registrar, Co-operative Societies, Kashmir. Published by Messrs. R. S. Munshi Gulab Singh and Sons. 250 Pages. Price Rs. 3-0-0.

TRAVANCORE.

MALAYALAM.

80 *Sahakarana Darpanam* : by Mr. V. P. Narayana Panicker. Published by the Travancore Co-operative Institute, Ltd. 150 Pages. Price Rs. 0-10-0.

COCHIN.

MALAYALAM.

81 *The Co-operative Movement in Malayalam* : by Mr. V. K. Kunjan Menon. 200 Pages. Price Re. 1-0-0.

PUDUKOTTAH.

TAMIL.

82 *Grama Ikia Sangam* : by Mr. V. K. Raj Gopala Aiyer, B.A., L.T. Published by the State Co-operative Institute, Pudukottah. 56 Pages. Price Rs. 0-6-0.

PAMPHLETS.

BOMBAY PRESIDENCY.

ENGLISH.

1 *Primer of Co-operation* : by Prof. H. L. Kaji, M.A., B.Sc., I.E.S. Published by the Central Education Board of the Provincial Co-operative Institute Bombay. 40 Pages. Price Rs. 0-8-0.

2 *Report of the Konkan Co-operative Enquiry Committee on the Districts of Kolaba and Ratnagiri* : Published by the Provincial Co-operative Institute, Bombay. 38 Pages. Price Rs. 0-8-0.

3 *Rural Re-construction* : by Rao Bahadur S. S. Talmaki, B.A., LL.B. Published by the Provincial Co-operative Institute, Bombay. 27 Pages. Price As. 4/-.

4 *Subsidiary Occupation for the Agriculturists* : by Rao Bahadur S. S. Talmaki, B.A., LL.B. Published by the Provincial Co-operative Institute, Bombay. 29 Pages. Price As. 4/-.

5 *Origin and Growth of Co-operation in India* : by Mr. V. L. Mehta, B.A. Published by the Provincial Co-operative Institute, Bombay. 18 Pages. Price As. 2/-.

6 *Consumers' Co-operation in Bombay Presidency* : by Prof. H. L. Kaji, M.A., B.Sc., I.E.S. Published by the Bombay Provincial Co-operative Institute, Bombay. 20 Pages. Price As. 2/-.

7 *Co-operative Banks* : by Prof. H. L. Kaji, M.A., B.Sc., I.E.S. Published by the Bombay Co-operative Institute. 17 Pages. Price As. 2/-.

8 *Co-operative Housing* : by Rao Bahadur S. S. Talmaki, B.A., LL.B. Published by the Bombay Co-operative Housing Association, Bombay. 17 Pages. Price As. 2/-.

9 *Adult Education* : by Rao Bahadur S. S. Talmaki, B.A., LL.B. Published by the Bombay Provincial Co-operative Institute. 26 Pages. Price As. 4/-.

10 *Supervision* : by Mr. V. L. Mehta, B.A. Published by the Bombay Provincial Co-operative Institute. 6 Pages. Price As. 2/-.

11 *Development of Current Accounts and Exchange Business in Co-operative Banks*: by Rao Saheb V. C. Jadav, B.A. Published by the Bombay Provincial Co-operative Institute. 13 Pages. Price Rs. 0-2-0.

12 *Co-operative Finance* : by Mr. V. L. Mehta, B.A. Published by the Bombay Provincial Co-operative Institute. 13 Pages. Price As. 2/-.

13 *The Place of Co-operation in National Life* : by Prof. H. L. Kaji, M.A., B.Sc., I.E.S. Published by the Bombay Provincial Co-operative Institute. 8 Pages. Price Anna 1/-.

14 *Urban Co-operative Credit* : by Prof. H. L. Kaji, M.A., B.Sc., I.E.S. Published by the Bombay Provincial Co-operative Institute. 11 Pages. Price As. 2/-.

15 *Agricultural Indebtedness* : by Prof. H. L. Kaji, M.A., B.Sc., I.E.S. Published by the Provincial Co-operative Institute, Bombay. 14 Pages. Price As.2/-.

16 *Review on Co-operation in Bombay* : by Prof. H. L. Kaji, M.A., B.Sc., I.E.S. Published by the Bombay Divisional Co-operative Institute. PriceAnna 1/-.

17 *Model By-Laws of Co-operative Educational Societies* : by Prof. H.L. Kaji,M.A., B.Sc., I.E.S. Published by the Bombay Divisional Co-operative Institute. 12 Pages. Price As. 4/-.

18 *Model By-Laws of Co-operative Stores in Schools and Colleges* : by Prof. H. L. Kaji, M.A., B.Sc., I.E.S. Published by the Bombay Divisional Co-operative Institute. 14 Pages. Price As. 4/-.

GUJARATI.

19 *Co-operation for Ladies* : by Prof. H. L. Kaji, M.A., B.Sc., I.E.S. Published by the Bombay Divisional Co-operative Institute. Pages 4. Price As. 2/-.

20 *Sahakar Praveshika* : by Prof. H. L. Kaji, M.A., B.Sc., I.E.S., Bombay. Price Rs. 0-8-0.

21 *Vyaj Ganavani Jantri* : by Mr. Ambalal Mansukhram. Price Rs. 0-8-0.

22 *Sharafi Vyavahar Athava Banking* : by Rao Saheb V. C. Jadav, Gopipura, Surat. Price Rs. 0-4-0.

23 *Nagarik Sahakari Banko* : by Rao Saheb V. C. Jadav, Gopipura, Surat. Price Annas 4/-.

24 *Vepарnamu Tatha Hisab Paddhati* : by Mr. Gopaldas Narsinharam. Price As. 4/-.

25 *Sahakarnu Mul Ane Teno Ethihas* : by Mr. Dhirubhai Lalbhai. Price As. 3/-.

KANARESE.

26 *Institute, Its Aim and Objects* : by Mr. M. M. Basrur, B.Ag. Published by the Karnatak Co-operative Institute, Dharwar. Pages 6. Price Anna 1/-.

27 *Credit Societies and Their Management* : by Mr. G. H. Chandargi. Published by the Karnatak Co-operative Institute, Dharwar. Pages 12. Price Anna 1/-.

28 *Cotton Sale Societies* : by Mr. M. A. Shetti, B. Ag. Published by the Karnatak Co-operative Institute, Dharwar. 8 Pages. Price Anna 1/-.

29 *Housing Societies* : by Mr. F. T. Nalavadi. Published by the Karnatak Co-operative Institute, Dharwar. 4 Pages. Price Anna 1/-.

30 *Societies for Women* : by Mr. F. T. Nalavadi. Published by the Karnatak Co-operative Institute, Dharwar. Pages 4. Price Anna 1/-.

31 *Urban Banks* : by Mr. F. T. Nalavadi. Published by the Karnatak Co-operative Institute, Dharwar. 4 Pages. Price Anna 1/-.

32 *Store Societies* : by Mr. G. H. Chandargi. Published by the Karnatak Co-operative Institute, Dharwar. 6 Pages. Price Anna 1/-.

33 *Non-Credit Co-operation* : by Mr. J. A. Madan, C.I.E. Translated by Mr. M. M. Basrur, B.Ag. Published by the Karnatak Co-operative Institute, Dharwar. 5 Pages. Price Anna 1/-.

34 *Irish Co-operation* : by Mr. C. B. Huli, B.A. Translated by Mr. M. M. Basrur. Published by the Karnatak Co-operative Institute, Dharwar. 5 Pages. Price 1 Anna.

35 *Normal Credit Statement* : by Mr. C. B. Huli, B. A. Published by the Karnatak Co-operative Institute, Dharwar. 10 Pages. Price 1 Anna.

36 *Co-operative Movement and Money Marketing* : by Mr. G. H. Chandargi. Published by the Karnatak Co-operative Institute, Dharwar. 22 Pages. Price 1 Anna.

37 *Origin and Growth of Co-operation in India* : by Mr. G. H. Chandargi. Published by the Karnatak Co-operative Institute, Dharwar. 17 Pages. Price 1 Anna and 6 Pies.

38 *Rural Reconstruction in India* : by Mr. N. R. Kulkarni Chebbi. Published by the Karnatak Co-operative Institute, Dharwar. 20 Pages. Price As. 2/-.

39 *Some Outlines of the Co-operative Movement in Denmark* : by Mr. G. H. Chandargi. Published by the Karnatak Co-operative Institute, Dharwar. 14 Pages. Price 2 Annas.

40 *The Co-operative World* : by Mr. G. H. Chandargi. Published by the Karnatak Co-operative Institute, Dharwar. 14 Pages. Price As. 2/-.

MARATHI.

41 *Audyogik Sahakarita* : bv Mr. G. K. Deodhar, M.A. Published by the Servants of India Society, Girgaum, Bombay. Price Rs. 0-0-6.

42 *Sahakari Pedhya Sthapane Sambandhi Mahiti Kashi Gola Karavi* : by Mr. G. K. Deodhar, M. A. Published by the Servants of India Society, Girgaum, Bombay.

43 *Sahakari Patapedhya* : by Mr. G. K. Deodhar, M. A. Published by the Servants of India Society, Girgaum, Bombay.

44 *Sahakari Patapedhya* : by Mr. L. Y. Kaikini. Published by the Servants of India Society, Girgaum, Bombay.

45 *Shetkaryanche Daridrya Kon Dur Karil* : by Mr. L. Y. Kaikini. Published by the Servants of India Society, Girgaum, Bombay.

46 *Uropantil Patapedhyan Sambandhi Mahiti* : by the Chief of Ichhalkaranji. Published by the Deccan Agricultural Association, Poona.

47 *Lamba Mudatichi Karje* : Published by the Central Co-operative Bank, Apollo Street, Fort, Bombay.

48 *Rayatecha Sanrakshak Rahata* : Published by the Central Co-operative Bank, Apollo Street, Fort, Bombay.

49 *Sahakari Patapedhyamadhye Bhandaval Ghalne Ka Surakshita Asale* : Published by the Co-operative Library, the Central Co-operative Institute, Fort, Bombay.

50 *Lecture on the State and the Co-operative Movement* : by Mr. G. K. Deodhar, M.A. Published by the Bombay Divisional Co-operative Institute, 7 Pages. Price Anna 1/-.

51 *Lecture on Co-operative Societies* : by Shrimat Jagadguru. Published by the Bombay Divisional Co-operative Institute. 8 Pages. Price 1 Anna.

SINDHI.

52 *Message of Co-operation in Sindhi* : by Mr. R. B. Pritamdas. Published by the Central Co-operative Institute, Sind Branch. 8 Pages.

53 *Co-operative Farming in Sind* : by Mr. R. B. Pritamdas. Published by the Bombay Central Co-operative Institute, Sind Branch. 8 Pages.

54 *Golden Opportunity for the Labourers of Sind* : by Mr. R. B. Pritamdas. Published by the Bombay Central Co-operative Institute, Sind Branch. 2 Pages.

55 *Adult Education adapted from R. B. Talmaki's Booklet* : by Mr. R. B. Pritamdas. Published by the Bombay Central Co-operative Institute, Sind Branch. 22 Pages.

56 *Result of Economic Enquiries in a Group of Villages in Sind* : by Mr. R. B. Pritamdas. Published by the Bombay Central Co-operative Institute, Sind Branch.

57 *Annual Reports of the Divisional Co-operative Institute* : by Mr. R. B. Pritamdas. Published by the Bombay Central Co-operative Institute, Sind Branch.

58 *Problem of Co-operative Housing in Hyderabad* : by Mr. R. B. Pritamdas. Published by the Bombay Central Co-operative Institute, Sind Branch.

PUNJAB.

ENGLISH.

59 *The Progress of Co-operation* : by Mr. C. F. Strickland, I.C.S. Published by the Punjab Co-operative Union, Lahore. Pages 33.

60 *Co-operation and the National Good* : by Mr. C. F. Strickland, I.C.S. Published by the Punjab Co-operative Union, Lahore. Pages 12.

61 *Co-operation and the School Master* : by Mr. C. F. Strickland, I.C.S. Published by Mufid-i-Am Steam Press. Pages 10.

62 *Co-operation in the Punjab* : by Mr. H. Calvert. Published by Messrs. Tandon and Co., Lahore. 17 Pages.

63 *The Progress of Agricultural Non-credit Co-operation in the Punjab* : by Mr. H. Calvert. Published by the Punjab Central Press, Anarkali, Lahore. 8 Pages.

64 *Co-operation and Education* : by M. Bashir Ahmed Khan. Published by the Punjab Co-operative Union, Lahore. 13 Pages.

65 *Thrift* : by Mr. S. Beant Singh. Published by the Punjab Co-operative Union, Lahore. 16 Pages.

66 *Agricultural Co-operation in the Punjab* : by Mr. S. Wilberforce. Published by the "Civil and Military Gazette". 32 Pages.

67 *A few remarks on the Co-operative Credit Societies Act 10 of 1904, with special reference to Rural Societies* : Published and issued by the Punjab Government at the Government Printing Press, Lahore. 20 Pages.

68 *Spread of Co-operation in the Punjab* : by Mr. C. F. Strickland, I.C.S. Pages 28.

URDU.

69 *Co-operation in the Punjab* : by Mr. C. F. Strickland, I. C. S. Published by the Punjab Co-operative Union, Lahore. 13 Pages.

70 *Thrift* : issued and Published by the Punjab Co-operative Union, Lahore. Pages 8.

71 *A Drama on Co-operative Credit* : by Mr. Jamal-ud-din Ahmed. Published by the Punjab Co-operative Union, Lahore. 42 Pages. Price Rs. 0–6–0.

72 *The Key to Wealth* : by Mr. Mohomed Baksh Muslim. Published by the Punjab Co-operative Union, Lahore. 12 Pages.

73 *Arbitration* : issued and published by the Punjab Co-operative Union, Lahore. 22 Pages.

74 *Commission Shops* : issued and published by the Punjab Co-operative Union, Lahore. 8 Pages.

UNITED PROVINCES.

HINDI.

75 *Sahakari Samtiyra Ke Labh* : bv Dr. Banarsi Das. Published by the Department of Co-operative Societies, United Province. 6 Pages.

76 *Sahayog Shiksha—Gobyondwara* : by Rao Bahadur P. C. Shyam Bihari Misra. Published by the Department of Co-operative Societies, United Provinces. 6 Pages.

77 *Consolidation of Agricultural Holdings through Co-operative Banks* : by Mr. B. Mukherji. Published by the Department of Co-operative Societies, United Provinces. 10 Pages.

BIHAR AND ORISSA.

ENGLISH.

78 *Quo Vadis* : by Mr. N. K. Roy, Deputy Registrar, Co-operative Societies, Bihar & Orissa, Cuttack. Published by the Bihar and Orissa Co-operative, Federation, Ltd., Patna. Price As. 2/–

79 *Co-operation—the Foundation for Rural Development* : by Mr. N. K. Roy, Deputy Registrar, Co-operative Societies, Bihar & Orissa, Cuttack. Published by the Bihar and Orissa Co-operative Federation, Ltd., Patna.

80 *Report on the Working of Co-operation in Jamuee* : by Babu Sadashiv Prasad, B. A. Published by the Bihar and Orissa Co-operative Federation, Ltd. Patna. Price Rs. 0-6-0.

BENGAL.

ENGLISH.

81 *Co-operative Education* : by Prof. P. Mukherjee. Published by the Bengal Co-operative Organisation Society, Ltd, 15 Pages. Price Rs. 0-3-0.

82 *Co-operative Housing*: by Prof. P. Mukherjee. Published by the Bengal Co-operative Organisation Society, Ltd. 14 Pages. Price Rs. 0-3-0.

83 *Co-operative Stores in Bengal*: by Mr. J. T. Donavan, I, C. S. Published by the Bengal Co-operative Organisation Society, Ltd. 17 Pages. Price Rs. 0-3-0.

84 *A Bengal Co-operator's Message from the West*: by Mr. A. K. Bose. Published by the Bengal Co-operative Organisation Society, Ltd. 19 Pages. Price As. 2/-.

85 *The Aims and Ideals of Co-operation*: by Mr. J. M. Mitra. Published by the Bengal Co-operative Organisation Society, Ltd. 17 Pages. Price As. 2/-.

86 *Co-operation in Bengal*: by Mr. J. M. Mitra. Published by the Bengal Co-operative Organisation Society, Ltd. 13 Pages. Price As. 2/-.

87 *Philosophy of Co-operation (Translation of Samabayer Mool Satya)*: by Dr. Rabindra Nath Tagore. Published by the Bengal Co-operative Organisation Society, Ltd. 4 Pages. Price Anna 1/-.

88 *How Co-operative Organisation Societies Should Work*: by an Old Co-operator. Published by the Bengal Co-operative Organisation Society, Ltd. 7 Pages. Price Anna 1/-.

89 *A Programme of Co-operative Development*: by Sir P. C. Ray. Published by the Bengal Co-operative Organisation Society, Ltd. 12 Pages. Price Anna 1/-.

90 *Urban Co-operation*: by Mr. J. M. Mitra. Published by the Bengal Co-operative Organisation Society, Ltd. 11 Pages. Price Anna 1/-.

91 *Ideal of Co-operation (translation of Samabayer Adarsha)*: by Sir P. C. Ray. Published by the Bengal Co-operative Organisation Society, Ltd. 8 Pages. Price Anna 1/-.

BENGALI.

92 *Dacca Bibhager Samabayer Prasar (The Co-operative Movement in the Dacca Division)*: by Khan Bahadur Moulvi Ahmed. Published by the Bengal Co-operative Organisation Society, Ltd. 28 Pages. Price Anna 1/-.

93 *Samabay Ain (Co-operative Law)*: a short summary of the Acts in various countries of the British Empire: Published by the Bengal Co-operative Organisation Society, Ltd. 31 Pages. Price Rs. 0-2-0.

94 *Samabay Niti O'Sangathan (Co-operative Principles and Organisation)*: by Mr. J. M. Mitra. Published by the Bengal Co-operative Organisation Society Ltd. 10 Pages. Price Anna 1/-.

95 *Samabay (Co-operation)*: published by the Bengal Co-operative Organisation Society, Ltd. 16 Pages. Price Anna 1/-.

96 *Samabaye, Mool Satya*: by Dr. Rabindra Nath Tagore. Published by the Bengal Co-operative Organisation Society, Ltd. 8 Pages. Price Anna 1/-.

97 *Samabayer Adarsha*: by Sir P. C. Ray. Published by the Bengal Co-operative Organisation Society, Ltd. 16 Pages. Price Anna 1/-.

MADRAS.

TAMIL.

98 *The Village* : by Mr. S. R. Vennatraman, B.A., B.L. Published by the Tamil Nadu Co-operative Federation, Coimbatore. 28 Pages. Price Rs. 0-4-0.

99 *Wanted Co-operative Workers* : by Mr. K. S. Shivswamy, B. A. Published by the Tamil Nadu Co-operative Federation, Coimbatore. 2 Pages.

100 *Who are the True Co-operators* : by Mr. K. S. Shivswamy, B. A. Published by the Tamil Nadu Co-operative Federation, Coimbatore. 2 Pages.

101 *District Co-operative Federation* : by Mr. K. S. Shivswamy, B.A. Published by the Tamil Nadu Co-operative Federation, Coimbatore. 2 Pages.

102 *Co-operative Movement of the Village* : by Mr. A. Ponnuswami Pillai. Published by the Tamil Nadu Co-operative Federation, Coimbatore. 2 Pages.

TELUGU.

103 *Primer of Co-operation* : by Mr. N. Kameshwaran. Published by the East Godavari District Co-operative Federation. 46 Pages.

104 *History of Rochdale Pioneers* : by Mr. Ry. N. Satianarayana. Published by the East Godavari Co-operative Federation. 13 Pages.

105 *Benefit of Co-operation* : by Mr. N. Kameswaran. Published by the East Godavari District Co-operative Federation. 13 Pages.

106 *Co-operative Propaganda* : by Mr. N. Kameswaran. Published by the East Godavari District Co-operative Federation. 18 Pages.

107 *Co-operative Education* : by Mr. N. Kameswaran. Published by the East Godavari District Co-operative Federation. 18 Pages.

108 *Co-operation* : by Mr. N. Satianarayana. Published by the East Godavari District Co-operative Federation. 18 Pages.

109 *Co-operation and Agriculture* : by Mr. N. Kameshwaran. Published by the East Godavari District Co-operative Federation. 22 Pages.

110 *Obstacles to the Progress of Co-operation* : by Mr. N. Kameshwaran. Published by the East Godavari District Co-operative Federation. 18 Pages.

111 *Present Working of Co-operative Movement* : by Mr. N. Kameshwaran. Published by the East Godavari District Co-operative Federation. 16 Pages.

CENTRAL PROVINCES AND BERAR.

HINDI.

112 *Relations of Societies with Central Banks* : by Mr. J. K. Tiwary, Circle Auditor. Published by the C. P. & Berar Co-operative Federation. 4 Pages. Price Rs. 10/- per thousand.

113 *Duties of Members of Societies* : by Mr. J. K. Tiwary. Published by the C. P. and Berar Co-operative Federation. 4 Pages.

114 *Thrift* : by Mr. J. K. Tiwary. Published by the C. P. and Berar Co-operative Federation. 5 Pages.

115 *Importance of Punctuality in Repayments* : by Mr. J. K. Tiwary. Published by the C. P. and Berar Co-operative Federation. 4 Pages.

116 *Reserve Fund* : by Mr. J. K. Tiwary, Circle Auditor. Published by the C. P. and Berar Co-operative Federation. 7 Pages.

117 *Fixation of Credit Limits* : by Mr. J. K. Tiwary, Circle Auditor. Published by the C. P. and Berar Co-operative Federation. 3 Pages.

118 *Unlimited Liability* : by Mr. J. K. Tiwary, Circle Auditor. Published by the C. P. & Berar Co-operative Federation. 4 Pages.

119 *Selection of Members* : by Mr. J. K. Tiwary, Circle Auditor. Published by the C. P. & Berar Co-operative Federation. 4 Pages.

120 *Grant of Loans* : by Mr. J. K. Tiwary, Circle Auditor. Published by the C. P. & Berar Co-operative Federation. 4 Pages.

121 *Importance of Writing of Accounts by Societies* : by Mr. J. K. Tiwary, Circle Auditor. Published by the C. P. & Berar Co-operative Federation. 3 Pages.

122 *The Business of a General Meeting* : by Mr. J. K. Tiwary, Circle Auditor. Published by the C. P. & Berar Co-operative Federation. 4 Pages.

123 *Scrutiny of Employment of Loans* : by Mr. J. K. Tiwary, Circle Auditor. Published by the C. P. & Berar Co-operative Federation. 4 Pages.

124 *Sahakari Chalbal Manjhe Kaya* : by Mr. R. L. Shrivastava, Chief Instructor Jubbulpore and Nerbudda Divisions Co-operative Institute, Ltd.,Narsinghpur. Published by the Jubbulpore and Nerbudda Divisions Co-operative Institute, Ltd., Narsinghpur. 26 Pages. Free.

125 *Sahakari Shiksha*: by Mr. R. L. Shrivastava, Chief Instructor, Jubbulpore and Nerbudda Divisions Co-operative Institute, Ltd., Narsinghpur. Published by the Jubbulpore and Nerbudda Divisions Co-operative Institute, Ltd. Narsinghpur. 26 Pages. Free.

126 *Village Uplift Scheme* : by Rai Sahib, B. L. Dubey, D. D. Ag., Hoshangabad. Published by the Jubbulpore and Nerbudda Divisions Co-operative Institute, Ltd., Narsinghpur. 4 Pages. Hindi and English.

MARATHI.

127 *Vharad Sahakari Sangh* : Published by the Berar Co-operative Institute. 13 Pages.

128 *Patapedhi* : by Mr. S. P. Abhyankar, M.A., LL. B. Published by the Berar Co-operative Institute, 18 Pages. Price As. 2/-.

129 *Shetkaryanche Andajpatrak* : by Mr. R. V. Dharmadhikari, B.A. Published by the Berar Co-operative Institute. 16 Pages. Price As. 2/-.

130 *Vharad Sahakari Sanghachi Avashyakata* : by Mr. S. V. Mehendale, B.A. Published by the Berar Co-operative Institute. 10 Pages. Price As. 2/-.

131 *Sahakari Chalval Manjhe Kaya Ahe* : by Mr. R. V. Dharmadhikari, B.A. Published by the Berar Co-operative Institute. 24 Pages. Price Rs. 0-3-0.

132 *Paithacha Bajar* : by Rao Bahadur K. V. Brahma, B.A., LL. B. Published by the Berar Co-operative Institute. 31 Pages. Price Rs. 0-3-0.

133 *Palapedhintil Kame* : by Mr. S. P. Abhyankar, M.A., LL.B. Published by the Berar Co-operative Institute. 14 Pages. Price As. 2/-.

134 *Shetkaryanshi Hitaguja* : by Mr. N. S. Patel, M. L. C. Published by the Berar Co-operative Institute. 26 Pages. Price Rs. 0-4-0.

135 *Aka Vyavaharika Yojana* : by Mr. V. K. Soman. Published by the Berar Co-operative Institute. 20 Pages. Price As. 2/-.

136 *Sahakari Adata Dukan* : by Mr. G. W. Bapat. Published by the Berar Co-operative Institute. 30 Pages. Price Rs. 0-3-0.

137 *Sahakari Sammelane* : by Mr. S. P. Abhyankar, M.A., LL. B. Published by the Berar Co-operative Institute. 21 Pages. Price Anna 1/-.

ASSAM.

BENGALI.

138 *Report on Anti-Malarial, Irrigation and Industrial Societies* : by Mr. K. C. Purkayastha, M.A., B.T., F.R.E.S., F.S.S. Published by the Surma Valley Co-operative Organisation Society, Ltd. 21 Pages. Price Anna 1/.

139 *Samabayer Katha (On Co-operation)* : by Rai R. M. Das Bahadur, M.A. 45 Pages. Price Rs. 0-4-0.

140 *Palli Sangathann Samabay (Value of Co-operation in village re-organisation)* : by Rai R. M. Das Bahadur, M.A. Published by the Surma Valley Co-operative Organisation Society, Ltd. 14 Pages. Price As. 2/-.

BURMA.

ENGLISH.

141 *Distributive Co-operation* : by Mr. W. L. Baretto, B.A., Deputy Commissioner.

HYDERABAD.

URDU.

142 *Rural Poverty and Its Remedies* : by Dr. Jafar Hasan, Ph. D., Professor, Usmanja University College. Published by the Hyderabad Central Co-operative Union, Ltd. 43 Pages. Price Rs. 0-8-0.

143 *Adult Education* : by Mr. S. Ali Akbar, M.A. (Cantab.) Published by the Hyderabad Central Co-operative Union, Ltd. 40 Pages. Price Rs. 0-4-0.

144 *Education for Livelihood* : by Mr. M. Sajjad Mirza, M.A. (Cantab). Published by the Hyderabad Central Co-operative Union, Ltd. 24 Pages. Price Rs. 0-4-0.

145 *Improved Methods of Soil Culture* : by Mr. Nizamuddin Hyder, B.Sc. Published by the Hyderabad Central Co-operative Union, Ltd. Hyderabad (Deccan).

146 *Manure; Its Use and Mis-use* : by Mr. G. A. Mahomeddi, B. A., F. C. S. Published by the Hyderabad Central Co-operative Union, Ltd. Hyderabad (Deccan).

147 *Agricultural Education* : by Mr. Mazahar Hussien. Published by the Hyderabad Central Co-operative Union, Ltd., Hyderabad (Deccan).

148 *Water Supply* : by Mr. Ahmed Mirza, Engineer. Published by the Hyderabad Central Co-operative Union, Ltd., Hyderabad (Deccan). 24 Pages. Price Rs. 0-4-0.

149 *Cottage Industries of the Hyderabad State* : by Mr. G. A. Mahomedi. Published by the Hyderabad Central Co-operative Union Ltd., Hyderabad (Deccan). 45 Pages. Price Rs. 0-4-0.

150 *Marketing of Rural Products* : by Prof. Ahmed Mohiuddin, B.A. (Cantab.), Professor of Economics, Nizam's College. Published by the Hyderabad Central Co-operative Union Ltd., Hyderabad (Deccan). 22 Pages. Price Rs. 0-8-0.

151 *Saving and Spending* : by Prof. Ahmed Mohiuddin, B.A. (Cantab.), Professor of Economics, Nizam's College. Published by the Hyderabad Central Co-operative Union, Ltd. 25 Pages. Price Rs. 0-4-0.

152 *Rahanuma-i-Imdad Bahami* : by M. Mazhar Ali, Propagandist. Published by the Hyderabad Central Co-operative Union Ltd. 31 Pages. Price As 2/-.

153 *Recommendations of the Townsend Committee (translation in Urdu)* : Published by the Hyderabad Central Co-operative Union, Ltd. 44 Pages. Price Rs. 0-8-0.

154 *Principles of Co-operation* : Published by the Hyderabad Central Co-operative Union, Ltd. in Urdu, Telugu, Kanarese and Marathi languages. 8 Pages. Price Anna 1/-.

BARODA.

GUJARATI.

155 *Co-operative Movement in Western Countries* : by Mr. Deoshanker N. Pandya. Published by the Shri Sayaji Sahakar Sewak Sangh, Ltd., Baroda. 16 Pages,

156 *Agricultural Improvement in Germany* : by Mr. Ramanlal N. Shah. Published by the Shri Sayaji Sahakar Sewak Sangh, Ltd., Baroda. 16 Pages.

157 *Co-operation in Denmark* : by Mr. Ramanlal N. Shah. Published by the Shri Sayaji Sahakar Sewak Sangh, Ltd., Baroda. 16 Pages.

158 *Co-operative Movement in Russia* : by Mr. Ramanlal N. Shah, Ltd., Baroda State, Baroda. 20 Pages.

159 *Co-operation in Japan* : by Mr. M. S. Pathak. Published by the Shri Sayaj Sahakar Sewak Sangh, Ltd,, Baroda State, Baroda. 24 Page,

KASHMIR.

ENGLISH.

160 *The Co-operative Movement in Kashmir* : by Mr. Chaudhri Tulsi Ram, Registrar of Co-operative Societies, Kashmir. Published by Messrs. R. S. Munshi Ghulab Singh and Sons. 28 Pages. Price Rs. 0-8-0.

TRAVANCORE.

MALAYALAM.

161 *Parasparasahayam* : by Mr. K. Paramu Pillai, B.A. Published by the Travancore Co-operative Institute, Ltd. 60 Pages. Price Rs. 0-4-0.

162 *Sahakaranam* : by Mr. C. M. Krishna Pillai. Published by the Travancore Co-operative Institute, Ltd. Travancore. 60 Pages. Price Rs. 0-4-0.

163 *Lelitha Parinayam*: by Mr. Pattanakad Sankaran. Published by the Travancore Co-operative Institute, Ltd., Travancore. 60 Pages. Price Rs. 0-4-0.

COCHIN.

MALAYALAM.

164 *Co-operative Societies* : by Mr. K. Vasudevan Moosad.

II

CO-OPERATIVE JOURNALS.

With the increasing association of non-official workers in the working of the Co-operative Movement in India, and with the establishment of co-operative institutions for the work of propaganda, co-operative journals came to be started in the different parts of India. These journals are mostly vernacular journals, meant to reach the masses in the villages and the smaller towns. A few of them however are conducted in English and are meant more for the educated classes, for the intelligentsia from whose ranks the co-operative workers are recruited. The vernacular journals deal largely with *news*, the English journals with *views*. Besides the articles, some of which are contributions from eminent co-operators, Indian and English, the English journals also do give *news*, and publish proceedings of conferences and presidential

addresses and Registrars' circulars. There are today 40 journals in India, dealing only with co-operative subjects, though it must be remembered that in addition to these, ordinary journals, dailies, weeklies, monthlies and quarterlies, are willing enough to find space in their issues for co-operative news and reviews, and for comments on the progress of Co-operation in their respective parts of India.

Of the 40 journals, only 6 are published in English, one each by the co-operative propadandist institutes of Bombay, Madras, Bengal, Bihar & Orissa and the United Provinces and the sixth by the Madras District Co-operative Central Bank. Of the 34 vernacular journals, 6 are published in Bombay, 6 in Madras, 1 in the Punjab, 2 in the United Provinces, 2 in Bihar & Orissa, 1 in Bengal, 3 in the Central Provinces and Berar, 1 in Assam, 1 in Coorg, 4 in Hyderabad (Deccan), 1 in Mysore, 1 in Baroda, 3 in Travancore, 1 in Cochin, and 1 in Pudukkottah.

The question of an All-India Co-operative Journal has been considered many times in the past, but no such journal has been started so far. In view of the establishment of the All-India Co-operative Institutes' Association and of the Indian Provincial Banks' Association recently, the question has come in for fresh consideration and an All-India Co-operative Journal might be looked forward to as a possibility of the near future. With articles on co-operative topics of general importance in the country from writers of eminence, with reviews of the movement in the different provinces and states from time to time, with studies on particular aspects of Co-operation by close students of the subjects, which might later on be produced as monographs, with reviews of co-operative books published at home and abroad, and with a section devoted to important co-operative news, the Indian Co-operative Review would, there is no doubt, meet a long-felt want of co-operative workers and students of co-operative economics.

BOMBAY.

1 *Bombay Co-operative Quarterly* : Issued in ENGLISH by the Central Education Board of the Provincial Co-operative Institute, 9 Bakehouse Lane, Fort, Bombay. *Quarterly.* Managing Editor : Mr. S. G. Warty, M. A. Estd. 1917.

2 *Sahakara Patrika* : Issued in GUJARATI by the Central Education Board of the Provincial Co-operative Institute, from Kanpith, Surat. *Monthly.* Editor : Mr. C. M. Gandhi, Advocate (O. S.) Estd. 1920.

3 *Sahakara Samachar* : Issued in GUJARATI by the Broach District Co-operative Institute, Juna Bazar, Broach. *Monthly.* Managing Editor : Mr. K. G. Palkar. Estd. 1930.

4 *Sahakari Mitra* : Issued in MARATHI by the Central Education Board of the Provincial Co-operative Institute, 9 Bakehouse Lane, Fort, Bombay. *Monthly.* Managing Editor : Mr. R. M. Talpade, B. A. Estd. 1919.

5 *Sahakara Vritta* : Issued in MARATHI by the Poona District Co-operative Institute, Poona. *Monthly.* Managing Editor : Mr. B. R. Joshi. Estd. 1930.

6 *Sahakara Mitra* : Issued in KANARESE by the Central Education Board of the Provincial Co-operative Institute, from the Karnatak Divisional Co-operative Institute, Dharwar. *Monthly.* Managing Editor : Mr. M. M. Basrur, B. Ag. Estd. 1922.

7 *Sind Co-operator* : Issued in SINDHI by the Central Education Board of the Provincial Co-operative Institute, from the Sind Divisional Co-operative Institute, Hyderabad (Sind). *Monthly.* Managing Editor : Rai Bahadur Pritamdas H. Advani. Estd. 1920.

MADRAS.

8 *The Madras Journal of Co-operation* : Issued in ENGLISH, by the Madras Provincial Co-operative Union, Royapetta. *Monthly.* Managing Editor : Prof. S. K. Yegnanarayana Iyer. Estd. 1908.

9 *The Madras Co-operator* : Issued in ENGLISH and TAMIL, by the Madras District Co-operative Central Bank, Ltd. 20–2nd Line Beach, Madras. *Monthly.* Managing Editor · Mr. G. Srirama Babu Naidu. Estd. 1930-31.

10 *The Kuttarava* : Issued in TAMIL, by the Tamil Nadu Co-operative Federation Ltd., Coimbatore. *Monthly.* Managing Editor : Mr. K. G. Sivaswamy.

11 *Sahakaranam* : Issued in TELUGU, by the Andhra Sahakara Sammelanam-Bezwada, Krishna District. *Monthly.* Managing Editor : Mr. G. Ramchandra Rao.

12 *Sahakari* : Issued in TELUGU, by the Nellore District Co-operative Federation Ltd., Nellore. *Monthly.* Managing Editor : Mr. K. Ramakrishnayya Gam.

13 *Sahakar Sammelana Patrika* : Issued in TELUGU, by the East Godavari District Co-operative Federation Ltd , Alamuru P. O. East Godavari District. *Monthly.* Mr. N. Satyanarayana.

14 *The Kannadasahakari* : Issued in KANARESE, by the District Co-operative Central Bank Ltd., Mangalore, South Kanara District. *Monthly*. Managing Editor : Mr. V. Mangesa Rao.

15 *The Paraspara Sahayi* : Issued in MALAYALAM, by the District Co-operative Central Bank Ltd., Calicut. Malbar District. *Monthly*.

PUNJAB.

16 *Co-operation* : Issued in URDU, by the Punjab Co-operative Union, Lahore. *Monthly*. Editor : Mr. Mohammad Baksh Muslim, B.A. Estd. 1924.

UNITED PROVINCES.

17 *United Provinces Co-operative Journal* : Issued in ENGLISH by the United Provinces Co-operative Union, 37, Bisheshwar Road, Lucknow. *Quarterly* from 1925 to 1927. *Monthly* since 1927. Editor : Prof. B. B. Mukerjee, M.A., P.R.S., F.E.S.

18 *Sainyukta Prantiya Co-operative Journal* : Issued in HINDI, by the United Provinces Co-operative Union from Bijnore. *Monthly*. Managing Editor: Rai Bahadur Munshi Har Prasad. Estd. 1925.

19 The same in URDU, by the same Editor.

BIHAR AND ORISSA.

20 *Bihar and Orissa Co-operative Journal* : Issued in ENGLISH by the Bihar and Orissa Co-operative Federation, Fraser Road, Patna. *Quarterly*. Editor: Prof. B. B. Mukherji. Estd. 1919.

21 *Bihar Sahayog* : Issued in HINDI by the Bihar and Orissa Co-operative Federation, Fraser Road, Patna. *Monthly*. Editor: Babu Gouri Shankar Singh. Estd. 1925.

22 *Pallimangal* : Issued in ORIYA by the Orissa Divisional Federation Board, Cuttack. *Monthly*. Editorial Board: Babu Kailash Chandra Mahapatra, Babu Kalandi Charan Panigrahi, Babu Sarat Chandra Mukherjee and Babu Sudhindra Kumar Roy.

BENGAL.

23 *The Bengal Co-operative Journal* : Issued in ENGLISH by the Bengal Co-operative Organisation Society, Ltd., Norton Buildings, Lal Bazar, Calcutta, *Quarterly*. Edited by Mr. S. K. Lahiri. Estd. 1915.

24 *Bhandar* : Issued in BENGALI by the Bengal Co-operative Organisation Society, Ltd. Norton Buildings, Lal Bazar, Calcutta. *Monthly*. Edited by Prof. Charu Chandra Bhattacharya. Estd. 1918.

ASSAM.

25 *Samabay* : Issued in BENGALI by the Surma Valley Co-operative Organisation Society Ltd., Silchar, Assam. *Quarterly*. Joint Editors : Rai R. M. Das Bahadur, M. A. and Mr. Atul Chandra Nandi, B. Sc. Estd. 1926.

CENTRAL PROVINCES.

26 *Gram*: Issued in HINDI, by the C. P. and Berar Co-operative Federation, Sihora Road, Jubblepore, *Monthly*. Edited by Pandit K. P. Pande, M.A., LL.B., M.L.C., Estd. 1928.

27 *The Sahakari Vidarbh* : Issued in MARATHI, by the Berar Co-operative Institute, Ltd., Amraoti, Berar. *Monthly*. Edited by Mr. R. V. Dharmadhikari, B.A. Estd. 1924.

28 *The Gram Sevak* : Issued in MARATHI, by Mr. L. P. Bhisekar, Sitabaldi, Nagpur. *Monthly*. Edited by Mr. L. P. Bhisekar and R. C. Kholkute B.A., LL.B. Estd. 1929.

COORG.

29 *Kodagu Sahakari Patrika*: Issued in KANARESE, by the Provincial Co-operative Federation Ltd., Mercara. *Monthly*. Managing Editor : Mr. K. P. Chinuappa. Estd. November 1930.

HYDERABAD (Deccan).

30 *Imdad-i-Bahami & Zirath* : Issued in URDU by the Hyderabad Central Co-operative Union, Hyderabad (Deccan). *Quarterly*. Editor : Mr. Syed Badrul Hassan.

31 *Sahakari Telugu Co-operative Quarterly* : Issued in TELUGU by the Hyderabad Central Co-operative Union, Hyderabad (Deccan). *Quarterly*. Editor: Mr. Syed Badrul Hassan.

32 *Sahakari Marathi Co-operative Quarterly*: Issued in MARATHI by the Hyderabad Central Co-operative Union, Hyderabad (Deccan). *Quarterly*. Editor: Mr. Syed Badrul Hassan.

33 *Sahakari Kanarese Co-operative Quarterly* : Issued in KANARESE by the Hyderabad Central Co-operative Union, Hyderabad (Deccan). *Quarterly*. Editor: Mr. Syed Badrul Hassan.

BARODA.

34 *Gramjivan-Sahakarya ane Kheti* : Issued in GUJARATI by the Development Department, Baroda State and Shri Sayaji Sahakar Sewak Sangh Ltd., Govt. Old Pedhi Building, Baroda. *Quarterly*. Estd. 1930.

MYSORE.

35 *Mysore Sahakara Patrike* : Issued in KANARESE by the Mysore Co-operative Propagandist Institute, Chamarajapet, Bangalore City. *Monthly*. Edited by Mr. S. Venkatasubbaiya, B.A. Estd. 1925.

TRAVANCORE.

36 *The Travancore Co-operative Journal* : Issued in MALAYALAM by the Travancore Co-operative Institute Ltd., No. 777, Trivandrum. *Monthly*. Editor : Mr. K. Velayudhan, Pillai.

73 *The Travancore Economic Journal* : Issued in MALAYALAM by the Travancore Co-operative Institute Ltd., No. 777, Trivandrum, *Monthly.* Editor: Mr. P. V. Nanoo Pillai, B. A.

38 *Sahakari*: Issued in MALAYALAM by Messrs. K.G. Gopalkrishnan and K. A. Parameswaran Pillai, Trivandrum.

COCHIN.

39 *Sahakarana Prabodhini* : Issued in MALAYALAM by the Cochin Central Co-operative Institute, Trichur. *Bimonthly.* Edited by Mr. E. Gopala Menon, B. A., L. T., and Mr. M. N. Manatar, B. A. Estd. 1928.

PUDUKKOTTAH.

40 *Aikyabodhini* : Issued in TAMIL by the State Co-operative Institute, Town Bank Buildings, Pudukkottah. *Monthly.* Managing Editor : Mr. V. K. Rayagopala Aiyer, B.A., L.T. Estd. 1928.

III.

CO-OPERATIVE ORGANISATIONS.

Of the lakh and more co-operative societies in India, the most important are naturally those which operate over a larger area and have a larger scale of business than is represented by the average primary society. In this directory are therefore included, besides the two All-India organisations, the provincial organisations, Divisional and District Federations, District and Central Banks, Central Unions, and Urban Co-operative Banks. Under this last heading are included urban co-operative credit societies which have a working capital of Rs. 50,000 or more. In Madras, however, societies with a working capital of Rs. 20,000 and more are regarded as Urban Banks and the Indore list similarly includes under this heading all urban credit societies with a working capital of Rs. 10,000 and more.

In the list, abbreviations, which are mostly self-explanatory, have been used, in giving the names of the institutions. Thus, " Co-operative Credit Society " has been abbreviated into the familiar " C. C. S. ", the Urban Co-operative Bank into U. C. B., the Co-operative Union into C. U., the Town

Bank into T. B. and the District Bank into D. B. Wherever possible the year of establishment of an organisation has been shown in brackets after its name.

All-India Organisations.

1 *The All-India Co-operative Institutes' Association* : 9, Bakehouse Lane, Fort, Bombay. Estd. October 1929. President : Sir Lallubhai Samaldas, C. I. E. ; Vice-Presidents : Mr. V. Ramdas Pantulu (Madras) and Rao Bahadur N. K. Kelkar (Central Provinces) ; Hon. Secretaries : Prof. H. L. Kaji (Bombay) and Mr. S. K. Lahiri (Calcutta).

2 *The Indian Provincial Co-operative Banks' Association* : Patna. Estd. 1927. President : Mr. V. Ramdas Pantulu (Madras) ; Hon. Secretaries : Mr. V. M. Thakore (Patna) and Mr. V. C. Rangaswamy (Madras).

BOMBAY.

Provincial Organisations.

1 *Bombay Provincial Co-operative Institute*, 9 Bakehouse Lane, Fort, Bombay. (1918). With 27 Branches.

2 *Bombay Provincial Co-operative Bank Ltd.*, Sardar Building, Apollo Street, Fort, Bombay. (1911). With 28 Branches.

3 *Bombay Provincial Co-operative Insurance Society Ltd.*, 9 Bakehouse Lane, Fort, Bombay. (1930).

District Central Banks.

There are 19 such banks, one at each one of the following centres :—

1	Ahmedabad.	6	Sholapur.	11	Dharwar.	16	Mirpurkhas.
2	Nadiad.	7	Nasik.	12	Karwar.	17	Sukkur.
3	Broach.	8	Barsi.	13	Belgaum.	18	Nawabshah.
4	Surat.	9	Jalgaon.	14	Karachi.	19	Larkhana.
5	Poona.	10	Bijapur.	15	Hyderabad.		

Urban Banks.

Bombay City.

1 G. I. P. Ry. Employees' C. C. S.
2 Jackson C. B. of the B. B. C. I. Ry.
3 Chandraseniya Kayastha Prabhu C. C. S.
4 Shamrao Vithal U. C. B.
5 Bhavsar Kshatriya C. Commission Agency.
6 Namdeo Co-operative Agency.
7 Postal Employees' C. C. S.
8 Central Telegraph Office C. C. S.
9 Bombay City Police C. C. S.
10 Mazagaon Dock Employees' C.C.S.
11 Bombay Daxini Brahmins' C. C. S.
12 Bombay Port Trust Employees' C. C. S.
13 Government Central Press Employees' C. C. S.
14 Jain Vidyottejaka Sahakari Mandal.
15 Deorukh Brahmins' C. C. S.
16 Lalubhai Samaldas C. B.
17 Zoroastrian C. B.

URBAN BANKS—*contd.*

Poona.

18 Cosmos C. C. S.
19 Military Accounts, No. 1 C. C. S.
20 Cavalry 3rd C. B.
21 Poona Merchants' C. B.

Dharwar.

22 Dharwar U. C. B.
23 Southern Maratha C. U. B.
24 Raddi Communal C. B.
25 Dharwar Revenue & Registration Departmental C. C. S.

Dhulia.

26 Dhulia U. C. B.
27 Pratap Millhands' C. C. S.
28 West Khandesh Government Servants' C. C. S.

Karachi.

29 Karachi U. C. B.
30 Mercantile C. B.
31 Sind & Baluchistan Postal & Telegraphs C. C. S.

Hyderabad (Sind).

32 Hyderabad Amils' C. B.
33 Khudabadi Amils' C. C.
34 Khudabadi Bhaiband C. S.
35 Bhaiband C. C. B.

Ahmednagar.

36 Ahmednagar Revenue & Registration C. C. S.
37 Ahmednagar Vernacular Teachers' C. C. S.
38 Ahmednagar Postal Division C.C.S.
39 Nagar District C. U. B.

Broach.

40 Broach U. C. B.
41 Gujarat Brahma Kshatriya C. C. S.

Honavar.

42 Honawar Havyak C. B.

Honavar.

43 Honavar C. U. B.

Bijapur.

44 Bijapur Shri Siddheshwar C. B.
45 Bijapur District Government Officials' C. C. S.

Pandharpur.

46 Pandharpur U. C. B.
47 Pandharpur Peoples' C. B.

48 East Khandesh Government Servants' C. C. S., *Jalgaon.*
49 Betegri U. C. B., *Betegri.*
50 Hubli U. C. B., *Hubli.*
51 Belgaum Pioneer U. C. B., *Belgaum.*
52 Sirsi U. C. B., *Sirsi.*
53 Kumta U. C. B., *Kumta.*
54 Karwar U. C. B., *Karwar.*
55 Salsette Catholic C. C. S., *Bandra.*
56 Surat Peoples' C. B., *Surat.*
57 Kittur U. C. B., *Kittur.*
58 Khanapur U. C. B., *Khanapur.*
59 Gadag C. U. B., *Gadag.*
60 Kalyan Peoples' C. B., *Kalyan.*
61 Ankola U. C. B., *Ankola.*
62 Ankleshwar U. C. B., *Ankleshwar.*
63 Namdeo C. B., *Satara.*
64 Gokak C. U. B., *Gokak.*
65 Byadgi U. C. B., *Byadgi.*
66 Jambusar Peoples' C. B., *Jambusar.*
67 Nasik Government Servants' C.C.S., *Nasik.*
68 Peoples' Industrial C. B., *Bhiwandi.*
69 Godhra City C. B., *Godhra.*
70 Rander Peoples' C. B., *Rander.*
71 Amalner U. C. B., *Amalner.*
72 Bhusaval Peoples' U.C.B., *Bhusaval.*
73 Bulsar Peoples' C. B., *Bulsar.*
74 N. Kanara Gowd Saraswat C.C.S., *Karwar.*
75 Karad U. C. B., *Karad.*
76 Ratnagiri U. C. B., *Ratnagiri.*

PUNJAB.

Provincial Organisations.

1. *The Punjab Co-operative Union*, 31st Lower Mall, Lahore (1918).
2. *The Punjab Co-operative Bank*, The Mall, Lahore (1924).

Co-operative Unions.

There are 20 such unions, one at each of the following centres:—

Amritsar District.

1. Tarn Taran (1919)
2. Ramdewali (1912)
3. Chetanpur (1919)
4. Vachhoa (1923)
5. Mudh Khokhar (1920)
6. Botala (1921)

Hoshiarpur District.

7. Urmer Tanda (1912)
8. Mukerian (1915)
9. Pajjodeota (1912)
10. Posi (1919)
11. Mahatpur (1919)
12. Hajipur (1922)
13. Jhinger Kalan (1920)

Campbellpur District.

14. Serwar (1925)
15. Kot Fateh Khan(1924)
16. Sirsa, Dist. *Hissar* (1920)
17. Sonepat, Dist. *Rohtak* (1919)
18. Nuh, Dist. *Gurgaon* (1926)
19. Chawinda, Dist. *Sialkot* (1922)
20. Lahore City (1919)

Central Banks.

There are 47 such banks, one at each of the following centres :—

1 Hissar (1926)
2 Sirsa (1915)
3 Bhiwani (1922)
4 Rohtak (1914)
5 Karnal (1920)
6 Gurgaon (1919)
7 Rewari (1922)
8 Ambala (1913) 2 branches at Naraingarh and Jagadhari.
9 Rupar (1927)
10 Ludhian a (1916)
11 Kangra (1920)
12 Hoshiarpur (1910)
13 Jullunder (1909)
14 Firozepur (1924)
15 Fazilka (1915)
16 Moga (1922)
17 Lahore (1912)
18 Punjab Xian, at Lahore (1921)
19 Amritsar (1922)
20 Gurdaspur (1909)
21 Sialkot (1913)
22 Daska (1920)
23 Pasrur (1913)
24 Narrowal (1924)
25 Q. S. Harnam Singh (1914)
26 Sheikhupura (1923)
27 Nankana Sahib (1926)
28 Gujaranwalla (1912)
29 Gujarat (1909)
30 Sargodha (1910)
31 Bhalwal (1910)
32 P. D. Khan (1913)
33 Jhelum (1913)
34 Rawalpindi (1913)
35 Chakwal (1915)
36 Murree (1929)
37 Campbellpur (1922)
38 Mianwali (1921)
39 Montgomery (1917)
40 Pak Pattan (1922)
41 Lyallpur (1913)
42 Jaranwala (1926)
43 Jhang (1912)
44 Muzaffargarh (1916)
45 D. G. Khan (1922)
46 Multan (1921)
47 Khanewal (1926)

Urban Banks.

Lahore.

1 Punjab Telegraph Dept. C. C. S. (1913)
2 Shish Mahal C. C. S., *Shish Mahal* (1912)
3 Sanda Kalan C. S., *Sanda Kalan* (1912)
4 Bela Basti Ram Aziz C. C. S., *Naulakha* (1924)
5 Probins Horse Thrift & Credit S. (1930)
6 N. W. R. Employees' C.C.S. (1917)

URBAN BANKS—*contd.*

Sialkot.

7 Sambrial C. C. S., Sambrial (1907)
8 Sambrial Sharqi C. C. S., Sambrial (1919)
9 Sambrial Shumali C. C. S., Sambrial (1925)
10 Chawinda C. C. S., Chawinda (1925)
11 Chawinda Machiwara C. S., Chawinda (1921)

Gurdaspur.

12 Dhariwal C. C. S., *Dhariwal* (1910)
13 Kalanaur C. C., *Kulanaur* (1924)
14 Shri Ram Kalanaur C. C. S. (1922) *Kalanaur.*
15 The Muslim C.C.S.,*Kalanaur* (1925)

Jallunder

16 Pacca Bag C. C. S. *Jullundur* City (1909)
17 Hindu C. C. S., *Nakodar* (1906)
18 Nur Mahal Hindu C. S., *Nur Mahal* (1926)

Simla.

19 Muslim C. C. S. (1926)
20 Sikh C. C. S. (1924)

UNITED PROVINCES.

Provincial Co-operative Organisation.

1 The United Provinces Co-operative Union Ltd., Lucknow (1928).

District Banks.

There are 37 District Banks *one* at each of the following centres :—

1 Dehra Dun (1924)
2 Saharanpur (1924)
3 Meerut (1919)
4 Bulandshahr (1906)
5 Aligarh (1916)
6 Muttra (1914)
7 Agra (1915)
8 Mainpuri (1906)
9 Etah (1918)
10 Bareilly (1912)
11 Bijnor (1914)
12 Moradabad (1906)
13 Shahjahanpur (1915)
14 Farrukhabad (1919)
15 Etawah (1912)
16 Fatehpur (1905)
17 Allahabad (1915)
18 Banda (1912)
19 Orai (1907)
20 Benares (1907)
21 Mirzapur (1916)
22 Jaunpur (1907)
23 Ghazipur (1915)
24 Basti (1906)
25 Azamgarh (1923)
26 Lucknow (1913)
27 Unao (1906)
28 Rae Bareli (1906)
29 Hardoi (1907)
30 Kheri (1923)
31 Fyzabad (1906)
32 Bahraich (1920)
33 Sultanpur (1912)
34 Pratabgarh (1913)
35 Bara Banki (1921)
36 Muzzafarnagar (1927)
37 Gorakhpur (1906)

Central Banks.

There are 31 Central Banks in all, *one* at each of the following centres :—

1 Roorkee (1920)
2 Bhatiyana (1913)
3 Jehangirabad (1906)
4 Jewar (1911)
5 Parna (1914)
6 Jarauli (1922)
7 Jasrana (1912)
8 Islamnagar (1912)
9 Kanth (1912)
10 Ramnagar (1912)
11 Mahoba (1924)
12 Ranipur (1912)
13 Deoria (1906)
14 Haldawani (1920)
15 Kotdwara (1924)
16 The Lucknow Arya C.B., Lucknow (1920)
17 Mohanlalganj (1906)
18 Purwa (1913)
19 Safipur (1911)

20 The Ittifat C. B., Rampur Garhwan (1912)
21 The Rampal C. B. Kurri Sudauli, (1919)
22 Biswan (1920)
23 Sandila (1930)
24 Bilgram (1910)
25 Gola (1920)
26 Tanda (1911)
27 Balarampur (1920)
28 The Kapurthala Oudh Estates C.B. Bahraich (1922)
29 Rudauli (1919)
30 Daryabad (1919)
31 Garhibhilwal (1919)

Urban Banks.

1 The United Provinces Telegraph, Office C. S., Agra (1913)
2 The United Provinces Postal Employees' C. S., Lucknow (1915)
3 The O. & R. Railway Employee's C. S., Lucknow (1918)
4 Swadeshi C. S., Cawnpore (1908)
5 The B. N. W. R. Loco and Carriage C. S., Gorakhpur (1919)
6 The B. N. W. R. Employees' C. S., Gorakhpur (1921)

BIHAR AND ORISSA.

Provincial Organisations.

1 *Bihar and Orissa Provincial Co-operative Bank Ltd.*, Patna.
2 *Bihar and Orissa Co-operative Federation Ltd.*, Patna.

Divisional Federations.

There are 5 such Federation Boards *one* at each of the following centres :—

1. Patna. 2. Cuttack. 3. Ranchi. 4. Bhagalpur. 5. Muzzaffarpur.

Central Banks.

There are in all 65 Central Banks and Co-operative Unions.

Patna Circle.

1 Masaurhi C. C. U.
2 Barh C. C. B.
3 Dinapore C. C. U.
4 Bihar C. B.
5 Fatwa C. U.
6 Arrah C. B.
7 Buxur C. C. U.
8 Sasaram C. C. B.
9 Bhabhua C. C. B.

Gaya Circle.

10 Gaya Sadar C. C. B.
11 Jehanabad C. C. B.
12 Aurangabad C. C. B.
13 Nawadah C. C. B.
14 Daltonganj C. C. B.

Muzafferpur Circle.

15 Muzafferpur C. C. B.
16 Sitamarhi C. C. B.
17 Hajipur C. C. U.
18 Laheriasarai C. C. B.
19 Samastipur C. C. U.
20 Rohika C. C. B.
21 Daulatpur C. C. B.

Chapra Circle.

22 Chapra C. C. U.
23 Siwan C. C. B.
24 Gopalgunj C. C. B.
25 Motihari C. C. B.
26 Bettiah National C. C. B.

Bhagalpur Circle.

27 Bhagalpur C. C. B.
28 Madhipura C. C. B.
29 Supaul C. C. B.
30 Baptiahi C. C. U.
31 Banka C. C. U.
32 Purnea C. C. B.
33 Kishengunj C. C. B.
34 Araria C. C. U.

Monghyr Circle.

35 Monghyr C. C. U.
36 Haveli Kharagpur C. C. U.
37 Jakui Central C. C. U
38 Begusarai C. C. B.

39 Sheikhpura C. C. B.
40 Dumka C. C. U.
41 Rajmahal C. C. U.
42 Deoghur C. C. U.
43 Jamatara C. C. U.
44 Pakaur C. C. U.

Ranchi Circle.

45 Ranchi C. C. U.
46 Chotanagpur Christian C. C. B.
47 Khunti C. C. U.
48 Gumla C. C. B.
49 Purulia C. C. B.
50 Hazaribagh C. C. B.
51 Giridih C. C. B.

Chaibasa Circle.

52 Sambalpur C. C. B.
53 Bargarh C. C. B.
54 Balasore C. C. B.
55 Bhadrak C. C. B.
56 Chaibasa C. C. B.

Cuttack Circle.

57 Cuttack C. C. B.
58 Puri C. C. B.
59 Khurda C. C. B.
60 Jajpur C. C. B.
61 Kujang C. C. B.
62 Nimapara C. C. U.
63 Kendrapara C. C. B.
64 Banki-Dompara C. C. B.
65 Angul C. C. U.

Urban Banks.

Patna Circle.

1 Traders C. B.
2 B. & O. Police Officers' C. B. S.
3 Secretariat C. B. S.
4 Peoples' C. B.
5 B. & O. Post & Telegraph C. S.
6 Provincial Civil Service Co-operative Association.

Sambalpur Circle.

7 Tisco Account Officers' C. S.
8 Tisco Open Health C.S.
9 Tisco General Department C. S.
10 Barari Bhagalpur C. B., *Bhagalpur.*
11 Monghyr Urban C. S., *Monghyr.*
12 The Account Office C. S. *Hinoo.*
13 Balkati Kansari C. S. *Puri.*
14 Muzafferpur Traders' C. B., Muzafferpur.

BENGAL.

Provincial Organisations.

1 *Bengal Co-operative Organisation Society*, Norton Building, Calcutta. (1925)

2 *Bengal Provincial Co-operative Industrial Society, Ltd.*, Clive Street, Calcutta. (1929)

3 The *Bengal Provincial Co-operative Bank Ltd.*, Writers Buildings, Calcutta. (1918)

Central Banks.

There are 116 Central Banks in Bengal *one* at each of the following centres:

24 Parganas.

1 Taki (1912)
2 Nimta (1919)
3 Diamond Harbour (1923)
4 Baraset (1923)
5 Gosala (1924)
6 Nadia (1913)
7 Kushtia (1916)
8 Meherpur (1919)
9 Ranaghat (1923)
10 Chunadanga (1923)

Jessore.

11 Jessore (1913)
12 Magura (1920)
13 Narial (1923)
14 Jhenidah (1929)

Khulna.

15 Raruli (1909)
16 Khulna (1917)
17 Bagerhat (1918)

Murshidabad.

18 Jangipur (1914)
19 Berhampore (1915)
20 Lalbagh (1918)
21 Kandi (1923)

Howrah.

22 Howrah (1918)

Uluberia.

23 Uluberia (1919)

Hoogly.

24 Hoogly, Chinsura (1919)
25 Arambagh (1929)

Bankura.

26 Bankura (1922)
27 Bishnupur (1924)

Birbhum.

28 Rampurhat (1917)
29 The Viswa-Bharati, Shanti-Niketan (1927)
30 Birbhum (1917)
31 Balhati (1927)

Midnapur.

32 The Khelar-Balaram-pur, Kharagpur (1909)
33 Belebera (1912)
34 Midnapore (1912)
35 Tamluk (1919)
36 Mughberia (1924)
37 Bebgaria (1926)
38 Ghatal (1927)

Burdwan.

39 Burdwan (1917)
40 Kalna (1920)
41 Katwa (1927)
42 Asansol (1928)

Dacca.

43 Dacca (1909)
44 The Bikrampur, Munshiganj (1913)
45 Manikganj (1918)
46 Narayanganj, Dacca (1918)
47 Raipura (1924)
48 Baira (1926)
49 Tangi (1926)
50 Ichhapur (1927)
51 Kaliganj (1930)

Mymensingh.

52 Jamalpur (1908)
53 Tangail (1913)
54 Mymensingh (1913)
55 Kishorganj (1917)
56 Netrokona (1923)
57 Madarganj (1923)
58 Pingna (1923)
59 Dhanbari (1923)
60 Sarisabari (1926)
61 Gaffargaon (1927)

Faridpur.

62 Faridpur (1907)
63 Madaripur (1907)
64 Gopalganj (1913)
65 The Goalundo (1913)

Barisal.

66 Barisal (1913)

Bakarganj.

67 Patuakhali (1916)
68 Khapupara (1919)
69 Bhola (1921)
70 Mathbaria (1926)
71 Pirojpur (1928)

Chittagong.

72 Chittagong (1914)
73 Cox's Bazar (1924)

Comilla.

74 Comilla (1909)
75 Tippera Raj (1919)

Brahmanbaria.

76 Brahmanbaria (1913)

Tippera.

77 Chandpur (1913)
78 The Matlab, Matlabg-anj (1923)
79 Gowripur (1926)
80 Nabinagar (1926)
81 Laksam (1929)

Feni.

82 Feni (1913)

Noakhali.

83 Noakhali (1917)
84 Sandwip (1922)
85 Lakshmipur (1923)
86 Hatiya (1924)
87 Raipura (1927)

Rajshahi.

88 Natore (1917)
89 Rajshahi (1917)
90 Naogaon (1918)
91 Puthia (1921)

Pabna.

92 Pabna (1912)
93 Ullapara (1913)
94 Sirajganj (1914)
95 Shahzadpur (1919)
96 Bhanguria (1926)

Dinajpur.

97 Dinajpur (1923)
98 Balurghat (1915)
99 Thakurgaon (1923)

Rangpur.

100 Gailandha (1912)
101 Kurigram (1914)
102 Bilphamari (1914)
103 Rangpur (1915)

Bogra.

104 Bogra (1914)
105 Khanjanpur (1921)
106 Padampara (1922)
107 Nowadabaga Sukhan-pukur (1929)
108 Chandanbaisa (1929)

Jalpaiguri.

109 Jalpaiguri (1919)

Malda.

110 Malda (1916)
111 Chanchal Raj (1925)
112 Chapai Nawabganj (1925)
113 Harischandrapur (1925)

Darjeeling.

114 Darjeeling, Kurseong (1914)
115 Pedong (1919)
116 Kalimpong (1911)

Urban Banks.

Calcutta.

1 E. I. Ry. Employees' C. C. S. (1912)
2 Customs' General C. C. S. (1911)
3 Postal C. C. S. (1915)
4 B. N. Ry. Employees' C.U.B. (1909)
5 Treasury Buildings, C. S. (1920)
6 Gillander's C. C. S. (1921)
7 Bengal Secretariat C. S. (1919)
8 Calcutta Factory Accounts C. S. (1920)
9 Customs' Preventive Service C. C. S. (1909)
10 Posts & Telegraphs Accounts C. S. (1923)
11 Calcutta Police C. C. S. (1925)
12 Calcutta Central Telegraph Office C. S. (1912)
13 Premier C. C. S. (1905)
14 C. C. S. of the Commissioners for the Port of Calcutta (1910)
15 Mercantile C. S. (1923)
16 Union C. C. S. (1909)
17 Survey of India C. S. (1921)
18 High Court C. S. (1927)
19 Burma Shell C. C. S. (1921)
20 Calcuttta Corporation C.C.S. (1916)
21 E. B. Ry. C. C.S., Sealdah (1915)
22 Martin's C. C. S. (1913)

Chittagong.

23 Chittagong U. C. B. (1915)
24 Assam Bengal Ry. C. S. (1916)
25 Islamabad T. B. (1910)
26 Sadarghat U. C. B. (1925)
27 Chittagong Postal C. C. S. (1918)
28 Chittagong Division Baishya Saha C. B. (1927)
29 Mymensingh C. T. B. (1909)
30 Jamalpur C. T. B. (1913)
31 Kishorganj C. T. B. (1912)
32 Tangail C. T. B. (1911)
33 Comilla Peoples' C. B. (1912)
34 Brahmanbaria C. T. B., Tipperah (1912)
35 Chowmohini U. C. B. Noakhali (1924)
36 Pabna C. U. B. (1909)
37 Serajganj C. U. B. (1910)
38 Rajshahi T. B. Malda (1910)
39 Malda C. U. B. (1911)
40 Rangpur C. U. B. (1922)
41 Jalpaiguri Govt. Officers' C.S. (1922)
42 Barisal Officers' C. B. (1922)
43 Shantipur C. S. (1914)
44 Ranaghat Peoples' Bank (1913)
45 Ishapore Rifle Factory C. S. (1920)
46 Chandpur C. T. B. (1926)

MADRAS.

Provincial Co-operative Organisations.

1 Madras Provincial Co-operative Union, Royapettah, Madras.
2 Madras Provincial Co-operative Bank Ltd., Luz, Mylapore, Madras.
3 Triplicane Urban Co-operative Society, Ltd., Big Street, Triplicane, Madras.
4 Central Co-operative Printing Works Ltd., Chintadripet, Madras.
5 Madras Christian Central Co-operative Bank, Ltd., G. P. O., Madras.
6 Madras Co-operative Central Land Mortgage Bank, Ltd., Mount Road, Madras.

District Organisations.

There are 25 District Co-operative Federations as shown below with the centres at which they are located :—

1 Anantpur D. C. F., Hindupur.
2 North Arcot District Council of Supervision, Vellore.
3 South Arcot D. C. F., Cuddalore.
4 Bellary D. C. F., Bellary.
5 Chinglepet D. C. F., Conjeevaram.
6 Chitoor D. C. F., Chitoor.
7 Coimbatore Nilgiris D. C. F., Coimbatore.
8 Cuddappah D. C. F., Cuddappah.
9 East Godavari D. C. F., Alamaru.
10 West Godavery D C. F., Ellore.
11 South Kanara District Council of Supervision, Kodailbail.
12 Kurnool District Council of Supervision, Kurnool.
13 Madura Ramnad D. C. F., Madura.
14 Malabar D. C. F., Chalapuram.
15 Nellore D. C. F., Nellore.
16 Salem D. C. F., Pottipuram.
17 Trichinopoly D. C. F., Trichinopoly.
18 Vizagapatam D. C. F., Vizagapatam.
19 Andhra Sahakara Sammelanam, Bezwada.
20 Tamilnadu C. F., Coimbatore.
21 Guntur D. C. F., Guntur.
22 Ramnad D. C. F., Srivillipthur.
23 Kistna D. C. F., Bezwada.
24 Aska C. F., Aska.
25 Berhampore C. F., Berhampore.

Central Banks.

There are 30 such Banks and Banking Unions *one* at each of the following centres :—

1 Anantpur.
2 Vellore.
3 Cuddalore.
4 Hospet.
5 Chingleput.
6 Chittoor.
7 Coimbatore.
8 Cuddappah.
9 Berhampore.
10 Cocoanada.
11 Ramchandrapuram.
12 Amalapuram.
13 Tenali.
14 Kodaibail.
15 Bezwada.
16 Kurnool.
17 Madura.
18 Calicut.
19 Nellore.
20 Srivilliputur.
21 Salem.
22 Tanjore.
23 Kumbakonam.
24 Tinnavelly.
25 Trichinopoly.
26 Masulipatam.
27 Vizianagram.
28 Ellore.
29 Aska.
30 Rajahmundry.

Urban Banks.

Madras.

1 Madras City C. B.
2 Madras Govt. Servants' C. S.
3 Peddunaickenpatty C. S.
4 Madras Teachers' Guild C. S.

Chingleput District.

5 C. T. B., Big Conjeevaram.
6 C. U. B., Little Conjeevaram.

Coimbatore District.

7 C. U. B., Gobochettipalayam.
8 C. U. B., Erode.
9 C. T. B., Coimbatore.

Madura District.

10 Madura U. C. S., Madura.
11 C. U. S., Melur.
12 C. U. B., Periakulam.

URBAN BANKS—*contd.*

13 Dindigul North C. U. B., Dindigul.
14 Madura District Public Servants' C. S., Madura.
15 Cardamom Planters' C. B., Kombay.
16 Cardamom Planters' C. B., Thovaram.
17 Cardamom Planters' C. B., Cumbum.
18 Canannore C. U. B., Canannore.

Nilgiri District.

19 Ootacamund C. S., Ootacamund.
20 Nilgiris Public Servants' C. S. Ootacamund.

North Arcot District.

21 U. C. S., Tirupathur.
22 C. T. B., Tiruvannamalai.

Ramnad District.

23 C. U. B., Tirupathur.
24 U. C. S., Paramakudy
25 C. U. B., Sivaganga.
26 C. S., Manamadura.
27 C. U. B., Devakkottai.
28 Bhupathy Raja C. S., Rajapalayam.

Salem District.

29 Salem U. C. S., Salem.
30 C. U. B., Tiruchengodu.
31 U. C. S., Krishnagiri.

CENTRAL PROVINCES AND BERAR.

Provincial Organisations.

1 C. P. and Berar Provincial Co-operative Bank Ltd., Nagpur (1912)
2 C. P. and Berar Co-operative Federation, Sihora Road, Jubblepore (1913)

Divisional Federations.

1 Berar Co-operative Institute, Amraoti (1923)
2 Jubbulpore and Nerbudda Divisions Institute, Narsinghpur (1923)
3 Chhittisgarh Division Institute, Raipur (1928)
4 Nagpur Division Institute, Nagpur (1929)

Central Banks.

There are 35 Central Banks *one* at each of the following centres :—

1 Nagpur (1911)
2 Bhandara (1911)
3 Brahmapuri (1912)
4 Warora (1913)
5 Wardha (1912)
6 Balaghat (1911)
7 Jubbulepore (1911)
8 Sihora (1907)
9 Murwara (1910)
10 Saugor (1911)
11 Damoh (1911)
12 Mandla (1913)
13 Seoni (1912)
14 Hoshangabad (1910)
15 Harda (1910)
16 Sohagpur (1912)
17 Betul (1907)
18 Nimar (1911)
19 Narsinghpur (1911)
20 Chhindwara (1913)
21 Raipur (1913)
22 Bilaspur (1915)
23 Drug (1911)
24 Amraoti (1912)
25 Ellichpur (1917)
26 Morsi (1918)
27 Daryapur (1919)
28 Yeotmal (1913)
29 Pusad (1924)
30 Wardha (1930)
31 Akola (1909)
32 Buldana (1916)
33 Khamgaon (1912)
34 Mehkar (1913)
35 Malkapur (1918)

Urban Banks.

Nagpur.

1 Empress Mills C. S. (1914)
2 Central Postal Circle C. S. (1914)
3 Postal Audit C. S. (1915)
4 Gun Carriage Factory C. S., Jubbleopore (1914)

ASSAM.

Provincial Organisation.

1 Provincial Co-operative Bank of Assam Ltd. Shillong, (1921,

Divisional Organisations.

1 Surma Valley Co-operative Organisation Society, Silchar (1925)
2 Upper Assam Co-operative Organisation Society, Jorhat (1928)
3 Kamrup Co-operative Land Mortgage Bank, Gauhati (1926)
4 Sylhet Co-operative Land Mortgage Bank, Sylhet (1927)

Central Banks.

There are 3 Central Banks, *one* at each of the following centres:

1 Silchar (1921) 2 Habiganj (1922) 3 Sylhet (1923)

Central Banking Unions.

There are 8 such Unions *one* at each of the following centres:—

1 Nowgong (1920) 4 Moulvibazar (1915) 7 Gauhati (1919)
2 Jorhat (1913) 5 Dhubri (1917) 8 Karimganj (1919)
3 Golaghat (1913) 6 Tezpur (1919)

Town Banks.

There are 9 Town Banks, *one* at each of the following centres besides the Assam Range Postal Co-operative Society at Shillong (1920):—

1 Shillong (1904) 4 Gauhati (1906) 7 Moulvibazar (1914)
2 Sylhet (1905) 5 Golaghat (1909) 8 Habiganj (1914)
3 Silchar (1905) 6 Karimganj (1911) 9 Nowgong (1914)

BURMA.

Provincial Organisations.

1 Burma Co-operative Council, Mandalay.
2 Burma Provincial Co-operative Bank Ltd., Mandalay.

District Organisations.

There are 3 District Agricultural and Co-operative Associations *one* at each of the following centres:—

1 Pegu 2 Henzada 3 Prome

Central Banks.

There are 3 such Banks *one* at each of the following centres :—

1 Henzada 2 Prome 3 Pegu

Urban Bank.

1 Burma Urban Co-operative Federation, Rangoon.

AJMER-MERWARA.

Central Banks.

There are 3 Central Banks *one* at each of the following centres :—

1 Ajmere (1910) 2 Beawar (1913) 3 Narsibad (1913)

Urban Banks.

1 Kayastha C.C.S., Ajmer (1920) 2 Ajmere-Merwara U.C.B., Ajmere (1923)

COORG.

Provincial Organisation.

1 Coorg Provincial Co-operative Federation Ltd. Mercara (1930)

Central Bank.

1 Coorg Central Co-operative Bank, Ltd., Mercara (1921)

BRITISH ADMINISTERED AREAS, SECUNDERABAD

Provincial Organisation.

1 The British Administered Areas Central Co-operative Union, Secunderabad (1928)

Urban Banks.

Secunderabad.

1 Prudential C. C. S. (1921)
2 N. G. Ry. C. C. S. (1923)
3 Varadaraju Mudaliar Staff C. S. (1926)
4 Mahabub College Staff C. S. (1927)
5 Girls' Pathasala Staff C. S. (1928)
6 British Administered Areas Police Department C. S. (1929)
7 Military Pensioners' C. S. (1930)
8 British Administered Areas Public Servants' C. S. (1929)

HYDERABAD (Deccan).

Provincial Organisations.

1 Hyderabad Co-operative Dominion Bank Ltd. Hyderabad (Dn.) (1915)
2 Hyderabad Central Co-operative Union Ltd. Hyderabad (Dn.) (1925)

Central Banks.

There are 33 such banks *one* at each of the following centres :—

1 Gulburga (1917)
2 Nalgonda (1917)
3 Warangal (1917)
4 Aurangabad (1917)
5 Jalna (1917)
6 Parbhani (1917)
7 Bir (1918)
8 Raichur (1919)
9 Sangareddy (1920)
10 Mahbubnagar (1921)
11 Khammam (1921)
12 Bidar (1922)
13 Nizamabad (1922)
14 Karimnagar (1922)
15 Nanded (1923)
16 Bashirabad (1923)
17 Vicarabad (1923)
18 Shahabad (1923)
19 Medak (1923)
20 Jagtival (1926)
21 Manthani (1926)
22 Devarkonda (1927)
23 Bhongir (1927)
24 Suriyapet (1927)
25 Osmanabad (1928)
26 Chinoor (1928)
27 Hingoli (1928)
28 Yadgir (1929)
29 Lingsgoor (1929)
30 Mission Bank, Jalna (1931)
31 Banswada (1931)
32 Mahbubabad (1931)
33 Mominabad (1931)

Urban Banks.

1 Bhongir U. B. (1926)
2 Nalgonda U. B. (1927)
3 Raichur U. B. (1927)
4 Nizamabad U. B. (1928)
5 Jagtival U. B. (1929)
6 Mushtiyal U. B. (1931)
7 Ladnoor (1931)

BARODA.

Provincial Organisations.

1 Shri Sayaji Sahakar Sewak Sangh, Baroda City (1924).
2 Pustakalaya Sahayak Sahakari Mandal, Baroda City (1924).

Central Banks.

1 Baroda C. B. *Baroda City* (1923)
2 Mehsana Prant C. B., *Mehsana* (1917)
3 Navsari C. B. U. *Navsari* (1913)
4 Kodinar C. B. U. *Kodinar* (1912)

Urban Banks.

1 Anyonya Sahakari C. C. S., *Baroda* (1912)
2 Baroda Government Servants' Urban C. C. S., *Baroda* (1910)
3 Petlad C. B., *Petlad* (1921)
4 Vaso C. B., *Vaso* (1916)
5 Sarar C. C. S., *Sarar* (1909)
6 Itola C. C. S., *Itola* (1913)
7 Rarod C. C. S., *Rarod* (1912)
8 Bhuval C. C. S., *Bhuval* (1913)
9 Unza C. C. S., *Unza* (1927)

MYSORE.

Provincial Organisations.

1 The Mysore Provincial Co-operative Apex Bank, Ltd., Albert Victor Road, Bangalore City (1915).

2 The Bangalore Central Co-operative Bank, Ltd., Central Bank Road, Chamarajpet, Bangalore City (1908).

3 The Mysore Co-operative Land Mortgage Bank Ltd., Albert Victor Road, Bangalore City (1929).

4 The Mysore Propagandist Co-operative Institute Ltd., Albert Victor Road, Bangalore City.

District Central Banks.

There are five such banks *one* at each of the following centres :—

1 Mysore City (1911). 2 Tumkur (1913). 3 Shimoga (1918). 4 Chikmagalur, District Kadur (1915). 5 Hassan (1913).

Urban Banks.

Bangalore City.

1 Bangalore City C. S. (1905)
2 Bangalore City C. B. (1907)
3 Malleswaram C. S. (1910)
4 Comptroller's Office C. S. (1916)
5 Malleswaram C. B. (1919)
6 Bangalore City Vysya C. B. (1926)
7 Bangalore City Traders' C. S. (1915)
8 Grain Merchants C. B. (1927)
9 Imperial Service Lancers' C.S.(1920)

Mysore City.

10 Mysore City C. S. (1906)
11 Mysore City C. B. (1910)
12 Mysore Sri Krishnarajendra C. S. (1919)
13 Mysore Railway C. S. (1920)

Chhennapatna.

14 Chhenapatna Town C. S. (1909)
15 Chhenapatna Daira-e-Islam C. S. (1911)

Besides these, there are 24 other such Co-operative Societies *one* at each of the following centres :—

16 Closepet (1911)
17 Magadi (1912)
18 Kolar (1909)
19 Robertsonpet, K. G. F. (1912)
20 Chikballapur (1910)
21 Goribidanur (1913)
22 Chintamani (1911)
23 Tumkur (1907)
24 Madhugiri (1909)
25 Sira (1906)
26 Kunigal (1907)
27 Amritur (1911)
28 Turuvekere (1907)
29 Nanjangud (1910)
30 Hassan (1908)
31 Arsikere (1911)
32 Hole-Narsipur (1912)
33 Shimoga (1912)
34 Bhadravati (1923)
35 Sagar (1915)
36 Chikmagalur (1910)
37 Tarikere (1912)
38 Sringeri (1914)
39 Chitaldrug (1912)

INDORE.

Provincial Organisations.

1 Indore Premier Co-operative Bank Ltd (1926) Branch Bhikangaon.
2 Indore Co-operative Central Association (1924).
3 Indore Central Sale and Supply Society (1924) Branch Bhikangaon.

Central Banks.

There are 4 such banks *one* at each of the following centres :—

1 Kannod (1920) ; 2 Sanawad (1919) ; 3 Maheshwar (1918) ; 4 Petlawad (1919).

Urban Banks.

1 Indore Paraspar Sahakari Pedhi (1909)
2 Chandraseniya Prabhu Kayastha Paraspar Sahakari Pedhi (1917)
3 Maharashtra Brahmin Sahayak Pedhi (1927)
4 Mutual Help and Provident Fund Society (1917)
5 Mutual Benefit Fund C. C. S. (1930)
6 Sahakari Karya Sanstha Shiksha Vibhaga (1916)
7 Sahakari Mitra Mandal (1928)

BHOPAL.

Tehsil Unions.

There are 8 such unions, *one* at each of the following centres :—

1 Semra Jagir (1927)
2 Bilkisganj (1922)
3 Shampur Jagir (1927)
4 Nazirabad (1920)
5 Mardanpur (1921)
6 Man Jagir (1927)
7 Sultanpur (1922)
8 Obaidullaganj (1921)

Central Banks.

There are 17 such banks, *one* at each of the following :—

1 Deori (1923)
2 Udypura (1922)
3 Bareli (1919)
4 Bari (1927)
5 Bamori-Silwani (1927)
6 Begumganj (1919)
7 Gairatganj (1919)
8 Raisen (1919)
9 Bhopal (1920)
10 Sehore (1921)
11 Berasia (1927)
12 Doraha (1920)
13 Shahganj (1928)
14 Goharganj (1922)
15 Nasrullaganj (1927)
16 Ishwar, Bhopal (1922)
17 Ashta-Jawar (1923)

TRAVANCORE.

Provincial Organisations.

1 Trivandrum Central Co-operative Bank Ltd., Trivandrum (1915)
2 Travancore Co-operative Institute Ltd., Trivandrum (1924)
3 Travancore Aloe Yarn Co-operative Society Ltd., Alleppy (1929)
4 Travancore Central Produce Co-operative Society Ltd. (1929)
5 Travancore Industrial Co-operative Society Ltd., Trivandrum (1930)

Taluq Banks.

1 Nagercoil P. C. B. (1923)
2 Thiruvella C. T. B. (1923)
3 Moovattupuzha C. T. B. (1923)
4 Mavelikara C. T. B. (1924)
5 Pathanomthitta C. T. B. (1924)
6 Vilavancode C. T. B., Padmanabhapuram (1925)
7 Neyyattinkara C. T. B. (1925)
8 Kalculam C. T. B., Padmanabhapuram (1925)
9 Quilon C. T. B. (1925)
10 Sherthalay C. T. B.,Panavalli (1925)
11 Vaikon C. T. B. (1926)
12 Chengannoor C. T. B. (1926)
13 Karunagappali C. T. B., Padanayarkulangara (1926)
14 Kunnathoor C. T. B. (1928)
15 Meenachil C. T. B., Pala (1929)
16 Kottarakkara C. T. B. U. (1930)

Urban Banks.

There are 10 such Banks, *one* at each of the following centres:

1 Changanacherry (1920)
2 Omallor (1920)
3 Colachal (1920)
4 Thodpuzha (1923)
5 Punaloor (1924)
6 Alleppey Town (1925)
7 Paravoor (1927)
8 Lalam (1927)
9 Pulimkunnu (1929)
10 Paravoor Sreenarayana Vilasom, Paravoor (1927)

COCHIN.

Provincial Organisations.

1 Cochin Central Co-operative Bank, Trichur.
2. Cochin Central Co-operative Institute, Trichur.

Town Banks.

1 Trichur T. C. B., Trichur.
2 Trichur Xian T. C. B., Trichur.
3 Mission Qurs C. S., Trichur.
4 Chittur-Thathamangalom C. S., Chittur.
5 Trippunithura Peoples' C. B., Trippunithura.
6 Irinjalakuda T. C. B., Irinjalakuda.
7 Cranganur T. C. B., Cranganur.
8 Mattanchery T. C. B., Cochin.
9 Nemmara C. S., Nemmara.
10 Irinjalakuda Peoples' C. B., Irinjalakuda.
11 Mattanchery Saraswath C. B., Cochin.
12 Panamkuttichira C. B., Ollur.
13 Ollur T. C. B., Ollur.
14 Tatapuram C. S., Ernakulam.
15 Ernakulam Govt. Servants' C. S., Ernakulam.
16 Kombalanghy C. S., Kombalanghy' Cochin.

PUDUKOTTAH.

Provincial Organisations.

1 The Pudukottah Co-operative Central Bank, Pudukottah (1920)
2 The State Co-operative Institute, Pudukottah (1925)

Urban Bank.

1 The Town Bank Ltd., Pudukottah (1910)

IV

WHO'S WHO IN CO-OPERATION.

BOMBAY.

BHIDE, VITHAL SHIVRAM B.A., LL. B., (Cantab), I.C.S., Ed. Poona and Cambridge.

Served as Assistant Commissioner, Burma (1915-1919). Came to Bombay Presidency (1919). Served as Asst. Collector and Collector in various Districts. Appointed Registrar of Co-operative Societies (1927). Pursued a policy of consolidation and improvement of Societies. Keen on developing a proper machinery for supervision. Encouraged the strengthening and centralisation of non-official co-operative institutions.

AZIMKHAN, INAYATALIKHAN DURANI, Khan Bahadur, Deputy Registrar, Co-operative Societies in Sind. Hyderabad, (Sind).

Born 1882. Belongs to the Durani Family of the Pathans of Afghanistan. Worked as Resident Magistrate and City Magistrate (1913-17). Was appointed Deputy Collector (1917) and took training in Co-operation (1917-18). Was awarded the Title of Khan Saheb (1921), and that of Khan Bahadur (1923).

Joined as Assistant Registrar of Co-operative Societies in Sind. Deputy Registrar of Co-operative Societies in Sind (1928). Re-organized the Co-operative Movement in Sind. Number of Societies increased from 65 to 1052, the Membership from 3,000 to 55,690 and the Working Capital from about Rs. 1½ lakhs to about 2¼ crores. Under his keen personal interest 6 Central Co-operative Banks have been started in Sind to finance co-operative societies, the Sind Central Co-operative Bank serving as an Apex Bank for Sind.

DEVDHAR, GOPAL KRISHNA, M.A., C.I.E., Kaiser-i-Hind Medalist.

Born 1871. Ed. Bombay. Served as Principal, Aryan Education Society's High School in Bombay (1898-1904). First to join the late Mr. G. K. Gokhale in 1904 as his assistant and then again as first member of the Servants of India Society (1905). Vice-President of the Servants of India Society (1923-26). President of the Society (from 1926). Founder, Honorary Organizer and General Secretary of *The Poona Seva Sadan Society* (from 1909). President, National Social Conference, Lucknow (1924). Organized the Malabar Relief Fund (1924). Organized a Flood Relief Fund on behalf of the Servants of India Society for Gujarat, Kathiawar, Sind and Orissa (1927). Chairman, Executive Committee Deccan Agricultural Association (1920). Member, Imperial Council of Agricultural Research, Simla (1929). Member, Indian Central Banking Enquiry Committee (1929).

One of the *early workers* in the field of Co-operation. Founder and Organizer of the Hadapsar Co-operative Credit Society near Poona, almost a model Society. Was responsible for organizing a large number of co-operative *debt redemption societies* in Bombay for the benefit of the millhands and the Depressed

Classes. Presided over Provincial Co-operative Conferences of Bihar and Orissa, U. P., Madras, Berar, Mysore and Cochin. Member, Committee on Co-operation for Mysore (1920) and for Madras (1928). Director, Bombay Provincial Co-operative Bank. President, Bombay Provincial Co-operative Institute (1926-28). Published several pamphlets on Co-operation, Female Education and Social Reform. Address:—Servants of India Society, Sandhurst Road, Girgaon, Bombay No. 4, or Servants of India Society, Poona No. 4.

EWBANK, R.B., C.I.E. I.C.S., Secretary to Government of Bombay, General Department.

Born 1883. Came to India 1907. Was Registrar of Co-operative Societies (1911-20), Bombay Presidency. Secretary of Imperial Committee on Cooperation, (1914-15). Author of Manual of Co-operative Societies for Bombay Presidency. Editor of Indian Co-operative Studies. Was in the Revenue and Agriculture, Education, Health, and Land Departments of the Government of India (1921-27), and during the period dealt with such co-operative questions as came before the Central Government. Associated with the REAL START of the Co-operative Movement in the Bombay Presidency. Was awarded C. I. E. in 1926. Address : Standing Stone, Wigton, Cumberland, England.

GANDHI, CHUNILAL MANEKLAL, B.A., LL. B., Advocate (O. S.) High Court, Nanpura, Road, Surat.

Born 1872. Ed : Bombay. Elphinstone Prizeman (1890). Cobden Club Medalist (Economics, 1892). Appointed Government Pleader at Surat (1913). Elected Member of Rander Municipality for several years. Elected Member of the Surat Municipality (1904-12). Worked with the late Mr. C. G. Shah in promoting the Sarvajanik Education Society, Surat, of which he is the principal figure as Chairman of the Executive and Managing Committees (from 1920). Chief worker in collecting funds and establishing the M. T. B. College at Surat. Elected Member of the Bombay Legislative Council (1920). Member of the Bombay Primary Education Committee and Chairman of the Bombay Retrenchment Committee and the Bombay Excise Committee. The chief figure of the CENTRAL FINANCING AGENCIES in Gujarat. One of the first members and now the Chairman (from 1917) of the Surat District Central Co-operative Bank, the working Capital of which rose during his Chairmanship from Rs. 1,50,000 to Rs. 22,50,000. Principal, Gujarat Co-operative School (since 1928). Member, Executive Committee, and the Central Education Board of the Provincial Co-operative Institute. Editor of the Sahakari Patrika, the Gujarati Monthly organ of the Institute.

GARUD, VINAYAK VAMAN, ESQ., B.A. Landlord and Agriculturist, Dhulia.

Born 1882. Ed. Poona. Municipal Councillor, Dhulia City Municipality (1920-27) and its Vice-President and Chairman, Managing Committee (1922-24). Chairman of the Advisory Committee of Dhulia Branch of the Bombay Provincial Co-operative Bank Ltd. (from 1925). District Honorary Organizer, Co-operative Societies for West Khandesh (from 1926). Chairman, West Khan-

desh District Branch of the Bombay Provincial Co-operative Institute (1924-1928). Responsible for organizing with great efficiency the work of the District Institute, as regards Propaganga, Education and Supervision.

Organizer, President of the Board of Control and Chairman of the Managing Committee of the West Khandesh District Co-operative Purchase and Sales Union. Address : Khol Galli, Dhulia Dist. West Khandesh.

JADAV, VANDRAVAN CHHOTALAL, RAO SAHEB, B.A. Banker and Commission Agent, Kanpith, Surat.

Hon. Treasurer and Trustee, Surat Mahila Vidyalaya. Member, Managing Committee, Sarvajanik Education Society, Surat.

Appointed District Honorary Organizer (1922). Promoter and Managing Director of the Surat Peoples' Co-operative Bank, and the Gujarat Urban Co-operative Banks' Supervising Union. Director, Bombay Provincial Co-operative Bank. Connected actively with the Surat City Co-operative Milk-supply Society and Surat District Vidyarthi Sahayak Sahakari Mandal. Chairman, Sonsek Supervising Union. Member, Executive Committee and Provincial Co-operative Council of the Provincial Co-operative Institute (1926-28). Was made a Rao Saheb in 1928. Address :—Gopipura, Surat.

KAJI, HIRALAL LALLUBAI, M.A., B.Sc., I.E.S., J.P. Professor of Geography, Sydenham College of Commerce and Economics, Bombay. Kaiser-i-Hind (Silver) Medal, 1930.

Born 1886. Ed. Ahmedabad. Telang Gold Medalist (Economics, 1904). Professor at Gujarat College, Ahmedabad (1905-1909), Rajkumar College, Rajkot (1909-1916). Justice of the Peace (1925). Honorary Presidency Magistrate (1926) Additional Member of the Faculty of Arts of the Bombay University (1924-1929). President, Bombay Geographical Society (1930). Hon. Secretary, Association of the Indian Officers of the Bombay Educational Department (from 1927). Treasurer, Indian Economic Association (1924-1927). Vice-President, Bombay Boy Scouts' Local Association (1924-1929).

Editor, Bombay Co-operative News (1924-1927). Organized different types of Co-operative Societies. President of the Sydenham College Co-operative Stores, Dasha Lad Educational Co-operative Society. General Adviser of the Pioneer Thrift Society. President, Bombay Provincial Co-operative Insurance Society. Vice-President, Chairman of the Executive Committee and Chairman of the Central Education Board of the Provincial Co-operative Institute, Bombay (From 1926-30). Developed and systematised Co-operative Education by organising three regular Co-operative Schools in the Presidency and regularising Co-operative examinations. Honorary Secretary, All-India Provincial Co-operative Institutes' Association (from 1929).

Author of : Exercises in Geometry (1911). Outline Atlas of the Indian Empire 1927), Primer of Co-operation (1928), Co-operation in Bombay (1930), Co-operation India (1932). Address :—Manek House, Malabar Hill, Bombay (6). Permanent Address :—Lallubhai House, Haripura, Surat.

LALUBHAI SAMALDAS, SIR, Kt., J.P. C.I.E,

Born 1863. Ed. Bombay. Under-Secretary to the Maharaja of Bhavnagar and Revenue Commissioner, Bhavnagar State. Entered business in Bombay in 1899. Helped in starting the Bank of India, the Bank of Baroda and the Indian Cement Co. Director of several commercial firms and banks. Nominated to the Bombay Legislative Council in 1910, 1913 and 1916. President of the Industrial Conference at Karachi (1913). Fellow of the Bombay University. President, Indian Merchants' Chamber (1917-18). Elected to the Council of State (1920). Member, Indian Mercantile Marine Committee (1923-24). Acting Member, Executive Council of the Bombay Government (1925).

THE PIONEER in Co-operation in the Bombay Presidency. Member, Maclagan Committee on Co-operation (1914-15). Promoter of the Bombay Provincial Co-operative Bank (1911) and of the Bombay Provincial Co-operative Institute (1918). Chairman of the Bombay Provincial Co-operative Bank (1922-25). Vice-President of the Provincial Co-operative Institute, Bombay (1918-21). Presided over Co-operative conferences of Bihar and Orissa, U. P. and Mysore. Chairman, Mysore Co-operative Committee (1921-23). President of the first All-India Co-operative Banks' Conference (1926) and of the first All-India Co-operative Institutes' Conference (1928-29). First President of the All-India Co-operative Institutes' Association. Address :—Marzabanabad, Andheri, near Bombay.

MADAN, J. A., C.I.E., I.C.S.

Born 1885. Ed. Bombay, Oxford and Cambridge. Entered I. C. S. in 1909. Served as Asst. Collector. Asst. Settlement Officer, Asst. Registrar Co-operative Societies. Deputed to Europe to study Co-operation in 1923. Served as Registrar Co-operative Societies Bombay (1923-26). Was keen on the development of Agricultural non-Credit Co-operation. Joint Secretary, Royal Commission on Agriculture and Chairman, Bombay Banking Enquiry Committee. Director of Labour Intelligence and Registrar of Trade Unions. Commissioner for Workmen's Compensation, 1930. Collector, Sind, 1930-31.

MALJI, AMBASHANKAR UTTAMRAM, Diwan Bahadur. Pleader and Landholder, Broach.

Elected member of the Broach Municipality from 1897 to 1910 and again from 1917 to 1924. Awarded Coronation Certificate by the Bombay Government (1911), for distinguished Municipal services. Helped organization of the Broach District Central Co-operative Bank (1907) of which he was the Secretary and later on its Chairman and President. Promoted a Spinning and Weaving Mill in Broach (1907). Organized the first Mill-hands' Co-operative Credit Society. Appointed District HONORARY ORGANIZER (1915). Made Rao Saheb (1914). Appointed DIVISIONAL HONORARY ORGANIZER (1918) for Gujarat. Organized various types of Societies. Was made Rao Bahadur (1919). President, Gujarat Divisional Co-operative Institute, Broach (from 1921). Nominated as additional Member of the Bombay Legislative Council as Co-operative Expert (1925). Was awarded the title of Dewan Bahadur (1926). Co-opted as a Bombay Member

of the Royal Commission on Agriculture (1926). Chairman of the Broach District Land Mortgage Society. Director of the Bombay Provincial Co-operative Bank (since 1921). Central figure in the reconstruction of the Matar Taluka, Kaira District since the floods of 1927. Address : Malji Vakil Street, Broach.

MEHTA, SIR CHUNILAL VIJBHUKHANDAS, Kt.. K.C.S.I. M.A., LL.B.

Born 1881. Ed: Bombay. Chairman Standing Committee (1912) and President (1916) of Bombay Municipal Corporation. Elected to the Bombay Legislative Council by the Corporation (1916), to the City Improvement Trust and to the Bombay Port Trust. Chairman, Indian Merchants' Chamber (1918 and 1931). Director of Tata Iron and Steel Co., The Bombay Steam Navigation Co. and several other Companies. Minister, Bombay Government (1921-23). Member of the Executive Council of the Government (1923-28). Chairman, Dehra Dun Forest Research Institute Committee (1929). Chairman, Mandi Hydro-Electric Committee, Punjab (1930), Salt Committee (1930). Provincial Scout Commissioner.

Responsible as Minister in charge of Co-operation and Agriculture for bringing about a closer coordination between Agriculture and Co-operation and for creating Divisional Boards of Agriculture and Co-operation and for introducing Taluka Development Associations, for Agricultural Bias School and for minor Irrigation Policy. Introduced the Bill for the Consolidation of Holdings in the Bombay Legislative Council (1928).

Chairman of the Bombay Rural Reconstruction Association. Chairman of the Bombay Provincial Co-operative Bank. President of the Bombay Provincial Co-operative Institute. Address :—42, Ridge Road, Malabar Hill, Bombay.

MEHTA, JAMSHED N. R.

Born 1886. President of Municipality (from 1922). Assistant Provincial Commissioner of Scouts in Sind. Chairman, Buyers' and Shippers' Chamber. Vice-Chairman Karachi Port Trust. Author of " Karachi Muncipality : as at present and its future."

Chairman, Sind Central Co-operative Bank, working capital of which rose from Rs. 25,000 to over Rs. 30 lakhs. Promoted the formation of Urban Co-operative Banks and other Central District Banks in Sind. Chairman of Lloyd Barrage and Canals Construction Scheme Advisory Committee. Address :— Bonus Road, Karachi.

MEHTA, VAIKUNTH LALLUBHAI, B.A., Managing Director, Bombay Provincial Co-operative Bank Ltd.

Born 1891. Ed. Bombay. Hon. Manager Bombay Central Co-operative Bank (1912-15). Manager (1915-22), Managing Director (since 1922). Editor, Social Service League Quarterly (since 1915) and Bombay Co-operative Quarterly (1916-1928). Member, Executive Committee, Bombay Provincial Co-operative Institute. Co-operative Expert, Bombay Banking Enquiry Committee (1929). *Publications*: The Co-operative Movement (1915). The Co-operative Movement in India (1918). Studies in Co-operative Finance (1927). Address : Murzbanabad, Andheri, near Bombay.

MENSINKAI, S. V., DEWAN BAHADUR, Dharwar.

Born 1852. Retired Deputy Collector. Chairman of the Dharwar District Local Board (1907-1911). President, Dharwar City Municipality (1916-1919). Honorary Magistrate (1916-1923). Chairman of the Lingayat Education Association, Dharwar. Promoter of the Devihosur Government Agricultural School.

Founded the KARNATAK CENTRAL CO-OPERATIVE BANK LTD., Dharwar (1916) and its Chairman (since inception). Director of the Bombay Provincial Co-operative Bank Ltd.

Received Coronation Certificate (1911). Was awarded the title of Diwan Bahadur (1922).

PATEL PURSHOTAM ICHHARAM.

Born 1877. Associated with the remarkable development of the CO-OPERATIVE SALE OF COTTON in Gujrat. Leading spirit of the Sonsek Co-oeprative Credit Society. Organised the Sonsek Co-operative Credit Society (1921). District Honorary Organizer (1915). Organized the Sonsek Cotton Ginning Society (1925). Organized the Surat Cotton Sale Union (1930). Address : Sonsek, Post Dihen, District Surat.

PATIL, LINGANGOUDA, RAO SAHEB, Dharwar.

Born 1870. Watandar Patil of Hulkoti Dist. Dharwar. President Raddi Co-operative Credit Bank Ltd. Organized the Hulkoti Co-operative Guaranteeing Union (1917). Organized Hulkoti Union Co-operative Education Society (1921). Prominent member of the Managing Committee of Seeds, Ginning, Cotton Sale and Housing Societies. Director for some years of the Karnatak Central Co-operative Bank Ltd., Dharwar. Awarded title of Rao Saheb (1921). Vice-President, Bombay Karnatak Raddi Educational and Social League (since 1907). Profession, Agriculture. Address : Hulkoti P. O., District Dharwar.

ROTHFELD, OTTO., M.A. (Oxon), F.R.G.S., I.C.S.

Born 1876. Ed. Edinburgh and Oxford. Arrived in India 1899. Collector of Broach, East Khandesh, Sukkur and Surat. Appointed Registrar, Co-operative Societies, Bombay (1920). Became Member of the Legislative Council (from 1920). Was responsible for great stimulus given to URBAN CO-OPERATIVE BANKING and for the Bombay Co-operative Societies Act 1925. Strove to transfer the substantial control of the Movement to NON-OFFICIAL AGENCIES, especially the Institute and the Provincial Bank. Retired (September 1923).

Author of "Indian Dust", Life and its Puppets", "With Pen and Rifle in Kishtwar", "Women of India," "Umar Khayyam and His Age", "Co-operation in France and Italy", and Editor of text of "Waqay'a of Na'amat Khan-i-Ali". Address : Clubs :—Reform and Savage, London.

TALMAKI, S. S., RAO BAHADUR, B.A., LL.B.

Born 1870. Ed. Bombay. Assistant Registrar, Appellate Side, High Court, Bombay (now retired).

Organized the Shamrao Vithal Co-operative Bank (1906) ; its Chairman for several years. Organized the Saraswat Educational Co-operative Society as an off-shoot. Was awarded the title of Rao Saheb (1912) and of Rao Bahadur (1916). Originator of the CO-OPERATIVE HOUSING MOVEMENT in Bombay. Organized the Co-operative Housing Association (1913), now merged in the Provincial Co-operative Institute. Formed the first Housing Society—the Saraswat Co-operative Housing Society (1915). Assisted several other Housing Societies in Bombay. One of the pioneers of the Provincial Co-operative Institute, Bombay, of which he has been the HONORARY SECRETARY from the start in 1918. President, Provincial Co-operative Conference (1922). Has published numerous pamphlets on Co-operative subjects, Author of Co-operation in India and Abroad." Director, Bombay Provincial Co-operative Insurance Society. Address :—Saraswat Co-operative Buildings, Gamdevi, Bombay.

THAKKAR AMRITLAL VITHALDAS, L.C.E. Member Servants of India Society, President Bhil Seva Mandal, Dohad (Gujarat).

Born 1869. Worked in Civil Engineering Department for 23 years. Joined the Servants of India Society (1914). Founded the Bhil Seva Mandal (1922).

Associated with co-operative credit work, mostly among the depressed classes and the ABORIGINAL TRIBES since (1915). Organized several societies for Bhangis in Bombay and Gujarat towns, and for Bhils in Dohad and Jhalod talukas of the Panch Mahals District. Chairman of Advisory Board of Dohad Branch of Bombay Provincial Co-operative Bank.

VALVEKAR K. R. RAO BAHADUR, Retired Pleader, Hubli, Dharwar.

Born 1861. Member of Hubli Municipality for 33 years; for some time, Chairman Managing Committee and President, Member, Hubli Taluka Local Board for 27 years; for some time President. Member of the District Local Board, Dharwar. Chairman of the Board of Directors of the Joint Stock Co. and of the Hubli Ginning Factory for 20 years. Census Superintendent, 1901,-11 and 1921.

Associated from the start (in 1906) as organizer and Chairman of the HUBLI URBAN CO-OPERATIVE BANK membership of which now stands at 2,200 and Working Capital at 8½ Lakhs, and which is one of the best Urban Banks in the Bombay Presidency. Chairman of the Hubli Co-operative Union. Director of the Karnatak Central Bank.' Member, Executive Committee and of the Provincial Co-operative Council of the Provincial Co-operative Institute, Bombay.

Received Coronation Certificate (1911). Was awarded the title of Rao Saheb (1919) and of Rao Bahadur (1925).

PUNJAB.

AJAB KHAN, Sardar Bahadur, Captain, O.B.E., O.B.I., I.O.M., Order of Nahda.

Born 1873. Ed. Peshawar, Entered Indian Army (1893). Served in China and the Treaty Ports (for 18 years), in Egypt and Mesopotamia (1914). Nominated non-official Army Member, Imperial Legislative Council (1916).

British representative, King of Hedjaz's Court (1920). Started a village co-operative society (1917). Founder and Vice-President, Attock District Central Co-operative Bank. Started Sarwar Co-operative Union (1925), and Ajab Co-operative Cattle Trading Bank (1929). Nominated Member of the Legislative Assembly (1924). Vice-President District Local Board (since 1916) and Hon. Magistrate. Address : Shadi Khan, Attock.

ALLA RAKHA, CH.

Born 1870. President, Lakhan Khurd Co-operative Union (since 1914), Co-operative Society (since 1906), and Land Revenue Redemption Society. Director, Provincial Bank, Lahore, and Central Co-operative Bank Gurdaspur. Granted a Jagir (1926). A pioneer of the Movement on this side of the province. Address : Lakhan Khurd. P. O. Kalanauz District Gurdaspur.

BALWANT SINGH, SARDAR SAHIB, CH. : Mahilpur. President Local Banking Union (since 1919).

BARKAT RAM, L., RAI SAHIB. Advocate, Ferozpur. Hon. Secretary Central Co-operative Bank, Ferozpur (since 1925).

BEANT SINGH, SARDAR, Jullundar City.

Born 1891. Ed. Amritsar. Inspector, Punjab Co-operative Department (1916). Assistant Registrar (1919). Deputy Registrar (since 1927).

BHAGAT RAM, L., RAI SAHIB, B.A. S.A.V., F.E.L. Lahore.

Born 1863. Held various posts, Munsif, Extra Asst. Commissioner, Senior Sub-Judge. District and Sessions Judge. Retired (1919). Chairman, Lahore Central Co-operative Bank, All-India Kshatriya Sabha and Punjab Mutual Family Relief Fund. Director, Punjab Provincial Co-operative Bank.

CALVERT, HUBERT, C.I.E., I.C.S.

Came out to India (1898). Registrar, Co-operative Societies, Punjab (1916-1926). Member of the Royal Commission on Agriculture (1926). President, Committee on Co-operation in Burma (1928). Financial Commissioner, Development Board, Punjab (1929). Published " Law and Principles of Co-operation (1917)", and "The Wealth and Welfare of the Punjab " (1922). Was made a C.I.E. (1925).

DARLING, MALCOLM LYALL, I.C.S.

Came out to India (1904). Joined the Co-operative Department (1916). Registrar of Co-operative Societies (1927). Chairman, Punjab Banking Enquiry Committee (1930). Published " Some Aspects of Co-operation in Germany, Italy and Ireland " ; " The Punjab Peasant in Prosperity and Debt " (1925) and " Rusticus Loquitur or the Old Light and the New in the Punjab Village " (1930).

FARZAND ALI KHAN, RAO, Jagirdar.

Born 1879. Served in Udaipur State Cavalry (1896-1902). President of the Co-operative Bank (1911), Registered Reforms Committee (1926), Hon. President, Rural Community Council (1926), and Agriculture Improvement Committee,

Bhurewala (1928), Hon. President, Land Mortgage Bank, Naraingarh (1928 Better Living Society and Better Farming Society. Hon. Secretary, Naraingarh Branch, Central Co-operative Bank, and Zamindars' Association, Naraingarh. Address : Bhurewala, Naraingarh, District Ambala.

FATEH KHAN NOON, KHAN BAHADUR MALIK, Lahore.

Born 1881. Ed. Lahore. Land Owner, Shahpur District. Joined Co-operative Department as Inspector (1907). Assistant Registrar (1916). Deputy Registrar (Since 1921). Made Khan Bahadur (1929). Sometime Officiating Registrar, Punjab and N. W. F. P.

FAZAL ALI, KHAN BAHADUR, CH., O.B.E., Jagirdar, Gujrat.

Hon. Magistrate. President, Central Co-operative Bank, Gujrat (Since 1929). Vice-President, Punjab Co-operative Union.

GANGA RAM, L. RAI BAHADUR, Ambala. Hon. Magistrate. Hon. Secretary, Central Co-operative Bank, Ambala (Since 1913).

GHULAM HASSAN, KHAN SAHEB, B.A., LL.B., Vakil, Mianwali. Hon. Secretary, Central Co-operative Bank, Mianwali (Since 1923).

GHULAM MEHDI KHAN, KHAN SAHEB, RAJA.

Born 1882. Zaildar of village Dhamial, Dist. Rawalpindi. President, Juma Masjid Committee, Rawalpindi. Honorary Secretary and Senior Vice-Chairman of the Rawalpindi Central Co-operative Bank. Awarded title of Khan Sahib (1925). Address :—Rawalpindi.

GURBAKSHA SINGH, Lt.-Col., SIRDAR BAHADUR : Retired Lieut-Col. O.B.I. (1st Class).

Born 1874. Joined Bikaner State Imperial Troops (1892). Served in China War (1900-1) in Sumali Land (1903-4), where his name was mentioned in war despatches. Awarded O. B. I. (second class) 1904. Received Coronation Medal (1911). Went to the Great War (1914). Awarded title of Sirdar Bahadur and the First Class of the Order of British India (1920).

Took active part in rural education and other co-operative activities from 1919. Organised and started local Khalsa High School. President, Tarn Taran Co-operative Union (1926). Member of the Executive Committee Punjab Co-operative Union and the Punjab Provincial Bank.

Address : Tarn Taran, Dist. Amritsar.

KARIM BAKSH, DR. Lahore. Director, Central Co-operative Bank (since 1925). President, Muzang Co-operative Credit Society (since 1912).

KESAR SINGH, CH., M.L.C., Member, District Local Board, Gurdaspur. Hon. Magistrate.

President, Shakargarh Revenue Association (since 1926). Awarded badges and sword of honour for recruiting and subscription work during the

War. Elected member, Legislative Council (since 1924). President, Loan Association (1906) and Banking Union (1912) at Sujowal. President, Commission Shop, Shakargarh (1918). Director, Central Co-operative Bank, Gurdaspur. President, Shakargarh Banking Union (1925). Address: Sujowal, Shakargarh, Dist. Gurdaspur

MUHAMMAD NAWAZ KHAN, THE HON'BLE, LT., Sardar of the Gheba clan, Proprietor of the Kot Estates.

Born 1901. Ed. Aitchisen Chiefs' College and the Royal Military College. Entered Army (1921). Posted to the Army in India Reserve of Officers (1926). Represented the Punjab Landholders in the Legislative Assembly (1926-1930). Hon. Extra Assistant Commissioner. Hon. Magistrate. Hon. Subordinate Judge. Hon. Assistant Registrar of the Co-operative Societies. Hon. President of the Kot Estate Credit and General Purposes Co-operative Union, which he entirely finances free of interest. Started on his estate 26 Societies, a Banking Union and 13 Arbitration Societies. Address:—Kot Fateh Khan, Teh. Fatehganj, Dist. Attock.

NIAMAT ULLAH KHAN, CH., KHAN BAHADUR.

Ed. Lahore. Served Khairpur State (1908). President, Rural Sanitary Committee, Madar. Member, District Agricultural Association, Jullundur (Since 1914). Member, District Board, Jullundur (1917-23) ONE OF THE OLDEST AND BEST CO-OPERATORS IN THE PUNJAB. President, Madar Co-operative Credit Society, and Madar Co-operative Banking Union (Since 1012). Managing Director, Punjab Co-operative Union (Since 1918) and Jullundur Central Co-operative Bank. Member Executive Committee, Punjab Provincial Co-operative Bank (since 1921). Pioneer, Women's Co-operative Movement in Jullundur Tehsil. Member, Punjab Provincial Banking Enquiry Committee (1930). Awarded Punjab Golden Sanad (1924), Punjab Government Sanad (1930). Made Khan Sahib (1918) and Khan Bahadur (1926).

Address: Madar, Jullundur District.

NUR DIN, KHAN SAHIB, RISALDAR, CH., M.L.C.

Born. 1886. Served in the War. Awarded Distinguished Service Medal. Elected member, Legislative Council (1924-1926). Secretary, Tehsil Soldiers Board. Member, Advisory Canal Committee, Executive Committee, Rural Community Council, Agricultural Association, and District Board, Lyallpur. President, Several Co-operative Societies. President, Commission Shop and Land-mortgage Bank, Toba Tek Singh. Vice-President, Central Co-operative Bank, Lyallpur. Director, Punjab Co-operative Bank. Address: Toba Tek Singh. Dist. Lyallpur.

NUR MAHAMMAD, KHAN SAHIB, MALIK, M.A., LL.B., Vakil, Sargodha. Hon. Secretary, Central Co-operative Bank, Sargodha (since 1926).

POHAP SINGH, RAO, M.A., LL.B., Jagirdar.

Pleader, Gurgaon. Hon. Secretary, Gurgaon Central Co-operative Bank (since 1919). Member, Provincial Banking Enquiry Committee, Punjab.

SAMPURAN SINGH, S. : Bar-at-Law., Lyallpur, Hon. Secretary, Lyallpur Central Co-operative Bank. Chief Director, Jaranwalla Commission Shop.

SHAM LAL KAISTHA, L. RAI SAHIB : M.A., LL.B.

Born 1874. Advocate, High Court, Lahore. Public Prosecutor and Government Pleader, Kangra District (since 1922). Member, District Board, Kangra (1907-1914).

Hon. Secretary, Kangra Central Co-operative Bank, Dharmsala (since 1920). Pioneer of the Movement in the Kangra District. Made Rai Sahib (1930).

SHRI KRISHNA, RAI SAHIB, L., B.A., M.Sc.

Born 1885. Ed. Lahore. Joined Business (1910). Started Ice Factory and Oil Mill. Promoter, Ludhiana Club. Helped in organising Central Co-operative Bank at Ludhiana, one of the best banks in the Punjab and Hon. Managing Director of that bank from its start in 1916.

STRICKLAND, CLAUDE FRANCIS, I.C.S.

Came out to India (1905). Joined the Co-operative Department (1915). Registrar of Co-operative Societies (1926-27). Since then, visited the Federated Malay States and Palestine to advise the Government about Co-operation. Published "Studies in European Co-operation." Volumes I and II, and "An Introduction to Co-operation in India" (1922).

SURAJ MAL, CH. President, Sonepat Banking Union (Since 1919), Land Mortgage Bank (Since 1924), and Commission Shop Since (1925) Address : Sonpet, Dist. Rohtak.

UNITED PROVINCES.

ASTHANA, B. DAULAT RAM, Advocate, Basti.

Vice-Chairman, District Board. Chairman, Basti Town Area Committee, District Scout Comissioner, Basti. Vice-President, Hindu Sabha, Basti. Hon. Secretary, Local Sewa Samiti Association. Hon. Manager, Central Co-operative Banking Union, Basti. (Since 1919).

BIND BASNI PRASAD, M.A., B.SC., LL.B.

Born 1893. Ed. Allahabad. Member of the U. P. Judicial Service. Director of District Co-operative Banks of Allahabad, Bijnor, Jaunpur and Benares. At present Honorary Managing Director of the Kashi Co-operative Bank, Benares. Elected member of the Provincial and Executive Committees of the U. P. Co-operative Union. Address :—Additional Sub-Judge, Benares.

BRIJNANDAN LAL, M.L.C., B.A., LL.B., Bar-at-Law.

Born 1892. Ed. Allahabad and London. Elected Member of the U. P. Legislative Council (1930). Founder and Hon. Managing Director, Farrukhabad District Co-operative Bank (Since 1919).

HAR PRASAD, RAI BAHADUR, Vakil, Bijnor.

Born 1878. Organiser and Manager, Dayanand Orphanage, Agra. Helped in founding the G. H. P. High School, Nagina. Awarded a Gold Medal and sword stick (1919). Hon. Secretary, Aman Sabha (1921), Government Dible Industrial School, Nagina, and Zamindars' Association, Bijnor. Organiser, Vice-Chairman and Managing Director, Bijnor District Co-operative Bank. Founded Shyam Co-operative Stores, Dhampur (1926). Hon. Managing Editor, U. P. Vernacular Co-operative Journal. Was made Rai Saheb (1922) and Rai Bahadur (1928).

ISHWAR SAHAI, RAI BAHADUR, Fatehpur.

Born 1870. Municipal Commissioner (for 30 years), and Chairman (1909-1918). Member, Board of Agriculture, U. P. Made Rai Bahadur (1908). President, Managing Committee, Anglo-Sanskrit School, Fatehpur. FOUNDED THE FIRST RURAL CO-OPERATIVE SOCIETY IN 1899 Chairman, Fatehpur District Co-operative Bank.

KACKER, N. K., RAI BAHADUR, Bar-at-law, Hon. Special Magistrate, Director, District Co-operative Bank, Bareilly.

KAPOOR, B. TIRLOKI NATH, RAI BAHADUR. Managing Director, Central Co-operative Bank, Tanda Dist. Fyzabad.

KHAREGHAT, P. M., I. C. S., Registrar, Co-operative Societies, U. P.

MAQBUL HASAIN, SHAIKH, C.I.E., M.R.A.C. (England), Bar-at-Law, KHAN BAHADUR.

Born 1876. Ed. Lucknow, Cirencester and London. Asst. Director, Land Records and Agriculture, U. P. (1906-07). Asst. Director, Criminal Intelligence, Government of India, (1909). Revenue and Home Minister, Kashmir State (1909-1917). Registrar, Co-operative Societies, U. P. (1918-1924). Deputy Commissioner, Bahraich and Collector of Jaunpur, Member, Council of State (1928). Commissioner, Benares Division (since 1930).

MATHURA PRASAD MEHROTRA, B.A., RAI BAHADUR, Taluqdar.

Born 1894. Ed. Allahabad and Lucknow. Member Lucknow Municipal Board and District Board, Sitapur, (1923) and United Provinces Legislative Council (1924). Received the title of Rai Bahadur (1926).

Elected to the General and Provincial Bodies as well as the Executive Committee of the Provincial Co-operative Union of the United Provinces. Represented the Provinces in the Registrar's Co-operative Conference at Bombay (1926). and All-India Provincial Co-operative Institutes Standing Committee (1930); served on the Provincial Co-operative Enquiry Committee (1925-26) and Sandila Bank Enquiry Committee (1930). Address :—Biswan. Dist. Sitapur.

MEHTA, V. N., I.C.S., B.A., Bar-at-Law.

Commissioner, Allahabad Division, Allahabad. Sometime, Director of Industries, U. P. Keen on Rural Reconstruction work.

MOHAN LAL, B., RAI BAHADUR. Vice-Chairman, District Co-operative Bank, Hardoi.

RADHA MOHAN, RAI SAHEB, Advocate, Jaunpur, Managing Director, District Co-operative Bank, Jaunpur.

SINHA, B. JAWAHIR LAL, RAI BAHADUR, Managing Director, District Co-operative Bank, Ghazipur.

SHARMA, Pt. GOPAL DASS, RAI BAHADUR. Vice-Chairman, Jalaun District Co-operative Bank, Orai.

SHYAM SUNDER LAL, B.A., LL.B. Advocate, Mainpuri.

Born 1869. Ed. Agra. Vice President, Bar Association, Mainpuri. President Mainpuri Arya Samaj, Vice President, Arya Pratinidhi Sabha. Member of Executive Committee, Sarvadeshik Sabha, Delhi. President, Excise Urban Advisory Committee. Founder and Vice-President, District Co-operative Bank (1905). Managing Director, Central Co-operative Banking Union, Basti. Member, Editorial Board, Vernacular Co-operative Journals of U. P.

THOMSON, C.D., Professor, University of Allahabad.

UPADHIYA, GUR SEVAK SINGH, B.A., RAI BAHADUR.

Born 1877. Keenly interested in rural education. Studied the Co-operative Movement in England, Ireland, Denmark and Italy (1923). Initiated rural reconstruction work and adult education in the U. P. (1927). Served on the U. P. Literacy Committee and on the U. P. Banking Enquiry Committee in (1929-30). Was made Rai Bahadur (1930). Holds the post of Deputy Registrar, Co-operative Societies, U. P. (Lucknow). Author of "Report on the Co-operative Movement in Four Countries of Europe" and of several pamphlets.

BIHAR AND ORISSA.

CHOUDHRY, RADHA GOBIND, RAO BAHADUR, Government Pleader, Ranchi.

One of the pioneers of the movement in the Province. Started the first Co-operative Societies in Sadar Sub-division (1908), Helped the organisation of the Ranchi Central Bank (1910). Member, Provincial Co-operative Committee (1922-23).

DHANUSHDHARI LAL, RAI SAHEB, Jehanabad. Hon. Secretary, Jehanabad Central Bank.

DURGA PRASAD, RAO BAHADUR. Registrar, Co-operative Societies (1926-30).

Associated with the movement since 1911. Followed a policy of recti cation and consolidiction.

GHOSH, BABU TARA PRASANNA, Ranchi. Managing Director, Ranchi Weavers' Stores.

Director, Ranchi Central Bank. Guarantor-director, Khunti Central Co-operative Union. Hon. Organiser, Ranchi Division. PIONEER, VILLAGE WELFARE SOCIETIES IN THE PROVINCE.

HAQUE, SAGHIRUL, KHAN BAHADUR, Siwan.

A prominent Co-operation of this part of the Province. Founder and Deputy Chairman, Siwan Central Bank. Member, Provincial Co-operative Committee (1922-23).

HODGE, REV. J. Z. Motihari. Keen Co-operator (1913-1930). Co-operative Expert, Provincial Banking Enquiry Committee (1929-30).

KISHORE LAL, AKHOURI GOPI, RAO BAHADUR, Asst. Registrar, Co-operative Societies (1921-26).

Introduced rent paying societies and formulated schemes for propagation of primary education through Co-operative Societies.

LAKSHMI NARAIN LAL, RAI SAHEB, Aurangabad. An old Co-operator. Chairman, Aurangabad Central Bank.

LEKH NARAIN SINGH, RAI BAHADUR : Barh.

Founder, Barh Central Bank. One of the oldest Co-operators.

MAHENDRA PRASAD, BABU, Chapra. Started a number of Societies among his own tenants and others. President, Bihar and Orissa Federation Congress. (1926).

MUKHERJEE, B. B., PRINCIPAL, B. & O. Co-operative Training Institute, Sabour, Bhagalpore (Bihar).

Born 1895. Ed. Calcutta. Professor of Economics, Ravenshaw College, Cuttack and G. B. B. College, Muzafferpur. Hon. Secretary, Central Night Schools Association, Muzafferpur, and Chapman Girl's School.

Director, Cuttack Central Co-operative Bank Ltd. (1920). Hon. Secretary, Ravenshaw College Co-operative Stores Ltd. (1920). Joint Hon. Secretary, Muzafferpur Central Co-operative Bank ; Hon. Secretary, Muzafferpur Educational Officers' Central Co-operative Society Ltd. (1924-1928). Hon. Secretary G. B. B. College Co-operative Stores Ltd. (1929-30). Councillor, Federation Council, B. & O. Co-operative Federation. Director, Bhagalpore Central Co-operative Bank (1931); Editor, Bihar, Co-operative Journal. Member of the Faculty in Arts and Boards of Studies and Examiners, Patna University.

Publications :— Co-operative Sale; Co-operation and Rural Welfare in India; Bihari Mahajan—A Study in Indigenous Banking in Bihar; Economic and Commercial Geography of India. Address : Sabour.

PATNAIK, PRAFULLA CHANDRA, RAI SAHEB. Hon. Secretary, Balasor Central Bank (Since 1916). Member, Provincial Co-operative Committee (1922-23).

RAJ PRAKASH NARAIN RAI SAHEB (Fatwa). Organised, Barh and Fatwa Central Banks.

A prominent Co-operator of the Province. Hon. Organiser and Member. Provincial Co-operative Committee (1922-23).

ROY, BIJOY KUMAR: RAI SAHEB Pleader, Banka.

Organiser and Hon. Secretary, Banka Central Bank, Hon. Organiser. Member Provincial Co-operative Committee (1922-23). A zealous and painstaking worker.

ROY, MIHIR NATH, RAI SAHEB; Vakil, Patna, Managing Director, Provincial Co-operative Bank (Since 1914).

ROY, N. K., Deputy Registrar, Co-operative Societies, Cuttack.

Born 1883. Ed. Calcutta. Personal Assistant to the Registrar (1916-20). Studied Co-operation in Ireland. Denmark and Italy. Assistant Registrar (1921-26). Deputy Registrar (Since 1927). Originated the scheme for the Co-operative Training Institutes in Bihar and Orissa (1927): Pioneer, rural reconstruction societies in the Province. Helped in starting the Development Department of the B. & O. Co-operative Federation. Organised whole-village societies. *Publication*: "Co-operation, the foundation of rural development."

ROY S. K., RAI SAHEB., M.A.,B.L., Rohika. Hon. Secretary, Rohika Central Co-operative Union. Introduced a scheme for training Secretaries of Societies.

SEN, RAJENDRA KUMAR, RAI BAHADUR, Kujang.

Chairman, Kujang Central Co-operative Union. Manager, Kujang estate of the Maharaja of Burdwan. Organised societies in almost every village of the estate.

SINHA, THAKUR BHOLANATH, RAI SAHEB, Palamau. Pioneer of the movement in Palanau district. Hon. Secretary, Daltonganj Central Bank.

BENGAL.

AHMED, HEMAYETUDDIN, B. L., KHAN BAHADUR.

Secretary, Barisal Central Co-operative Bank, an important Central Bank in the province. Member, Bengal Provincial Banking Enquiry Committee. Sometime, Member, Legislative Council, Eastern Bengal and Assam.

AHMED KAMARUDDIN, B. A., KHAN BAHADUR. Deputy Collector.

Assistant Registrar of Co-operative Societies, Dacca Division. An enthusiastic worker. Established a Central Co-operative Bank in his own village. Was deputed to England in connection with the Bengal Court, British Empire exhibition in 1924.

ARSHAD ALI, A. M., KHAN SAHIB.

A keen and enthusiastic official co-operative worker. Responsible for he reconstitution of the movement in Madaripur Sub-division of Faridpur District. Personal Assistant to the Registrar of Co-operative Societies, Bengal.

BANERJEA, DR. PRAMATHANATH, M.A., D.Sc., (London), Bar-at-Law.

Minto Professor of Economics and President, Council of Post-Graduate Studies in Arts, Calcutta University. A keen student of the Co-operative Movement, President, Bengal Co-operative Organisation Society. Member, Bengal Legislative Council for several terms.

Publications: "A Study of Indian Economics", "A History of Indian Taxation" "Provincial Finance in India", "Indian Finance in the Days of the Company", "Fiscal Policy in India" etc.

BASU, MANMATHANATH, M.A., B.L., RAI BAHADUR, Pleader.

Chairman, Central Co-operative Bank, Midnapore. An able and successful lawyer. Keenly interested in the Co-operative Movement. Mainly instrumental in raising the Midnapore Central Co-operative Bank to its present position.

BHATTACHARYYA, CHARUCHANDRA, M.A.

Professor, Presidency College, Calcutta. Honorary Editor of *Bhandar*, the monthly Bengali organ of the Bengal Co-operative Organisation Society. Devoted to the cause of co-operative education.

CHATTERJI, DR. GOPALCHANDRA, M.B., RAI BAHADUR.

FOUNDED THE FIRST ANTI-MALARIAL AND HEALTH SOCIETY. Contributed mainly to the development of the Anti-malarial Societies in Bengal.

CHATTERJI, SUKUMAR, M. A., M. B. E., Deputy Collector.

Assistant Registrar of Co-operative Societies, Rajshahi Division. An enthusiastic co-operator in the ranks of the officials. A pioneer worker in the cause of the Co-operative Irrigation Movement in Bengal.

DUTT G.S., I.C.S., Takes considerable interest and initiative in the development of the co-operative movement, particularly of the irrigation section of the movement.

GANGULI, S. K., B.A., RAI BAHADUR, Deputy Collector.

Succeeded Mr. J. M. Mitra as Registrar of Co-operative Societies, Bengal (1930). President, Bengal Co-operative Organisation Society (1930).

GHOSH, JATINDRANATH, B. L., RAI BAHADUR, Pleader.

Chairman of the District Board. Formerly Secretary, now Deputy Chairman of the Central Co-operative Bank, Khulna.

HAMILTON, SIR D. M., Kt. Late Senior Partner, Messrs. Mackinnon Mackenzie and Co. Calcutta, and late President of the Bengal Chamber of Commerce.

Has now retired from business. Was a member of the Imperial Legislative Council and of a Committee whose deliberation led to the passing of the Co-operative Credit Societies Act of 1904. Has been of the greatest assistance in

establishing a Central Co-operative Bank, a Co-operative Store, a Co-operative Rice Mill, the first of its kind in India, and numerous co-operative societies in his estate at Gosaba, Sunderbans, 24 Parganas, Bengal. Published many books and pamphlets.

HAQUE, KAZI ZAHIRUL, B.A., KHAN BAHADUR. Retired Headmaster, Government High School. Formerly a member of the Bengal Legislative Council. Formerly Secretary, now Chairman, Dacca Central Co-operative Bank. Was also for a number of years, Director, Bengal Provincial Co-operative Bank. A keen co-operator.

HOSSAIN, MODESSUR, B.L., KHAN BAHADUR, Pleader, Rampurhat.
Secretary, Central Co-operative Bank, Nalhati. Sometime member, Bengal Legislative Council.

IBRAHIM, MAHAMMAD, KHAN SAHIB. Hon. Secretary, Bogra Central Co-operative Bank. A devoted and enthusiastic worker.

LAHIRI, S. K., Journalist.
Hon. Secretary, Bengal Co-operative Organisation Society. Hon. Editor of the Bengal Co-operative Journal. Chairman, Bengal Co-operative Provident Insurance Society and Central Co-operative Paddy Sale Society, Calcutta. Hon. Secretary and Treasurer, All-India Provincial Co-operative Institutes' Association.

MITRA, J.M., M.A., RAI BAHADUR. Deputy Collector.
Formerly Assistant Secretary and then Deputy Secretary, Government of India. Was twice Registrar of Co-operative Societies, Bengal. Was also President of the Bengal Co-operative Organisation Society. President, Conference of Registrars, 1929.

RAHMAN, SHAMSUR, B. L., Pleader.
Hon. Secretary, Khulna Central Co-operative Bank. An enthusiastic and efficient co-operator. Formerly a member of the Bengal Legislative Council.

ROY, AMBIKACHARAN, M.A., B.L., Pleader.
Secretary, Central Co-operative Bank, Berhampore.

SINHA, SATYANSUKUMAR, B.L., RAI SAHEB, Pleader.
Formerly Secretary, now Deputy Chairman, Burdwan Central Co-operative Bank.

TAGORE, RABINDRANATH.
Far the most outstanding name among the co-operators of Bengal. Has wielded his powerful pen on many occasions to make important contributions to the discussion of rural problems in Bengal. Established a centre of rural reconstruction at Surul (Sriniketan) as an integral part of Visvabharati at Santiniketan, the pivot of which is the Visvabharati Central Co-operative Bank.

MADRAS.

AIYAKUTTI AIYANGAR, R. RAO SAHEB, B.A., B.L., Advocate, Kurnool,

Born 1879. Ed. Trichinopoly. Elected member, Muncipal Council, Kurnoo (1919-1924 and 1927-1931). Official Receiver for Kurnool District (1930). Made Rao Saheb (1930).

Organizer, Kurnool Co-operative Urban Bank (1909) and its Hon. Secretary, (1909-16). Organized the Kurnool Co-operative Union (1917). President of the District Council of Supervision. Organized the Kurnool District Co-operative Central Bank Ltd. (1919), was its Hon. Secretary (1919-1929), and is now its Vice-President. Director, Madras Provincial Co-operative Bank.

AUDINARAYAN CHETTIAR. I., Bar-at-Law., Advocate, Salem.

Pioneer of the movement in the Salem District. Member, Legislative Council (since 1923). Secretary, Salem District Urban Bank. Responsible for the successful working of the Raipuram rural reconstruction scheme. Popularised the one rupee cheque scheme among the Primary Societies in the District.

BALAKRISHNA AYYAR, T. S., RAO BAHADUR, B.A., B.L., Advocate, Coimbatore.

President of the Central Bank, Coimbatore for many years. Connected with the movement as a prominent Director of the Coimbatore District Bank and Co-operative Institute.

DEIVASIKHAMANI MUDALIAR K., RAO BAHADUR, Joint Registrar Co-operative Societies, Madras.

Entered Co-operative Department as Inspector (1905). Secretary of the second society registered in Madras. Started propagandist society in Chingleput and organised the first Co-operative Conference in India at Conjeevaram (1909). An asset to the Co-operative Department. Made Rao Bahadur (1928).

DESIKACHARIAR, SIR T., DEWAN BAHADUR, B. A., B. L., Recipient of Kaiser-I-Hind Medal.

Member, Legislative Council (till 1924), Nominated member of many Committees of Enquiry. President of the Trichinopoly District Co-operative Bank and has been largely responsible for its great success.

GRAY, JOHN, M.A., O.B.E., I.C.S., Commissioner of Labour, Madras.

Joined the I.C.S. (1906). Asst. Director of Civil Supplies (1919). Awarded the O.B.E. (1919). Deputy Commissioner for Reforms (1920). Deputy Commissioner of Labour (1921). Registrar of Co-operative Societies (1921-1926). Encouraged large expansion of Co-operative Movement. Fostered growth of non-official supervision. Started primary land mortgage banks. Reorganised the Department. Keen on spreading movement among depressed classes.

GURUMURTI PALAKODETY, Medical Practitioner, Rajahmundry, East Godavery District.

Born 1886. Ed. Vizagapatam. Entered Government Service (1910). Resigned (1918). Trustee and Life member, Managing Committee, Hithakarini Samaj (1920) and Secretary (1924-1927). Vice-President, Depressed Class Mission, Rajahmundry (from 1916). Life Trustee, Pandiri's Charities. Member, Municipal Council, Rajahmundry (1921-1930) and its Chairman, (1925-1927).

Secretary, Rajahmundry Co-operative Central Bank (from 1919). Director, Madras Provincial Co-operative Bank (from 1920). President, Innespeta Co-operative Urban Bank, Rajahmundry (from 1918), Rajahmundry Taluk Local Co-operative Union (from 1924), Rajahmundry Co-operative House-Building Society (from 1926), Andhra Provincial Co-operative Union (1926-1929), Sree Krishna Co-operative Stores, Rajahmundry (from 1927), Ramdas Co-operative Training Institute, Rajahmundry (from 1929), and the East Godavery District Co-operative Federation (1930).

HANUMANTHA RAO, T. K., B.A., RAO SAHEB.

Member of the Madras Educational service (retired). ONE OF THE FOURTEEN PIONEERS OF THE TRIPLICANE STORES and its chief source of inspiration. A great enthusiast in the cause of consumers' co-operation. Started the Kumbakonam College Students' Stationery Society and worked it successfully. Has been much interested in consumers' co-operation.

HOOD, HUGH MEGGISON, I.C.S.,

Collector of Madras and Secretary to the Madras Economic Depression Enquiry Committee, Madras. Joined the Indian Civil Service (1909). Assistant Collector and Joint Magistrate in various districts. Secretary to Government, Revenue Department. Registrar of Co-operative Societies (1926-1929). Expanded the department and strengthened the upper controlling staff. Made arrangements for training official and non-official staff by starting co-operative training institues. Strengthened non official supervision. Systematised departmental audit. Organised the Madras Central Land Mortgage Bank (December 1929). Revised the Madras Co-operative Manual. President, Provincial Banking Enquiry Committee, Madras (1929).

KRISHNA MENON, RAO SAHIB V., B. A., Calicut.

A prominent Co-operator and businessman of Malbar. Member, Executive Committee, Madras Provincial Co-operative Bank. Was for some time Hon. Secretary, Malbar District Co-operative Central Bank, and Malbar District Co-operative Federation. Has done much to popularise non-credit activities. A nominated member of the Indian Central Cotton Committee.

MUNISWAMI NAIDU, HON'BLE, DEWAN BAHADUR B., B. A., B. L., Advocate.

President, District Board and the District Educational Council, Chittoor. President, Chittoor District Central Bank and Federation. A prominent Co-operator in the Chittoor District. Member of the Legislative Council. Now, Chief Minister to the Government of Madras.

MURUGESA MUDALIAR V., RAI BAHADUR.

Secretary, North Arcot District Central Bank, Vellore. Director, District Council of Supervision, Vellore, and Gray Co-operative Institute, Vellore. A prominent Co-operator in North Arcot District.

ODAYARKOIL NANU AYYAR, RAMASWAMY AYYAR, RAO BAHADUR, M.A. Deputy Registrar for Co-operative Land Mortgage Banks, Madras.

Rose to be Deputy Collector. Appointed Assistant Registrar of Co-operative Societies (1919). Did spade work in working the Central Land Mortgage Bank Madras. Made Rao Saheb (1926) and Rao Bahadur (1930).

RAMACHANDRA RAO, DEWAN BAHADUR, R., B. A., C. S. I., Retired District Collector and First Class Magistrate.

Registrar of Co-operative Societies (1906-1911). Concentrated attention after retirement on the spread of the movement in Salem District. Doing intensive rural reconstruction work in Rasipuram area. Director, Salem District Bank and Madras Provincial Co-operative Bank. Contributed substantially to the wealth of Co-operative literature.

RAMCHANDRA RAO PANTULU, DEWAN BAHADUR, M. L. A., B. L. Advocate, Madras.

M. L. A. (1924-1926). M. L. C. (1919-1923). Member, Moderates' Deputation (1919), Lytton Committee on Indian Students and the Indian Sandhurst Committee. President, Prohibition League and States' Subjects' Conference. Delegate to the Round Table Conference. Awarded Kaiser-i-Hind (Gold) Medal (1921). President, Central Land Mortgage Bank, Madras.

RAMDAS PANTULU, V., B.A., B.L., Advocate.

Member, Bar Council, Madras. Fellow, Madras University. Member, Council of State (1925-1930). President, Andhra Provincial Ryots' Association,

President, Indian Provincial Co-operative Banks' Association. Vice-President, All India Co-operative Institutes' Association. President, Provincial Co-operative Bank, Provincial Co-operative Union and South Indian Co-operative Insurance Society, Madras. Member, Townsend Committee on Co-operation in Madras (1928). Member, Central Banking Enquiry Committee (1929).

Address :—Farhat Bagh, Mylapore, Madras.

RANGANATHA MUDALIAR, B.A., B.L., M.L.C., Arcot.

Minister for Development, Madras (1926-1928). Financially helped the promotion of rural reconstruction. President, Bellary District Co-operative Bank.

RAJABADAR MUDALIAR, A. Retired Deputy Collector, Conjeeveram.

Born 1886. Vice-President, District Board, Godavari (1909), Tinnevelly (1909-1914), Chittoor (1918-1920). Municipal Councillor, Conjeeveram (1924-1926).

Vice-President (1921-1930) and President (since 1931), Co-operative Central Bank, Conjeeveram. President, Co-operative Land Mortgage Bank, Conjeeveram (1925-1926). Director, Gray Co-operative Training Institute, Vellore.

RAMLINGA CHETTIAR, T. A., Rao Bahadur, B.A., B.L., Advocate.

President, Coimbatore District Co-operative Bank, Coimbatore Co-operative Training Institute, and Tamil Nadu Federation, Coimbatore. Member, Townsend Committee on Co-operation in Madras (1928).

RAMASWAMI AYYAR, RAO SAHEB N., B.A., B.L., Advocate, Madura.

President, Madura Ramnad District Co-operative Bank. Takes an active part in the development of the Movement in Madura District.

SATYANARAYANA, N.

Joint Secretary Provincial Co-operative Union and Director and Member of the Executive, Madras Provincial C-ooperative Bank. Pivot of the co-operative activities in Alamuru. Has made Alamuru famous in the co-operative world by successfully working the rural reconstruction scheme through co-operative societies. President, Alamuru Land Mortgage Bank. Director, Central Land Mortgage Bank.

SETHURAMA AYYAR, A, RAI SAHIB.

President, Nidamangalam Agricultural Bank, Tanjore District, and Secretary of the Nidamangalam Agricultural and Industrial Society. Played a prominent part in the spread of co-operative activities in Tanjore. An enthusiast in introducing improved methods of agricultural implements and scientific manures.

SIVA RAMA MENON, A., B. A., B. L., High Court Vakil, Madras.

An ardent Co-operator and pioneer of the Stores movement in the Presidency. President of the well known Triplicane Co-operative Stores. President, Travancore Co-operative Conference.

SHIVA RAO, MOLAHALLI, Puthur, South Kanara District.

Pioneer in the South Kanara District. Started the first co-operative society in the District.

VEDACHALA AIYAR, A., B. A., RAO BAHADUR.

Retired Registrar of Co-operative Societies, Madras. Director, Madras Christian Central Co-operative Bank. Now conducting a co-operative society in his village in North Arcot District.

VENKATACHARIAR, M. K., RAO BAHADUR, Retired Joint Registrar Co-operative Societies, Madras.

Born 1871. Entered Government Service (1890). Registrar, Co-operative Societies, Pudukkottah State (1913-16). Inaugurated the movement in that State Assistant, Deputy and Joint Registrar (1917-1926). Started several central societies and inaugurated new types. Made Rao Sahib (1921) and Rao Bahadur (1925). Prominent co-operator in Chingleput District. President, Mukendagiri Supervising Union and District Co-operative Central Bank, Conjeeveram.

VENKATASUBBIAH, V., B. A., L. T.

Joint Secretary of the Provincial Co-operative Union. Director, Madras Provincial Co-operative Bank. Member, Servants of India Society. A great social worker and a promoter of the rural reconstruction scheme.

YEGNANARAYANA AIYER, S. K., M.A., Professor of English, Pachayappa's College, Madras.

Born 1883. Ed. Trivandrum. Principal, Municipal College, Salem (1917). Professor of English, Pachayappa's College, Madras (since 1922). Fellow Madras University (from 1926). Vice-President, Madras Teachers' Guild. President, South India Teachers' Union (from 1924). Vice President, All-India Federation of Teachers' Association.

Started the Municipal Employees' Co-operative Society, Salem (1917). President, Salem Supervising Union, and Director, Salem District Co-operative Bank. Revived the Madras Teachers' Guild Co-operative Society (1922) and continued as its President (till 1930).

Director of the Triplicane Stores. Editor, Madras Journal of Co-operation. Director, South Indian Co-operative Insurance Society, Madras. A zealous and ardent co-operator.

CENTRAL PROVINCES & BERAR.

ABHYANKER, S. P., B. A., LL. B., Akola.

Director, Akola Central Bank (since 1919). Hon. Secretary, Berar Co-operative Institute, (since 1924). Member, Land Mortgage Banks Committee (1927).

Publications : Pamphlets in Marathi on Co-operative Society, Duties of the Workers in a Society, and Rallies. Very sincere and earnest co-operative worker.

AWASTHI, R. P., B. A., LL. B., Pleader, Betul.

Hon. Secretary, Betul Central Bank, from its start. Member, C. P. Co-operative Enquiry Committee (1922).

BRAHMA, K. V., RAO BAHADUR, B. A. LL. B., C. I. E , M. B. E., Amraoti.

Director, Amraoti Central Bank since its inception (1912). One of the most outstanding figures in the Movement in C. P. President, Berar Co-operative Institute since its organization (1923). Member, Land Mortgage Banks Committee (1927). Co-operative Expert, Central Provinces Banking Enquiry Committee. *Publications* : A pamphlet in English on Co-operative Finance in the Central Provinces and other essays, a pamphlet in Marathi "Money Market"

DESHPANDE, M. G., RAO BAHADUR. Pioneer in the field of co-operation in the Central Provinces. Malguzar & Hon. Magistrate, Nagpur.

First Hon. Secretary of the Nagpur Central Bank (1911-1921). Managing Director, C. P. & Berar Provincial Co-operative Bank (since 1922). President, Nagpur Central Bank (since 1928), Nagpur Adat Co-operative Society, and the Nagpur Division Co-operative Institute.

HARDAS, G. K., Circle Officer, Nagpur.

Extra Asstt. Commissioner (1917-1920). Circle Officer, Nagpur and Chhattisgarh divisions. Played an important part in building up the organisation of the movement in the Central Provinces and devised the framework of the system of checks and account keeping.

JAGANNATH B., RAO BAHADUR. Retired Extra Asstt. Commissioner, Bilaspur.

Hon. Secretary, Bilaspur Central Bank (1915-1922) and its President (1922-1928). Member, Deputation to the Punjab for the study of the co-operative system. Chief co-operative worker in the Bilaspur District.

KELKER, N. K., RAO BAHADUR, Balaghat.

A pioneer and an outstanding figure of the Movement in the Central Provinces. Organiser and Hon. Secretary, Balaghat District Bank (1911-1917). Governor of the C. P. & Berar Co-operative Federation (1917-1921). Minister of Education (1921-1924). President, Balaghat District Bank (1924-1930). Director, C. P. & Berar Provincial Co-operative Bank. Vice-President, All India Co-operative Institutes' Association.

KHARE, R. M., RAO BAHADUR, B.A., LL. B., Amraoti.

Director, Hon. Secretary (1918-1922), and Chairman (since 1922) Amraoti Central Bank. Deputy President, Berar Co-operative Institute (since 1924). Member, Executive Council of the Governor of the C. P. & Berar Co-operative Federation, and of the Land Mortgage Banks Committee (1927), Director, C. P. & Berar Provincial Co-operative Bank.

Publication: Pamphlet in Marathi on "Share Societies".

KOCHAR, MANIKLAL, B.A., LL.B., Pleader, Narsinghpur.

Hon. Secretary, Narsinghpur Central Bank (1913) and its Chairman (from 1927). Organised a Co-operative Store, and a Grain Dealers' Society. Chairman, Jubbulpur and Nerbudda Divisions Co-operative Institute (since 1928). Director of the C. P. & Berar Provincial Co-operative Bank.

LAKHE, W. B., B.A., Pleader, Raipur.

A central figure in the Co-operative Movement in the Raipur District. Hon Secretary, Raipur Central Bank (since its start). President, Institute of the Co-operative Banks, Chhattisgarh Division.

MAHAJANI, R. V., RAO BAHADUR, B. A., Akola.

Prominent director and Hon. Secretary, Akola Central Bank (1912-1921) and its Vice-Chairman (since 1921). Member, Land Mortgage Banks Committee (1927). Director, C. P. & Berar Provincial Co-operative Bank.

MOTILAL, RAI SAHEB, SETH, Piparia.

A veteran Co-operator of the Provinces. Started first co-operative society at Piparia. President, Sohagpur Tahsil Central Bank. Organised a number of rural societies. Founder of the Co-operative Movement in Sohagpur Tahsil. Was made Rai Sahib and awarded Kaisar Hind Medal.

O'FORRESTER, GEORGE, Murwara (Katni).

Chairman, Murwara Central Bank (since 1916). The central figure in the Murwara Tahsil. Organised new societies and reorganised old ones. Prominent Zamindar and owner of a model farm.

PANDE KASHI PRASAD, PANDIT, M. A., LL. B., M. L. C., Sihora.

Chairman, Crossthwaite Central Bank, Sihora (from 1921). Governor, C. P. & Berar Co-operative Federation (since 1926). Started a Hindi monthly " Gram " (1929).

PINGLE, T. R., B. A., LL. B., Pleader, Morsi.

Organiser, Hon. Secretary (1918-19) and (since 1919) Chairman, Morsi Central Bank, the best central bank in Berar. Deputy President, Berar Co-operative Institute (1928-1929). *Publication*: Pamphlet in Marathi on "Cotton Sale Societies".

SOMAN, V. K., Mehker.

Organizer and Director, Mehker Central Bank since its start (1913) and Hon. Secretary till 1929. Deputy President, Berar Co-operative Institute (since 1927). *Publication* : A pamphlet in Marathi on "Suggestions for Improving Co-operative Societies".

VARMA, LAKSHMI PRASAD, Narsingpur.

Retired Extra Asstt. Commissioner. Hon. Secretary, for several years, of the Narsinghpur Central Bank, one of the most efficient central banks in the C. P.

ASSAM.

BARUA BHADRESHWAR, B. L., RAI BAHADUR, Pleader, Nowgong.

Born 1889. Ed. Calcutta. Chairman, Municipal Board, Nowgong (1922-1931). Vice-Chairman, Local Board (1926-1928), Promoter and Director, Nowgong Land Mortgage Bank. Chairman, Nowgong Co-operative Town Bank (1915-1920), and Central Banking Union (since 1920). Hon. Organiser, Nowgong District (since 1929) Director, Provincial Co-operative Bank. Member, Development Board. Made Rai Saheb (1926), and Rai Bahadur (1930).

BARUA, K. L., HON. RAI BAHADUR, B. L.

Minister, Local Self-Government. Registrar, Co-operative Societies (1918-1928). Responsible for considerable expansion of the movement.

BEZBAROA, DEVENDRANATH, B.L., Pleader, Jorhat.

Born 1893. Ed. Calcutta. Vice-chairman (1925-28) and Chairman (since 1928). Jorhat Municipality. Chairman, Jorhat Central Co-operative Banking Union (since 1918). Promoter and Director, Provincial Co-operative Bank. Member, Development Board (1928). President Assam Central Co-operative Banking Conference (1928). Hon. Organiser, Co-operative Societies. *Publication* : History of Assamese Language and Literature.

DAS, RAMANI MOHAN, RAI BAHADUR, M. A., Land-holder of Sylhet Assam.

Born 1867. Ed. Calcutta. Deputy Magistrate and Deputy-Collector in, Bengal (1892-1918). Magistrate-Collector, Bengal (1918-1923). Made Rai Bahadur (1918). Co-opted Member of the Royal Commission on Agriculture (1926). Co-operative Expert Member, Provincial Banking Enquiry Committee (1929-30). President, Sylhet Social Service League (from 1923). Organiser and Managing Director, the Sylhet Industrial Bank. Member, Advisory Development Board in Assam.

Organiser and Chairman, Goalando Central Co-operative Bank in Bengal (1913-1916). Chairman, Sylhet Co-operative Central Bank (since its start), Organiser and Chairman, Sylhet Co-operative Land Mortgage Bank. President, Surma-Velley Co-operative Organisation Society (since its foundation). Director Assam Provincial Co-operative Bank and Sylhet Co-operative Milk Supply Societies' Union. President, Surma-Valley Co-operative Central Banks' Conference (1924) and Surma-Valley Co-operative Conference (1927).

Publications : in Bengali : An account of Co-operative Societies, Co-operation in Village Reconstruction, Co-operation in Village Organisations. Editor "Samabaya". Address : Annapurna Villa, P. O. Sylhet.

DUARA, B.P., B.L., Gauhati. Asssistant Registrar, Co-operative Societies, Assam Valley Division (since 1928).

NANDI, ATUL CHANDRA, B.Sc., Sylhet.

Born 1893. Ed. Rajshahye (Bengal). Inspector, Co-operative Societies (1919-1922). Assistant Registrar, Surma Valley and Hill Districts Division (since 1923). Member, Board of Management, Sylhet Land Mortgage Bank (1930-31). Organised most of the Central Banks in the Surma Valley Division. Organiser and promoter, Surma Valley Organisation Society. Joint Editor "Sambaya" (since 1926).

PHUKAN, R. N., RAI BAHADUR. M.A., B.L.

Registrar, Co-operative Societies and Director of Agriculture and Industries (since 1928). Responsible for considerable expansion and improvement of the movement.

PURKAYASTHA, KSHIRODE CHANDRA, M. A., B. T., F. E. S., F. S. S., Head Master, Government High School, Silchar.

Born 1899. Carried out a detailed enquiry into the conditions of Cottage Industries of Sylhet. Founder and Hon. Secretary, Surma Valley Co-operative Organisation Society (since its start). Secretary of several Co-operative Conferences. Chairman, Cachar Central Co-operative Bank, Silchar (1927-30) and Director of several Co-operative Banks. Originated schemes for Co-operative Water Supply, and Mat-makers' Societies. *Publications*: Daridrya-O-Samabay, Report on Public Health, Industrial and Irrigation Societies in Bengal, Report

on Co-operative Organisation Societies. Has recently carried out an economic survey (including family budgets) of the Sylhet district.

ROW, G. R., Lt. Col. I. A., Shillong. Founder, and President 4th Assam Rifles Co-operative Society. Chairman, Provincial Bank (since 1925).

SEN, UPENDRA NATH, M.A., B.L., Gauhati.

Founder, and Chairman Kamrup Land-Mortgage Bank, the most successful land-mortgage bank in Assam. Chairman, Gauhati Co-operative Town Bank. Member, Provincial Banking Enquiry Committee.

DELHI.

JESSON, MISS M. W., Matron, Lady Hardinge Medical College.

Born 1889. Ed. Cambridge. Almoner and Social worker, London (1912-15). Came to India (1916). Founder and President, Lady Hardinge Co-operative Credit Society. A co-operative worker among the Depressed Classes. Home address. Ranelagh Road, Winchester England.

MALIK, MOHD. AMINUDDIN, Pleader and Notary Public, Delhi.

Born 1893. Ed. Delhi. Hon. Secretary, Central Social Service League (since 1920) and Delhi Boy Scouts Association (1923). Member, Municipal Committee.

First Hon. Secretary Delhi Province Central Co-operative Bank (1921-28). Founder and President, Delhi Thrift and Savings Co-operative Society (since 1924).

NARAIN SINGH, CH., B.A., LL.B., Pleader, Delhi. Hon. Secretary, Delhi Central Bank (since 1928) and its Vice-President (1926-1929).

N. W. FRONTIER PROVINCE.

DUTT, BAKSHI RAM SARUP.

Founder and Hon. Secretary, Civil Employees' Co-operative Credit Society and Muhiyal Co-operative Better Living Society. Address : Revenue Commissioner's Office, Peshawar.

MOHD. ZAMAN KHAN, LIEUT. SUBEDAR MAJOR.

Born 1882. Ed. Edwardesabad. Served in the Great War. Awarded three Medals. Member, District Board (1923-29). Secretary Indian District Soldiers' Board (1926-28). Director, Hazara Central Co-operative Bank. Address: Chamad, Tehsil Abbotabad, Dist. Hazara.

COORG.

APPAYYA, K., RAO BAHADUR, Retired Asst. Commissioner.

President, Coorg Co-operative Central Bank. Land-lord and Coffee-Planter. Member, Provincial Banking Enquiry Committee.

CHENGAPPA, P. A., Vice-President, District Board. Director of Coorg Co-operative Central Bank. Member, Legislative Council. Land-lord and Coffee-Planter.

CHENNAPPA, K. P., Ex-member, Legislative Council. Hon. Secretary, Coorg Provincial Co-operative Federation. Director, Co-operative Central Bank. Editor, Kodagu Sahakari Patrika.

DEVAYYA, P., RAO BAHADUR, Retired Deputy Superintendent of Police. President Mercara Municipality, Coorg Provincial Co-operative Federation, and Mutual Aid Association. Member, Bench of Magistrates. Land-lord, and Coffee-Planter.

VENKAPAYYA, C. N., B.A., B.L., Pleader, Ex-member, Legislative Council. President, Land-holders' Association. Hon. Secretary, Coorg Co-operative Central Bank. Member, Committee of the Provincial Co-operative Federation.

BRITISH ADMINISTERED AREAS, (Secunderabad).

DANIEL CHELLAPPA, V., B..A, B.L., District Munsif, Secunderabad.

Born 1881. Town Sub-Magistrate, Puddukotah (1909-10). Organised Puddukotah Weavers' Co-operative Society. One of the Organisers, and Hon. Secretary British Administered Areas Central Co-operative Union. Organised Public Servants' Co-operative Society, Police Department, Military Pensioners', Secunderabad Housing, Erukulas House-Building, and other Co-operative Societies.

PUDMA RAO MUDALIAR, C.V., RAO BAHADUR, Merchant, West Nook, Secunderabad.

Organised Residential Co-operative Society, Pioneer Co-operative Stores, Mahbub College Staff Co-operative Society, and Girls' Patsala Co-operative Society. Director, British Administered Areas Central Co-operative Union.

THATHACHAR, K., B.A., B.L., Pleader, Secunderabad. Hon. Secretary, Prudential Co-operative Credit Society.

HYDERABAD (Deccan).

ABDUL, BASITH KHAN, Talukdar (District Collector), Warangal.

Ex-Registrar of Co-operative Societies. President, Warangal District Co-operative Bank. Giving whole-hearted support for the better working of the movement in the Warangal District.

AZAM, SYED MOHD., M.A., Principal, City College.

Vice-Chairman, Hyderabad Co-operative Dominion Bank. President, City College Co-operative Society. (As Vice Chairman of the Dominion Bank he has been of immense help in the development of Co-operative banking in the Hyderabad State).

BADRUL HASSAN, Hon. Secretary, Hyderabad Central Co-operative Union Ltd. (from 1926).

COLLINS, B.A., C.I.E., I.C.S., Director General of Commerce and Industry Department, and Secretary to H. E. H. the Nizam's Government, Hyderabad.

Born 1880. Registrar of Co-operative Societies, Bihar and Orissa (1913-1918.) Education Secretary to Bihar and Orissa Government (from 1922-1926.) Founder Bihar and Orissa Provincial Co-operative Bank, and Bihar and Orissa Co-operative Federation. Vice-President, Hyderabad Co-operative Union. Address : Begumpet, N. S. Railway, Hyderabad-Deccan.

FAZALULLAH, SYED, H. C. S., Registrar, Co-operative Societies. Member of the Board of Management and Chairman of the Executive Committee of the Hyderabad Central Co-operative Union Ltd. Recently travelled all over the Continent and British Isles on Co-operative tour.

GOVIND RAO, Vakil, High Court, Parbhani.

President, Parbhani District Co-operative Bank. Director, Hyderabad Co-operative Dominion Bank. Member, Board of Management and Executive Committee, Hyderabad Central Co-operative Union. Largely responsible for the development of the Co-operative movement in Parbhani District. Hon. Officer, Co-operative Department.

HYDARI, SIR AKBAR NAZAR ALI, NAWAB SIR HYDER NAWAZ JUNG BAHADUR, Finance Minister, H. E. H. The Nizam's Government.

Founder and first President, Hyderabad Co-operative Dominion Bank, President, Hyderabad Central Co-operative Union. President, First Hyderabad Dominion Co-operative Conference. Member in charge of the portfolio of the Co-operative Department. Largely responsible for the success of the movement in the state.

IYENGAR, S. ARVAMUDU, DEWAN BAHADUR, B.A., B.L., O.B.E. President, Hyderabad Co-operative Dominion Bank. Vice-President, Hyderabad Central Co-operative Union. President, First Warangal District Co-operative Conference. Chairman, Reception Committee, Second All-India Co-operative Institutes' Conference (1931).

KISHEN PERSHAD BAHADUR, RAJA RAJAYAN MAHARAJA, SIR, K.C. I.E., G.C.I.E., President, Executive Council, H. E. H. The Nizam's Government.

Patron of the Hyderabad Central Co-operative Union. A great sympathiser of the movement, who has done much for its development and for the Hyderabad Central Co-operative Union Ltd.

MEHDI, SYED MOHD., Permanent Registrar of Co-operative Societies. Now on deputation as Secretary to the President, Executive Council.

Member, Board of Management and Propaganda Committee of the Hyderabad Central Co-operative Union. Has travelled extensively on a tour in India,

Great Britain and Ireland and on the Continent, and has thus obtained wide and varied experience of the movement. Founder of the Hyderabad Central Co-operative Union.

OOMAR ALI, Vakil, High Court, Mahabubnagar.

Secretary, Mahabubnagar District Co-operative Bank. Director, Hyderabad Co-operative Dominion Bank. Member, Board of Management, Hyderabad Central Co-operative Union. Hon. Officer, Co-operative Department. Takes a leading part in the Mahabubnagar District.

VENKAT RAMAREDDY, O. B. E., RAJA BAHADUR, Commissioner, Hyderabad City Police.

Member, Board of Management and Chairman, Propaganda Committee of Hyderabad Central Co-operative Union. Chairman, Reception Committee, First Hyderabad Dominion Co-operative Conference.

VENKATAREDDY, RAI BAHADUR S., Retired Chief Accountant and Auditor, H. E. H. The Nizam's Guaranteed State Railways.

Member, Board of Management and Propaganda Committee, Hyderabad Central Co-operative Union. Member, Standing Committee of the All India Co-operative Institutes' Association.

BARODA.

CHANDULAL KESHVALAL. A keen worker and patron of the Co-operative Movement. Address : Petlad, Baroda State.

CHIMANLAL GIRDHARLAL (JAVERCHAND LAKSHMICHANDWALA)

Born 1881. Ed. Ahmedabad. Agent, Baroda Spinning & Weaving Mills Co., the New Baroda Mills Co. Awarded Medal of Raj-Ratna by the Baroda Government (1908). Proprietor, Javerchand Lakshmichand Banking Pedhi at Baroda and Datar Match Factory at Petlad. President of Baroda Mill Owners' Association for two years and a member of Baroda State Legislative Assembly for three years. Director of a number of mills and promoter of the textile industry in Baroda State. A Director and Promoter of the Baroda Central Co-operative Bank, Baroda. Patron and Vice-President of the Baroda Co-operative Institute (1927).

GANDHI, ISHWARLAL N. Born 1887. Ed. Nadiad. Manager, Baroda Central Co-operative Bank, Ltd. (from 1913). Hon. Secretary. Baroda Co-operative Institute (from 1916). Editor "Gramjiwan Sahakar and Kheti" (since 1930).

NANAVATI, MANILAL B., B.A., LL.B., A.M. (U. S. A.), Director of Industries, Baroda State.

For some time Registrar of Co-operative Societies, Baroda State. Founder of the Co-operative Movement in the State. Sometime Development Commissioner, Baroda State.

PAWAR, RAMCHANDRA RAOJI, B.A., LL.B. (Bom)., M.A., A.M. (U.S.A). Revenue officer in Baroda State (from 1908-1918). Suba and District Magistrate

(1925-28). Registrar of Co-operative Societies (since 1929). Has published A Report on Local Self-Government and Lectures on Civics and Local Self-Government Institutions in Gujarati. Also organised a number of COTTON SALE AND CONSOLIDATION OF SMALL HOLDINGS SOCIETIES. Is keen on non-credit co-operation.

MYSORE.

IYENGAR, NARAYAN, M. A., B. A., B. L. (Swami Shri Vasananda),

Born 1868. Munsiff (1896). Tutor to H. H. the Maharaja of Mysore (1897-1902), to H. H. the Yuvaraja (1902-1905). Registrar, Co-operative Societies and Inspector of Agricultural Banks (1911-1917). Promoter and President, Mysore Provincial Co-operative Apex Bank (1916-17). Deputy Commissioner and District Magistrate (1917-1923). Joined the holy order of Shri Ramkrishna Paramhamsa and Swami Vivekananda (1924). Founder Sri Ramkrishna Ashrama. Mysore (1925).

IYENGAR, SHRINIVAS, K. R., RAJASABHABHUSHANA, M. A.,

Born 1871. Ed. Kombakonam. Assist. Commissioner (1892). Deputy Commissioner and District Magistrate (1907). Inspector-General of Police (1917). Revenue and Muzrai Commissioner (1918). Member, Executive Council (1923-1926). President, Mysore Provincial Co-operative Conference (1929). Director, Bank of Mysore (since 1927). Vice-President, Central Co-operative Bank. President, Mysore Silk Association (since 1927), Mysore Land Mortgage Bank (since 1929). Member, Legislative Council.

PUTTANA CHETTY, DEWAN BAHADUR, SIR, K. P., C. I. E.

Born 1856. First Indian Traffic Superintendent, Mysore State Railways (1884). Deputy Commissioner (1898). Made Dewan Bahadur and Rajsabhabhushana (1911). Awarded Kaiser-i-Hind Gold Medal (1914). Member of Council (1906). Hon. President, Bangalore Municipality. Chairman, Improvement Trust Board (1913-1922) and Bank of Mysore (since 1912). Made a C. I. E. (1917). President, Mysore Railway Board (1915-20). Chairman, Special Finance Committee (1922). Member, Committee for Constitutional Reforms in the Mysore State and Legislative Council (for 18 years). President, Bangalore Central Co-operative Bank (since 1922). President, Mysore Provincial Co-operative Conference. Received Knighthood (1925).

SHAMA RAO, M., M. A., RAJKARYAPRASAKTHA, RAO BAHADUR.

Born 1860. Ed. Mysore and Bangalore, Asst. Commissioner (1895). Deputy Secretary and Muzrai Secretary to Government. Registrar, Co-operative Societies (1905-1911). Inspector General of Education (1912). Made Rao Bahadur (1914). Member Legislative Council. Rajakaryaprasaktha (1918). A pioneer of the movement in the state and responsible for it progress (1905-1912). Member, Co-operative Committee (1921-23). Founder, Central Co-operative Bank, Bangalore, Mysore Co-operative Propagandist Institute. President, several Co-operative Conferences. *Publications* : "Ten years of Native Rule in Mysore" (*English*) "History of Mysore" (in Kannada).

SUBBA RAO, C., B.A., B.L., President Shimoga Co-operative Bank, Shimoga.

VENKATA KRISHNAYYA, S., B.A., B.L.

Born 1871. Retired District and Sessions Judge. President, Apex Bank, and Propagandist Institute. Director, Land Mortgage Bank, Shri Madhva Siddhanta Abhivridhi Karini Bank.

GWALIOR STATE.

ABBASI, IBNE ABBAS, B.A., LL.B.

Born 1893. Ed. Gwalior and Allahabad. Appointed Tahsildar (1919). Census Superintendent (1921). Deputy Director of Co-operative Societies and Deputy Inspector General Banks, Northern Circle (since 1924).

ASTHANA, JAY GOPAL, B.A., LL.B. Director, Co-operative Societies and Inspector, General Banks, Gwalior State.

HASKAR, GOVIND NARAIN. Deputy Director, Co-operative Societies and Deputy Inspector, General Banks, Malwa Circle.

SARWATI CHARAN, Assistant Director Co-operative Societies and Banks Bhilsa.

INDORE.

APTE, V. G., M. A., Subha Garoth District.

Formerly Revenue Secretary and Cabinet Secretary. Sometime Managing Director of the Indore Premier Co-operative Bank Ltd. Chairman, Indore Co-operative Central Association. Takes lively interest in the Co-operative Movement in the State.

DRAVID, S. T., B. A., LL. B., Pleader.

Took part in the Co-operative Movement since its inception in the Indore State. Has been a Director of the Indore Premier Co-operative Bank Ltd. since its establishment.

GOLE, V. G., M. A., B. Sc., LL. B.

Professor of Mathematics in Holkar College, Indore. Sometime Managing Director of Indore Premier Co-operative Bank Ltd. Takes lively interest in the Co-operative Movement in the State.

KIBE, M. V., RAO BAHADUR, SARDAR, M. A., M. R. A. S., F. R. S.

Deputy Prime Minister, Indore State. Takes active part in the Co-operative Movement. One of the organisers of the Indore Premier Co-operative Bank. For many years, Chairman of the Board of Directors of the Bank. President, First Indore State Co-operative Conference (July 1930).

URDHWARESHE, W. G., PROF., M. A. M. R. A. S., KAVYA-TEERTH.

Professor of Sanskrit and Marathi in Holkar College. Director of the I. P.C. Bank and the Indore Co-operative Central Association for many years. Managing Director, Indore Co-operative Central Sale and Supply Society Ltd. An active worker in the Indore Paraspar Sahakari Pedhi Ltd.

TRAVANCORE.

PADMANABHA ROW, R., RAO SAHIB.

Born 1864. Held various appointments in the State. Connected with various movements. Secretary, Travancore Soldiers' Committee and of the S. P. C. A. Awarded the title of Rao Sahib (1927). President, Trivandrum Central Co-operative Bank (from 1924), working capital of and deposits in which rose from Rs. 2 and 1 lacs to Rs. 13 and 11 lacs respectively. Founded a library attached to the Bank and provided funds for it. Address :—Hill View, Trivandrum.

VAIDYALINGOM PILLAY, R., B.A., B.L.

Registrar of Co-operative Societies, Travancore. Deputed to Madras to study Co-operative work. Assumed charge as Registrar, Co-operative Societies (1922). Progress of the movement under him was phenomenal. The number of Societies rose from 266 to 1738, the membership from 17,000 to 2 lakhs and working capital from 3 to 53 lacs. Also some time, Hon. Secretary of the Public Lecture Committee. "Protector of Depressed Classes." Official member of the Travancore Economic Development Board and of the Legislative Council. President, Travancore Banking Enquiry Committee (Jan. 1930). Address :—Trivandrum.

VELAYUDHAN PILLAY, K.

Secretary, Trivandrum Central Co-operative Bank ; Secretary, Travancore Co-operative Institute. Editor of the Travancore Co-operative Journal. Hon. organiser, Co-operative Societies, Travancore. Organised Puthari Co-operative Society, the Urban Bank at Nagercoil, Supervising Unions at Nagercoil, Thuckala and Neyyatinkara, and some Taluka Banks also.

COCHIN.

GAYATRINATHA IYER, R.A., B.A.

Born 1880. Ed. Madras. Joined the Co-operative Department, Madras (1906). Appointed Registrar of Co-operative Societies, Cochin State (1914). Organised a number of primary societies, a Central Bank, and a Propagandist Institute.

GOPALA MENON, E., B. A., L. T., Hon. Secretary, Central Co-operative Institute, and Town Bank, Trichur. Director, Cochin Central Bank. Managing Editor, 'Sahakarana Prabodhini'.

KRISHNAN NAMBIAR, P., B. A.

Born 1894. Ed. Chidambaram. Senior Inspector, Co-operative Societies.

Secretary, Cochin Central Co-operative Bank, Trichur. Member, Standing Committee, Central Co-operative Institute, Trichur.

RAMA VARMAH, HIS HIGHNESS, 15th Price of Cochin. Vice-President, Cochin Central Co-operative Institute, Trichur.

SUBRAMANIA IYER, S. K., M. A., L. T.

Born 1876. Ed. Madras. Lecturer (for 16 years) and Principal and Professor of Physics (for 6 years), Maharaja's College, Ernakulam. Associated from the start in 1914 as Organizer and President, Government Servants' Co-operative Society, Ernakulam. President, Maharaja's College Students' Co-operative Society (1929-31).

PUDUKOTTAH.

ARUNACHALA AMBALAGARAR, R., Member Representative Assembly, Legislative Advisory Council, and Legislative Council.

Vice President, Co-operative Central Bank and Member, Managing Board, State Co-operative Institute. Organiser and President, first Co-operative Union in the state.

MAHALINGA AIYAR, A., B.A. Law Reporter to Government. Member, Municipal Council.

Helped in the organisation of the Town Co-operative Bank and its President (since its establishment).

RADHAKRISHNA AIYAR, A., B.A.

Born 1874. Ed. Trichinopoly. Diwan Peishkar, and Chief Magistrate. Organised and Director Co-operative Central Bank. Registrar of Co-operative Societies. Nominated Deputy President of the Local Legislative Council. Manager, Co-operative Stores. President, State Co-operative Institute.

RAJAGOPALA IYER, V. K., B. A., L. T.,

Ed. Pudukottah and Trichinopoly. Member of the Legislative Council (since its formation). The President of the Adult Literacy Board.

Secretary, State Co-operative Institute and Member, Managing Board, Central Bank. *Author* of a Tamil Drama on Co-operation.

SUNDARESA IYER, B.A., L.T.

Born 1883. Ed. Saidapet. Head Master of the State Training School (1908). Assistant, Maharaja's College. Member, Municipal and Legislative Councils.

Founder and Secretary, Town Bank (since 1910). Hon. Assistant Registrar. Organised State Co-operative Institute. President, Central Bank (from 1927).

Ideal Vade Mecum to Co-operators in India.

CO-OPERATION IN BOMBAY.

EDITED BY

Prof. H. L. KAJI, M.A., B.Sc., I.E.S.

FOREWORD BY

H. W. WOLFF.

Illustrated **Price: Rs. 10.**

"Prof. Kaji's book deserves a hearty welcome from, and attentive study by, all interested in the cause of co-operation in India. Written by a man of study and of broad views on the subject dealt with and with close knowledge of detail, in conjunction with co-adjutors who have actual facts, reported upon well, at their fingers' ends—this book is bound to present pertinent and vivid interest to all who may have the material welfare of the country, under the influence of this new powerful agent of improvement, at heart. . . . Co-operation, as we know now, has come as a veritable godsend to India. . . . Its progress in respect of extension and intensification, graphically depicted, so far as the province of Bombay is concerned, in some diagrams in this book, has indeed proved remarkable. In no country has co-operation, and more specifically co-operation applied to the democratisation of credit, spread with the same celerity and so readily proved popular. Prof. Kaji's book deals only with one Province of India. However, that Province, in itself an important part of the country, is at the same time also one in which the prosecution of the curative and developing work has been among the most intense and rapid, and one also which, in view of the remarkable variety of conditions prevailing in soil, lie and climate may almost be taken as a reduced image of the whole country. And, lastly, peculiar treatment has in Bombay produced distinctive features of high interest, which well deserve to be brought under the notice of those concerned in the common cause."—Extract from the Foreword.

PRESS OPINIONS.

"Prof. Kaji's detailed and exhaustive analysis is a valuable history of the past and an incentive for the future."—*The Times Literary Supplement.*

"We cannot learn too much about India. The latest light on this very delicate subject—India from the inside—is shown in a Kegan Paul book—Co-operation in Bombay—Edited by Prof. H. L. Kaji."—*Sunday Times.* (London).

"Altogether this new volume is well calculated to help forward the co-operative movement throughout India and contributors and publishers alike are to be congratulated on their method of presenting the case."—*The Producer* (Manchester).

"The book has been edited by Professor Kaji who is known all over India for his devotion to Co-operation and his great services to the Co-operative cause."—*Scottish Co-operator.*

"The value of the book is considerably enhanced by the fact that it is written by an Indian, Prof. H. L. Kaji of the Sydenham College of Commerce and Economics, Bombay. The book opens with an exposition of the Co-operative Movement, its aims and ideals, and the reading of this section was particularly refreshing and inspiring. So much information and valuable detail is given in the book that any attempt at an exhaustive review is impossible here, but a perusal of the book is strongly recommended to those interested in the development of Co-operation and in India particularly."—*Plymouth Co-operative Record.*

D. B. Taraporewala Sons & Co., Bombay.

"Co-operation in Bombay is to be heartily welcomed, as it deals with various aspects of the work under the authoritative editorship of Professor H. L. Kaji."—*Near East and India.*

"An excellent introduction."—Sir S. H. Freemantle in the *Indian Magazine Review.*

"An illuminating record of the Co-operative wealth and welfare of the Bombay Presidency, compiled by eminent co-operators."—*Times of India.*

"All these workers and specially the learned editor Prof. Kaji deserve the thanks of all co-operators. I cannot do full justice to the recent publication of Prof. H. L. Kaji's Co-operation in Bombay."—Sir Lallubhai Samaldas in *The Bombay Chronicle.*

"The book itself is one the usefulness of which cannot be overestimated. The author's name is a guarantee that the book contains solid substance, for Mr. Kaji is no hot-headed politician but a keen and arduous student of practical economics, well acquainted with the problems of of rural India. Mr. Kaji's book is a veritable mine of most useful information and a concise treatise on the principles of co-operative effort."—*Rangoon Times.*

"Prof. Kaji's name is a guarantee that the book tells a constructive tale and that its usefulness is indisputable."—*The Indian Daily Telegraph.*

"Valuable general introduction. Prof. Kaji and his colleagues are to be congratulated for giving us the last word in the doctrine and practice of co-operation in the Western Presidency."—*The Statesman.*

"Students of the co-operative movement and workers in that movement will find in this book authoritative information and constructive suggestions based on practical experience. The book is an exceedingly welcome addition to our meagre co-operative literature."—*United India and Indian States.*

"Every student of Co-operation will do well to make a careful study of Prof. Kaji's introduction. No Co-operative library in India can afford to be without it."—*The Hindu.*

"Prof. Kaji has done a distinct service to the cause of the co-operative movement in India. The book deserves a hearty welcome."—*Modern Review.*

"The wisdom of launching forth the Consumers' Co-operative movement is ably discussed by Prof. H. L. Kaji. . . The charts, graphs, and statistical tables constitute a striking appeal to the eye and every worker devoted to the co-operative movement ought to read this book."—*Calcutta Review.*

"Prof. Kaji's introduction by itself would serve as an excellent introduction to a study of co-operation for Indian students."—*Bombay Co-operative Quarterly.*

"Prof. Kaji's paper on Consumers' Co-operation says the last word on the subject and it should be read with great care by those interested in this type of co-operation."—*Behar & Orissa Co-operative Journal.*

D. B. TARAPOREVALA SONS & Co.
BOOKSELLERS & PUBLISHERS,
"KITAB MAHAL," HORNBY ROAD, BOMBAY.

VALUABLE TITLES
IN
Taraporewala's Indian Economic Series.

CO-OPERATIVE MOVEMENT IN INDIA.

A Comparative Study. By J. L. Rania, B. A., M. R. A. S. (Lond). Foreword by Prof. P. A. Wadia. Price Rs. 2.

Pioneer :—"An interesting and useful survey of the progress of co-operation in this country."

LANDLORDISM IN INDIA.

By Prof. Dvijadas Datta, M.A., A.R.A.C. Price Rs. 3.

STUDIES IN INDIAN RURAL ECONOMICS.

By Prof. S. Kesava Iyengar, M.A., F.R.Econ.S. Illustrated. Price Rs. 8.

Times of India :—"Interesting suggestions for the betterment of rural conditions. The book is an effort of the right kind."

WELFARE PROBLEMS IN RURAL INDIA.

Short Studies. Edited by Capt. A.P. Pillay, O.B.E., M.B., B.S. Foreword by Col. Norman Walker, and an Introduction by Dr. M. I. Balfour. Illustrated. Price Rs. 8.

Rangoon Times :—"A most valuable work for the student of welfare problems. Readers will be impressed by the scientific examination of facts."

ECONOMIC ORGANISATION OF INDIAN VILLAGES.

By Prof. N. G. Ranga, B. Litt. (Oxon.), Dip. Econ. In Two Vols. Price Each Rs. 2.

Indian Journal of Economics :—"The mass of facts is instructive. His suggestions for material advancement of the agriculturists are well worth consideration."

PEASANT-PROPRIETORSHIP IN INDIA.

By Prof. Dvijadas Datta, M.A., A.R.A.C. Price Rs. 3.

A. B. Patrika :—"Will give the reader a clear idea of the true law of landholding in India."

INDIGENOUS INDIAN BANKING.

By M. M. S. Gubbay, C.I.E., C.S.I. Price Re. 1-12.

Statesman :— "Illuminates many interesting topics."

INDIAN PRACTICAL BANKING.

By O. S. Krishnamoorthy. Foreword by Principal G. Findlay Shirras. Price Rs. 2.

Capital :— "Concise and accurate description of the actual working of a bank."

REGULATION OF BANKS IN INDIA.

By Principal M. L. Taman, M. Com., I.E.S. Price Re. 1.

ECONOMICS OF THE HANDLOOM.

By Prof. N. G. Ranga, B. Litt. (Oxon.), Dip. Econ. Price Rs. 2.

D. B. TARAPOREVALA SONS & Co.
BOOKSELLERS AND PUBLISHERS,
"KITAB MAHAL," HORNBY ROAD, BOMBAY.

TROPICAL AGRICULTURE.

Manual of Dairy Farming : By B. K. Ghare, L. Ag. *Illustrated.* Rs. 3.

First Book on Agriculture : For Indian Schools. By C. Benson, M.R.A.C. *Illustrated.* 12 annas.

Lessons in Indian Agriculture : By D. Clouston, M.A., B.Sc., C.I.E. *Illustrated.* 3s. 6d.

A Reader for Agriculturists : The Story of Rai Sahib Kaluram Kurmi of Petgaon. By D. Clouston, M.A., B.Sc., C.I.E. *Illustrated.* 12 annas.

Text Book of Tropical Agriculture : By Sir H. A. Nichols. Revised Edition. *Illustrated.* 15s.

The Tropical Crops : A Popular Treatment of the Practice of Agriculture in Tropical Regions. By O. W. Barrett, B.Sc. *With 24 Plates.* 17s.

MACMILLAN & CO., LTD.

(Incorporated in England)

BOMBAY, CALCUTTA, MADRAS.

Co-operation & Rural Welfare in India.

Foreword by Rt. Hon. Sir Horace Plunkett, Bart.

Price : Rs. 3/-

An Economic & Commercial Geography of India.

Price : Rs. 3/12/-

The only book on that subject—extremely useful for I. C. S. Candidates and Commerce Students.

By

B. B. MUKHERJEE.

Principal, B. & O. Co. Training Institute, Sabour, Bhagalpur.

To be had of :—

The Author at Sabour;

Messrs D. B. Taraporevala & Sons, Bombay; and

The Kamala Book Depot, College Street, Calcutta.

THE
BOMBAY PROVINCIAL CO-OPERATIVE BANK, LTD.

Head Office : APOLLO STREET, FORT, BOMBAY.

BRANCHES.

Baramati	District	Poona	Shirpur	District	West Khandesh
Islampur	„	Satara	Sindkheda	„	„
Karad	„	„	Nandurbar	„	„
Tasgaon	„	„	Sakri	„	„
Satara	„	„	Shahada	„	„
Kirloskarwadi	„	„	Dohad	„	Panch Mahals
Shirala	„	„	Kalol	„	Panch Mahals
Kopergaon	„	Ahmednagar	Malegaon	„	Nasik
Shevgaon	„	„	Satana	„	„
Ahmednagar	„	„	Nandgaon	„	„
Parola	„	East Khandesh	Kalwan	„	„
Akluj	„	Sholapur	Bhiwandi	„	Thana
Viramgam	„	Ahmedabad	Palghar	„	„
Dhulia	„	West Khandesh	Kalyan	„	„
Dondaicha	„	„			

DIRECTORS.

Sir Chunilal V. Mehta, K. C. S. I.	R. N. Rajadnya, Esqr.
Sir Lalubhai Samaldas, Kt., C. I. E.	Madhowjee D. Thackersey, Esqr.
V. V. Garud, Esqr.	Dewan Bahadur A. U. Malji.
G. K. Devadhar Esqr., C. I. E.	Rai Bahadur Pritamdas H.
Rao Saheb V. C. Jadav	Dewan Bahadur S. V. Mensinkai.
D. V. Gokhale, Esqr.	V. L. Mehta, Esqr.

SHARE CAPITAL (fully paid) ... **Rs. 12,96,900**

1. Deposits fixed for one year and shorter or longer periods are accepted. Rates and other particulars may be ascertained from the undersigned.

2. Current Accounts are opened for Co-operative Societies and individuals. Interest is allowed at 2½ per cent. on daily balances not exceeding Rs 1,00,000.

3. Savings Bank Deposits are accepted and interest paid at 3½ per cent. on minimum monthly balance. Rules may be obtained from the undersigned.

4. The Bank has issued Five Years Cash Certificates yielding 5¼ per cent. per annum. The Bank has also arranged for the issue of Ten Tolas Gold chips. Particulars on applications.

6 The Bank finances only registered Co-operative Societies in the Bombay Presidency on the recommendation of the Registrar, Co-operative Societies, Bombay Presidency.

7. Accounts are audited quarterly by a firm of Incorporated Accountants and yearly by a Special Government Audtior. Quarterly Statements of financial position are published in the "Bombay Government Gazette."

VAIKUNTH L. MEHTA,
Managing Director.

THE

Madras Provincial Co-operative Bank

LIMITED.

Head Office : **Luz Church Road, Mylapore, Madras.**

Branch : **Armenian Street, Georgetown, Madras.**

President : V. RAMADAS PANTULU, Esq., Advocate.

Current Accounts opened free of charge and interest allowed on daily balances at 2½ per cent. per annum from January to June and 2 per cent. from July to December.

Fixed Deposits received at rates of interest which may be ascertained on application.

Prudential Deposits—(Savings Bank) Accounts opened with a minimum balance of Rs. 5 and interest allowed at 4½ per cent. per annum.

Provident Deposits—Monthly deposits of Re. 1 or its exact multiple for periods of 7 years and more are received. The aggregate amount will be repaid at maturity together with interest at 5 per cent. per annum (Compound).

GOVERNMENT SECURITIES Bought or Sold.

THE GOVERNMENT have authorised the investment in this Bank of the Funds of the Corporation of Madras, Local Boards and Municipalities, and the security money tendered by Government, Local and Municipal Servants, Renters and Contractors and other quasi-public funds.

Detailed Rules may be had on application.

V. C. RANGASWAMI,

Secretary.

BIHAR & ORISSA

Provincial Co-operative Bank Limited,

PATNA

Paid up Share Capital	**Rs.**	**5,78,000**
Reserve Liability on Shares	**Rs.**	**12,17,000**
Statutory and other Reserves	**Rs.**	**4,38,000**
Investments in Government and Trust Securities	**Rs.**	**27,20,000**

The Local Government have authorized the investment in this Bank of the Provident Funds of the Employees of District and Local Boards and Municipalities. Statements of the financial position of the Bank are quarterly published by the Local Government in the Gazette.

Current Accounts. Opened and interest allowed on daily balances at 2 p. c. per annum.

Savings Bank Deposits received and interest allowed at 3½ p. c. per annum on the minimum monthly balance.

Fixed Deposits for one year accepted at 5 p. c. per annum and for 2 years at 5½ p. c. per annum.

Government Securities bought and sold and securities accepted for safe custody on behalf of constituents.

Detailed rules will be supplied on application.

MIHIRNATH ROY, *Managing Director.*

V. M. THAKORE, *Secretary.*

THE

Cochin Central Co-operative Bank

LIMITED.

(The Apex Co-operative Bank for the State)

Established in 1094 M.E.—1918 A.D.

Office:—VISWAMANDIRAM, TRICHUR-KARUPADANNA ROAD, TRICHUR, COCHIN STATE, (SOUTH INDIA).

1.	**Authorised Capital**	**Rs 1,00,000**
2.	**Subscribed Capital**	**„ 67,540**
3.	**Paid up Capital**	**„ 47,363**
4.	**Deposits and Loans Outstanding** ...	**„ 5,32,331**
5.	**Reserve Fund and other Funds** ...	**„ 61,278**
6.	**Investment in Government Securities**	**„ 1,25,000**
7.	**Overdraft available**	**„ 1,47,000**

Deposits of all kinds, Current, Fixed, Endowment, Savings etc., received.

The Government have authorised the investment in this Bank of the security deposits of Government servants, advance kists of Contractors of Excise and Revenue Departments and funds of Municipal Councils and other quasi-public institutions.

Loans issued only to Co-operative Societies registered under the Co-operative Societies' Regulation IV of 1088 M.E.

Ordinary banking business not repugnant to the Regulation, Rules and By-Laws is also undertaken.

For further particulars, please apply to :—

THE SECRETARY,

Cochin Central Co-operative Bank, Ltd.,

TRICHUR, COCHIN STATE, (S. India).

THE

Southern Maratha Urban Co-operative Credit Bank, Limited, Dharwar.

Established 1907.

Share Capital exceeds Rupees 1,00,000/-.

Reserve Fund ,, ,, 70,000/-.

Deposits exceed ,, 12,00,000/-.

One of the progressive Urban Banks in the Presidency that undertakes all sorts of Banking Business.

Surat Peoples' Co-operative Bank Ltd.

KANPITH, SURAT.

Authorized Share Capital ... Rs. 2,00,000.
Paid up Share Capital ... Rs. 1,41,685.
Working Capital ... ... Rs. 14,13,166.

The Bank is an Urban Peoples' Co-operative Bank and specially caters to the needs of the commercial and industrial classes of Surat City and helps them in the development and financing of their inland export and import business. It has connections all over India and will be glad to establish touch with any Co-operative Bank in India for development of mutual business relations.

For further particulars apply to :

RAO SAHEB V. C. JADAV, B. A.,

Managing Director,

SURAT PEOPLES' CO-OPERATIVE BANK LTD.

The Triplicane Urban Co-operative Society, Ltd.,

Established :— **9th April 1904.**

109, Big Street, Triplicane, MADRAS.

THE PREMIER CONSUMERS' SOCIETY, REGISTERED UNDER THE CO-OPERATIVE CREDIT SOCIETIES' ACT X OF 1904.

WITH AN :—

Authorised Capital	**Rs.**	**2,00,000**
Common Good Fund	**,,**	**34,600**
Reserve Fund	**,,**	**89,400**

Catering to the needs of 6,000 members through

ITS 25 BRANCHES

Celebrated its **Silver Jubilee** *on 26-1-1930.*

Invites correspondence from sister Societies and producers of Agricultural Products and of Articles of **Daily Requirement.**

K. BALASUBRAMANIAN,

Asst. Secretary.

THE

SURAT DISTRICT CO-OPERATIVE BANK LTD.

KANPITH, SURAT.

(Established 1909).

BRANCHES :— BULSAR, CHIKHLI & BARDOLI.

Share Capital :— Authorised, Rs. 5,00,000. Subscribed, Rs. 1,96,000.

Reserve Fund :— Rs. 57,000. Other Reserves:—Rs. 11,500.

Chairman :— C. M. GANDHI, ESQ., B.A., LL.B., ADVOCATE.

The Bank :—

Opens Current and Savings Bank accounts operated on by cheques, and receives fixed deposits. Terms on application.

Undertakes to purchase and sell Government securities, Treasury Bills, Municipal and Trust loans, debentures and shares for its customers.

Issues and negotiates cheques, bills, drafts and hundies on all principal trade centres of India.

Advances loans and grants overdrafts to Co-operative Societies at 7%.

Advances loans to members at 6½% on security of gold and silver and allows them overdrafts in current accounts.

Sells pure 5 & 10 tola Gold bars of the Central Bank of India Ltd.

Accounts audited by Government Auditors.

For Particulars Please Apply to :—

R. C. DESAI,

Hon. Manager.

Life Insurance is a Necessity.

Life Insurance is

A Husband's Duty,

A Wife's Right,

and A Child's Claim.

INSURE

WITH

THE

Bombay Co-operative Insurance Society,

LIMITED,

9, Bakehouse Lane, Fort, Bombay.

(Registered under the Bombay Co-operative Society's Act.)

Special Features.

1. There are no shareholders. Every Policy Holder, therefore, is a member of the Society. He shares all the profits of the Society.

2. Insurances of even small sums are effected. The minimum is Rs. 150.

3. No medical examination for assurances less than Rs. 500.

4. There is a wide scope for enthusiastic workers to carry the message of Insurance to every cottage door and take advantage of our liberal Agency Terms.

H. L. KAJI, *President.*

KESHAVPRASAD C. DESAI, *Hon. Secretary.*

Printed by Y. K. Padwal at the Tatva-Vivechaka Press, Byculla, Bombay, and Published by Prof. H. L. Kaji, for the All India Co-operative Institutes' Association at 9, Bakehouse Lane, Fort, Bombay.