# PROCEEDINGS

## OF THE

# Fourth Conference of Registrars

# of Co-Operative Credit Societies

# WITH APPENDICES



November 1909

CALCUTTA SUPERINTENDENT GOVERNMENT PRINTING, INDIA 1909

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# PROCEEDINGS

# F THE

# Fourth Conference of Registrars

# of Co-operative Credit Societies,

# ] <u>November</u> 1909.

#### Present:

MR. R. W. CARLYLE, C.I.E., I.C.S., SECRETARY TO THE GOVERNMENT OF INDIA, DEPARTMENT OF REVENUE AND AGRICULTURE (President).

- MR. W. R. GOURLAY, I.C.S., Director of Agriculture and Co-operative Credit Societies, Bengal (Secretary).
- MR. R. RAMACHANDRA RAO, Registrar, Co-operative Credit Societies, Madras Presidency.

MR. C. S. CAMPBELL, I.C.S., Registrar, Co-operative Credit Societies, Bombay Presidency.

MR. W. H. BUCHAN, I.C.S., Registrar, Co-operative Credit Societies, Bengal.

MR. S. H. FREMANTLE, I.C.S., Registrar, Co-operative Credit Societies, United Provinces.

- KUNWAR MAHARAJ SINGH, Registrar, Co-operative Credit Societies, United Provinces (sub. pro tem.)
- MR. A. LANGLEY, I.C.S., Registrar, Co-operative Credit Societies, Punjab.
- MR. A. E. ENGLISH, I.C.S., Registrar, Co-operative Credit Societies, Burma.
- MR. W. L. SCOTT, I.C.S., Registrar, Co-operative Credit Societies, Eastern Bengal and Assam.
- MR. P. HEMINGWAY, I.C.S., Registrar, Co-operative Credit Societies, Central Provinces.
- MR. GUSTAV HALLER, Registrar, Co-operative Credit Societies, Coorg.
- RAI SAHIB MUNSHI GOPINATH, Registrar, Co-operative Credit Societies, Ajmer-Merwara.
- MR. M. SHAMA RAO, Registrar, Co-operative Credit Societies, Mysore.
- MR. O. B. PATEL, Registrar, Co-operative Credit Societies, Baroda-
  - MR. T. ADINARAYANA CHETTIAR, Banker, Salem, and Secretary to the Salem District Urban Bank.

MR. LALUBHAI SAMALDAS, Bombay.

MR. R. S. KING, Rohika (Darbhanga).

REV. E. M. WHEELER, Berhampore (Murshidabad).

MUNSHI KABUL AHMAD of Sandila (Oudh).

RAI ISHWAR SAHAI BAHADUR of Fatchpur, United Provinces.

- SRIJUT PHANIDHAR CHALIHA, Honorary Organiser, Co-operative Credit Societies, Eastern Bengal and Assam, Dibrugarh.
- MR. G. FINDLAY SHIRRAS, M.A., Professor of Economics, Dacca College, and University (Calcutta) Lecturer in Economics.
- MR, C. M. GLYNE.
- MR. JAMINI MOHAN MITRA, Personal Assistant to the Registrar of Co-operative Credit Societies, Bengal.

THAKUR THAMMAN SINGH, Assistant Registrar, Co-operative Credit Societies, United Provinces.

- MR. A. K. FAZLUL HAQ, Assistant Registrar, Co-operative Credit Societies, Eastern Bengal and Assam.
- MR. P. C. BARDALAI, Assistant Registrar, Co-operative Credit Societies, Eastern Bengal and Assam.
- MR. MISBAHUL OSMAN, Assistant Registrar, Central Provinces.
- MR. C. A. INNES, I.C.S., UNDER-SECRETARY TO THE GOVERNMENT OF INDIA, DEPARTMENT OF Revenue and Agriculture.

# Programme of the Fourth Conference of Registrars of Co-operative Credit Societies held in Calcutta, November 20th to 23rd, 1909.

I.-General progress made in each Province.

II.-Cash Banks with unlimited liability.

- (a) Raffeisen principles and their adaptation to Indian conditions.
- (b) Share basis: the Punjab system. How far and with what limitations it is desirable to extend this to other provinces.
- (c) Administrative machinery. How far changes in the personnel of the Managing Committee are made, and how far it is desirable to make such changes compulsory.
- (d) Principles upon which village societies should be financed.
- (e) Tribal societies : their working.
- (/) Co-operative principles how far understood. Moral effects of co-operation.

III.—Cash Banks with limited liability.

- (a) Special types suitable to India.
- (b) Societies amongst employés of one establishment.
- (c) Societies amongst artizans and small traders.
- (d) Rules concerning voting—one man one vote or one share one vote. Is any statutory provision necessary ?
- (e) Special difficulties connected with Limited Liability Banks.

## SPECIAL SUBJECTS, UNDER HEADS II AND III.

- 1. Should non-members be permitted as sureties? (Kunwar Maharaj Singh.)
- 2. Remuneration of officers of societies, how far legitimate and expedient. (Kunwar Maharaj Singh.)

IV.—The utilisation of the reserve funds of societies registered under the Act.
 V.—Inspection and audit. Limitation of Registrar's power of control.
 Future arrangements about audit. State audit or State paid audit.

### Special subjects.

1. The best way in which societies can be required to contribute towards the costs of their supervision. (Mr. A. Langley, Punjab.)

- VI.—Finance.
  - (a) Necessity for any special financing agency.
  - (b) Sources of capital-

(i) Deposits by members.

(ii) Other local capital.

- (iii) Investing public. Relative importance of these sources. Difficulties connected with each source.
- (c) Central Banking Unions. Their organisation and management.
- (d) District Banks.

#### SPECIAL SUBJECTS.

- The future of financing of societies. Should not this be by means of one large institution, either provincial or for all India, lending to societies and Unions of societies rather than by means of District Banks ? (Mr. A. Langley, Punjab.)
- 2. The lawfulness of societies and especially of District Banks dealing in other than strictly banking business. (Kunwar Maharaj Singh.)

VII.-Liquidation. Principles upon which it should be carried out.

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#### SPECIAL SUBJECTS.

(1) A clear definition of the powers of liquidators under the Act and the necessity of making some rules of procedure for liquidaticn. (Babu J. M. Mitra, Bengal.)

VIII.—Organisation of Co-operative Stores in India.

1X.—Development of other forms of co-operation.

X.—Privileges granted by Government. How far appreciated. Whether an extension is justifiable or necessary.

XI.—The working of Resolution No. 1—63-3, dated 29th April 1904 (loans against equivalent deposits by members). How far have deposits been encouraged. XII.—How best to encourage assistance of non-officials.

#### SPECIAL SUBJECTS.

1. Formation of District Co-operative Committees on the lines of the Irish Agricultural Organisation Societies and the desirability of giving grants-in-aid to such Committees. (Mr. W. H. Buchan.)

XIII.—Provincial Conferences: their utility and work done by them.

XIV.—Amendment of the Co-operative Credit Societics Act.

#### SPECIAL SUBJECTS.

- 1. The continuance of the corporate existence of the society should the number of members drop below ten. (Mr. R. C. Rao, Madras.)
- 2. The date from which the period of one year prescribed in section 17, Act X, should be calculated. (Mr. R. C. Rao, Madras.)
- 3. Amendment of the Act to legalise the appointment of Deputy Registrars and delegation of certain powers under the Act to them. (Babu J. M. Mitra, Bengal.)
- 4. Amendment of the Act so as to include the following provisions safeguarding a minor's interest as recommended by the second Bengal Provincial Co-operative Credit Conference.
- Section 4 (b).—Add 'Provided, however, that the minor heir or heirs of a deceased member, where no legal guardian has been appointed, can be elected members. For the purposes of this. Act persons under 18 are minors.<sup>2</sup>
- Section 7 (c).—No member while a minor shall incur any liability beyond his share or other interests and deposits in a society.
- Section 10 (a).—A society shall make no loan to any person other than a member of 18 years or over, provided that a loan can be made to a minor for the necessaries of life. (Babu J. M. Mitra, Bengal.)
- 5: Amendment of the Act so as to make liquidators appointed by the Registrar under section 24 (ii) and persons authorised under section 21 (4) to inspect societies "public servants" within the meaning of the Indian Penal Code. (Babu J. M. Mitra, Bengal.)
- 6. Amendment of the Act so as to make the certificate of registration granted by the Registrar conclusive evidence for the purposes of the Indian Evidence Act, 1872. (Babu J. M. Mitra, Bengal.)
- 7. Amendment of section 9 of the Act so as to give the Registrar full power with regard to the acceptance and repayments of deposits from members by societies which hold any deposit from non-members. (Mr. C. F. Grant, Burma.)
- 8. Amendment of section 12 of the Act so as to omit the proviso to section 12 of the Act which prohibits any member of a society from holding shares in excess of a nominal value of Rs. 1,000. (Mr. C. F. Grant, Burma.)
- 9. Amendment of section 21 of the Act so as to provide for an audit by the Registrar's staff by inserting after the word "Registrar" in clause (1)— "or some persons authorised in this behalf by the Registrar." (Mr. C. F. Grant, Burma.)

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# Minutes of the Fourth Conference of Registrars of Co-operative Credit Societies held at Calcutta on the 20th November 1909 and following days.

Mr. R. W. Carlyle, C.I.E., President of the Conference, said that he had much pleasure in welcoming to the Conference not only the Registrars of all provinces and States where co-operative work of any importance was going on, but also a considerable number of non-official gentlemen from Bombay, Madras, Bengal, Eastern Bengal and Assam and the United Provinces. All the Registrars were aware that hopeful as were the prospects of the movement, complete success was possible only if they could enlist the aid of educated and enthusiastic non-official gentlemen with influence over the rural population. He was glad to report that there was no check in the rapid and satisfactory progress of the movement to which he had alluded last year. The figures had not been finally checked and must be accepted as merely provisional. But they showed that the number of societies of all kinds had risen fr m 1,357 to 2,008, the number of members from 149,160 to 184,897; the working capital aggregated nearly 81 lakhs of rupees against just over 44 lakhs last year, and the expenditure had increased from less than 47 lakhs last year to more than 84 lakhs. This was only the fourth annual Conference, but these figures indicated that the movement had already progressed far beyond what could reasonably have been expected by those who were present at the first meeting in 1906. The progress made during the year was all the more satisfactory, bccause the annual reports showed that in most provinces the aim of the Registrars had been rather to foster growth where the seeds of co-operation had already taken root than to attempt to break new ground. It was also very satisfactory that whereas State aid accounted for only Rs. 6,86,143 of the working capital or very little more than last year (Rs. 6,51,816), loans from private persons totalled nearly 25 lakhs of rupees against less than  $12\frac{1}{2}$  lakhs at the end of June 1908. Last year in addressing the Conference he had had occasion to point out that the two questions of vital importance to the future of the movement were the best means. of providing for the supervision and the financing of Co-operative Credit Societies. In several of the provinces the question of finance seemed to have been solved. He was referring in particular to Madras, Burma and the United Provinces, but so far as he could judge, he did not think it probable that this question would give rise to serious difficulties in the Punjab, Central Provinces or Bengal. He did not of course mean that in those provinces very large sums of money would at once be forthcoming, but there was reason to believe that money would come forward quite as quickly as it would be possible to establish properly supervised societies. It was too early to say that the question of supervision had been solved anywhere, but the state of affairs in the United Provinces and Madras gave great promise for the future. - The reports for 1908-09 served to confirm the opinion expressed by the Government of India in their Circular dealing with the proceedings of the third Conference that the most satisfactory solution of the problems connected with the best means of financing Cash Societies and with future arrangements. for audit, inspection and control would be found in the organisation of societies as they increased in numbers into local Unions and in the federation, at a later stage, if necessary, of these Unions into Central Unions. At the same time it was of course possible that in some provinces other solutions might be found necessary or desirable. The great importance of supervision not being confined to Government was well brought out by Mr. Ramachandra Rao's remarks on the danger of insufficient or routine inspection by Government officers, and he thought that there was a real danger that if Government assistance was not kept within moderate limits the whole movement would tend to become departmentalised. He referred to the fact that in many provinces Registrars had found it desirable to confine work to concentrated areas and to avoid establishing isolated societies. There could be no doubt as to the soundness of this policy. It was far easier to establish in concentrated areas Unions which could both finance and, to some extent, supervise the societies in such areas. Co-operation was, so to speak, in the air. New societies were far more likely to be started and to be run on the right lines from the beginning. He sympathised with the difficulties of the Registrar of Burma who was unable to

cope with the demands of the public. He was not sure that the Registrar was not over-anxious as to a number of societies being started without being registered. If such societies sprang into existence it would not be long before the fact that they were not registered under the Act was widely known. A question of great importance was how far societies should endeavour to pay off their members' debts to outsiders. He could not believe that any one who was in debt, both to the society and to the money-lender, could derive full benefit from his society. Of course it was not necessary that the debt should be paid off in one instalment. As long as the society could arrange for the debts of its members being definitely taken over, it did not much matter if the debts were paid off by degrees. He shared the doubts expressed by the Registrar of Co-operative Credit Societies in the Central Provinces as to the advisability of allowing banks to do general banking business as well as Co-operative Credit work, but he had no doubt the members of the Conference would have something to say on the subject. Another point to which he would draw the attention of members was the question of devising the best means of dealing with Co-operative Societies for distribution purposes. It would be agreed that management was much more difficult in such societies than in small Cash Societies, and the question how far co-operation for credit and co-operation for distribution should be combined was one which dcserved careful consideration. The past year had shown that many difficulties still remained to be overcome, but they had reason to congratulate themselves not only on the general progress made, but also on many indications that public interest had been aroused. There was perhaps some danger that they might be urged to move too fast, but the interest which the movement was beginning to excite among the general public was wholly good, and unless this interest increased and spread, it would be impossible to effect that revolution in the economic condition of India which might be expected from Co-operative Credit work if it continued to progress with the same rapidity as at present.

2. It was decided that as usual the most important subjects in the programme should be dealt with in the first instance by Sub-Committees.

## I.—GENERAL PROGRESS MADE.

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3. With the single exception of Ajmer, where the movement shows no vitality, the progress made in all provinces was satisfactory, and it is necessary to mention here only those features of the year's work in each province which are of special interest. In Madras the Registrar drew special attention to the heavy increase in the volume of transactions and the large increase of deposits and to the rapid development of the prestige of the Madras Central Bank. A new Central Society, in the shape of the Salem District Bank, was constituted during the year on identical lines, and its success was most encouraging. Though it was founded only in January 1909, all its shares had been taken up by the end of the year, and both its receipts and disbursements in this short period amounted to more than Rs. 3 lakhs. Among other features of interest the Registrar mentioned the holding of a District Conference attended by delegates from all the societies in the districts, the voluntary conversion of old societies from a limited to an unlimited liability basis, and the thorough revision of the provincial accounts. In Bombay the absence of the permanent Registrar on leave during the greater part of the year prevented any striking forward movement, but the process of intensification went steadily on. The outstanding feature of the year perhaps was the holding of the first Bombay Provincial Conference, and it is hoped that the meeting will become an annual one and that Divisional Conferences will also be held yearly. A scheme for a Central Bank for the Bombay Presidency, which is peculiarly important in that it represents a direct advance on the part of the leading capitalists in Bombay to join hands with the Co-operative Credit movement, was also matured and . placed before the Government of India. Since the close of the year the Registrar has been given an expert assistant to help in dealing with Weavers' Societies. In Bengal the most important work of the year was the establishment of two Central Banking Unions. They embrace some 50 societies, and though still in the experimental stage, they are working very satisfactorily both in controlling their affiliated societies and in developing their areas. Another Union is about to be established in Bihar which will test the suitability of the scheme to less advanced districts. A large number of new rural societies, all of the Raffeisen type, have been established,

and the Registrar is continuing the policy of encouraging the formation of societies in groups with the object of gradually combining them into Unions. A departure however has been made from this policy in Ranchi, where there will shortly be registered a Mission Bank to embrace all the Roman Catholic Christians of Chota Nagpur. The aboriginal tribes of this part of Bengal have been found incapable of working independent societies successfully, and the bank will deal for some years through local agents and circles with groups of villages as individuals. The procedure is unusual, but is justified by the exceptional circumstances of the tract, and full provision has been made for the instruction in co-operation of these village groups, and for their conversion as soon as possible into autonomous socictics. Development in Bengal has largely been due to the assistance of Honorary Organisers scattered about the province, there being no District Banks to encourage the growth of societies, and an attempt will now be made to systematize this voluntary assistance and to enlist further unofficial aid. A beginning has been made in Hazaribagh by the formation of a Co-operative Organisation Association, and it is hoped to create similar associations on the lines of the note submitted by the Registrar to the Conference. The system of audit has been remodelled, and three permanent auditors appointed. The second Provincial Conference, which was held in July, was a great success and will now be an annual institution. In the United Provinces, as in Bombay, the year was marked by the holding of the first Provincial Conference, which in future will meet annually. One of the most satisfactory features of the year was the great increase in working capital, the working capital of all classes of societies having risen from Rs. 21,70,142 to 32,95,537, and of this less than 5 per cent. is now supplied by Government, last year's percentage being over 10 per cent. The rapid and successful development of small urban societies for the industrial and professional classes is also noticeable. During the year the number of such societies increased from 2 to 31. The liability of such societies is usually unlimited, save in clerks' societies, and the number of members is usually small. Repayments by members have been wonderfully full and prompt, management is democratic, and generally speaking the prospects of successful co-operation among these classes are very hopeful. The number of independent rural societies increased in number from 154 to 305, and the policy has been deliberately adopted of curtailing their membership and restricting the area of their operations. With the extension of the share system, the number of Raffeisen societies continued to decrease. The societies generally found readier access to the money market and the number of joint stock banks making loans to the societies and the amount of such loans increased considerably. Repayments by members had been excellent, the provincial average being over 85 per cent. Less satisfactory features were the detection of the first serious case of fraud, and the liquidation of 15 societies. For the first time on record, also, four suits were instituted against defaulting members. In the Punjab progress was hampered in the earlier part of the year by lack of staff, but four more inspectors were subsequently appointed, and 88 new societies in all were established. The formation of half of these was directly due to funds supplied by the newly constituted Jullundur District Bank. Two more District Banks have since been opened, a third is in process of formation, and others as well as some Cooperative Unions are contemplated. The prospects of expansion in the Punjab are therefore bright, but the movement is mainly confined to eight districts, and the societies, though working satisfactorily on the whole, still need careful supervision and frequent inspection. Many weak societies were weeded out during the year. In Burma expansion has been remarkable. During the year the number of societies of all kinds increased from 80 to 174, and 39 new societies have been added since the end of June. The only new area taken up was the Pakokku district, where 17 rural societies were established with a Central Bank for the purpose of financing and supervising them. Two Co-operative Unions have also been started. In Burna funds have hitherto been obtained through agents, one for Upper and one for Lower Burma, but in February 1909 an important advance was made, an arrangement being concluded with the Bank of Rangoon that it should finance the movement, up to two lakhs of rupees, as a beginning. Capital amounting to some Rs. 30,000 has also been invested in the societies by Burmans and Natives of India, and given efficient control in the future, the movement may be regarded as independent of monetary assistance from Government. But while the problem of finance has thus been satisfactorily solved to a large extent in Burma, the equally

important problem of audit inspection and control has occupied much attention during the year. The Registrar has found himself unable to keep pace with the demand for societies, and the Local Government has decided that arrangements must be made to give him assistance. As a temporary measure, the Director of Agriculture has been appointed Joint Registrar and has taken over 4 districts including 88 societies, and arrangements have been made to train 20 Sub-Divisional Officers in Upper Burma in co-operation with a view to the control of societies being delegated largely to them. An extra Junior Assistant Registrar is also being applied for. In Eastern Bengal and Assam progress continued steadily on normal lines, and indications are not wanting that the suspicion, with which the movement has hitherto been viewed by the educated Hindu community owing to the political situation, is slowly being dissipated. The only new departure made during the year was the establishment for the first time of Industrial Banks in the shape of Weavers' Societies, one advancing yarn on credit and the other making cash advances. The Registrar mentioned that no success had so far been attained in the foundation of Co-operative Unions and Grain Banks. In the Central Provinces the Registrar reported that progress had been limited during the year because it was confined solely to tracts where success had shown the existing organisations to be suitable, because the Central Banks wanted time in those tracts to prove their ability and to secure their own position before expanding their operations, and because the Registrar acted on the principle of not starting new societies except where he could see his way to financing them as part of a real live scheme. Twenty new societies, however, had been registered including a Central Bank and an Urban Society, and the Registrar anticipated that the result of the cautious waiting policy hitherto adopted would be a remarkable expansion in the current year. The outstanding feature of the present position is, in the Registrar's opinion, the necessity for the Central Bank. Where such an organisation exists, as in the Balaghat and Jubbulpore districts, its influence is seen in the spontaneous growth of numerous village societies. Where it is absent, societies languish. Ninetcen new societies, were started in *Mysore*, and activity was shown in many directions, the new societies including a Central Co-operative Bank, which will finance rural societies, industrial societies, co-operative stores, grain banks and an agricultural association for the purpose of supplying members with information relating to the improvement of agriculture as well as with good seed and improved appliances. Baroda was represented at the Conference for the first time, and the Registrar took the opportunity of giving a short account of the progress of the movement since, its inception. The Baroda Act, which is modelled on Act X of 1904, was passed in December 1904, but owing to the fact that no whole time Registrar was appointed, progress for the first few years was not encouraging, and the 34 societies which had been formed by the beginning of 1908 either existed on paper only or were in a moribund condition. In March 1908 the present Registrar was appointed, and an improvement has since been manifested. Some of the weaker societies have been weeded out, others have been formed, and there are now 49 societies of the Raffeisen and Schultz-Delitzch type, with a membership of 884. Two-thirds of the capital of the societies which amounts to Rs. 61,874 have been found by Government, the rules regarding State aid not being so strict as it has been thought advisable to make them in British India. A feature of the movement is the number of societies formed in backward parts of the State, and in at least one aboriginal society a considerable measure of success has been attained.

4. Four general statements showing the combined statistics of the societies in the different provinces and illustrating the general progress made are attached, as usual, to these minutes. The tabular statements below compare the statistics of this year with those of last:—

						,	20th June 1909.	30th June 1909.
		Num	ber of	Socie	ties.	ŀ		
Central	•	•		•	•	• • [	7	15
Urban	•	•		•	•		149	227
Rural	•	•	•	•	•	• •	<b>-</b> . <b>1,</b> 201	1,766
	-	_			Т	OTAL	1,357	2,003
Number of	ofmei	nbers	•	•	•		149,160	184,839

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	30th June 1908.	30th June 1909.
Capital. Loans from private persons , other societies Sharo capital Deposits by members	12,43,495 5,84,765 9,35,928 9,19,523 6,51,816 78,559 44,14,086	24,93,814 15,96,611 14,77,254 16,18,018 6,86,143 1,93,271 80,65,111
Expenditure. Loans repaid to private persons Loans issued to members Purchase of raw materials and stores . Profits	4,01,976 36,93,018 3,90,655 1,80,916 46,66,565	14,10,323 59,99,924 6,74,383 3,26,265 84,10,895

NOTE-Figure for 1908-00 include statistics for Sind which were not included in the previous year.

II AND III .- CASH BANKS WITH UNLIMITED AND LIMITED LIABILITY.

5. The President pointed out that the time at the disposal of the Conference was limited, and that several of the subjects set down for discussion, the amendment of the Act in particular, were of great difficulty and importance. Most of the points included under these two heads of the programme had been fully discussed in the Annual Reports for 1908-09 and the previous years, and he thought that the Conference might confine its attention with advantage to those on which individual Registrars had something special to say or as to which they desired advice. Reforring to Raffeison Societies, Mr. Ramachandra Rao (Madras) remarked that last year the Conference had agreed that in India the true distinction was not between productive and unproductive loans, but between necessary and unnecessary loans. This principle was one of great importance, and it would be interesting to know whether in the light of the further experience gained the Registrars still adhered to it. So far as Madras was concerned he was convinced of its soundness. Mr. Gourlay (Bengal) said that the principle was still acted on in Bengal, it being left to the society to decide for itself whether a loan was necessary or unnecessary. Mr. Fremantle (United Provinces) thought that the true principle was that a loan should be either directly productive or should involve an economic saving and the Conference endorsed this view. Mr. Shama Rao (Mysore) asked whether it was always necessary that a rural society should be formed on a basis of unlimited liability. In Mysore, owing to the failure of the Agricultural Banks, a number of ryots had had a somewhat unfortunate experience of the responsibilities entailed by unlimited liability, and he now found it very difficult to induce the agricultural population to join societics founded on this basis. They were afraid to do so. The quastion was briefly discussed, but the Conference saw no reason to recede from\_ the position that unlimited liability is the only sound basis for rural societies. Mr. Gourlay (Bengal) suggested that it was a matter for consideration whether periodical changes in the Managing Committees of rural societies should not definitely be prescribed by rule, but the general sense of the Conference was against compulsory changes by rule, and the opinion was also expressed that any such rule would prove unworkable in practice. Mr. Shama Rao (Mysore) asked for a ruling as to how far a society might be allowed to continue to retain possession of land or other immoveable property which it had been forced to buy in when recovering its dues. The opinion of the Conference was that the policy to be aimed at was that the land should be got rid of as quickly as possible, though it might occasionally be necessary to wait for a favourable opportunity before disposing of it.

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6. The consideration of the special subjects noted for discussion by individual Registrars was then proceeded with.

7. Should non-members be permitted as surcties? Kunwar Maharaj Singh (United Provinces) opened the discussion by presenting the following note:-

"The sole question for consideration is whether a surety should be a member or not. There are of course certain objections against non-members standing as suretics. The society has not the same intimate knowledge of such persons and their qualifications and cannot exercise the same control over them as in the case of members. The responsibility of members offering such security and of other members is apt to be weakened, and in any case an outside element is introduced into the society's affairs. It would be undesirable, however, in my opinion to exclude non-members without exception, though I admit that their inclusion should be rare.

"In certain instances, e.g., where the loan is a very large one, it may well happen that a nonmember's security is far superior to a member's. If the Committee approves of such a surety, is there any valid objection to his acceptance ? Approval by the Committee is, I think, essential and minimises the risks I have already mentioned, viz., want of knowledge of the sureties' circumstances, etc. The fact that the interests of the society and surety are identical as regards the main object, viz., the repayment of the loan, diminishes the force of the charge of introducing an outside element.

"The subject was discussed a tour Provincial Conference, where the majority of members agreed with me in thinking that "though members were in every respect preferable as survices yet non-members, if approved by the Committee, should not, *ipso facto*, be debarred from standing as surety."

He said that the principle stated in his note was generally followed in the United Provinces, and enquired what the practice was in other provinces. After some discussion the Conference agreed that the principle laid down by the Provincial Conference was the correct one. Members were always preferable to non-members as sureties, but it was not possible to oust non-members by any hard-and-fast rule.

8. The remuneration of officers of societies—how far legitimate and expedient. This question was also brought forward by Kunwar Maharaj Singh in the followirg note:—

"In rural and small urban societies the only person who draws any remuneration is the Secretary, whose duties are purely ministerial. Sometimes he is a member—more often he is not. If a member, he generally works without remuneration. If a non-member, he is either paid a monthly salary, or receives a bonus from the society's profits at the end of the year.

"Recently a few societies have applied for the Registrar's sanction to the grant of cash honorariums to Sarpanches or other members of the panchayet for good work, e.g., in making collections. I have, however, refused to sanction such requests.

"I am personally of opinion that remuneration of officers, excluding, of course, reimburscment for out-of-pocket expenses, is inexpedient. It will lead to cliques among members and a spirit of unhealthy rivalry. Officers of societies at the same time must necessarily lose their independence when the question of their remuneration and its amount becomes dependent on the votes of members. It will be difficult, for instance, for officers to refuse a loan to a member who has a right to a vote when the subject of their remuneration arises.

"On the other hand there is no doubt that such payments would act as incentives to many panchayets to better work, and for this very reason they were permitted by Schultz in his societies.

"A general pronouncement on the subject by the Registrars assembled in Conference would be useful.

" I might add that District Banks sometimes remunerate Sarpanches of borrowing societies for good services by the grant of *puggrees*, certificates and other small tokens of approval. The remuneration here, however, is from without, and is not, I think, open to the same objections."

The President thought that the less payment there was the better, and Mr. Gourlay (Bengal) added that it should be unnecessary except in very large societies. Kunwar Maharaj Sirgh explained that so far the question had arisen only in the case of the societies in the Unao District many of which were of considerable size. In response to enquiries on the point, Mr. Ramachandra Rao said that payment was unusual in the Madras Presidency, but that a number of large Urban Banks had adopted the systems of giving sitting fees to their Directors, one-third of the net profits of the bank being set aside for this purpose. After some further discussion the views expressed in Kunwar Maharaj Singh's note were generally approved by the Conference.

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# IV.—The utilisation of the Reserve Funds of societies registered under the Act.

9. Mr. Shama Reo (Mysore) at whose instance this subject had been included in the programme, said that he had only two small suggestions to make for the consideration of the Conference. In view of the importance of building up a reserve with the least possible delay, would it not be desirable to credit penal interest on overdue loans to the reserve instead of to profits in the usual way, and might not a portion of the stamp and registration fees remitted by Government similarly be appropriated, with the previous sanction of the Registrar, to the reserve and to the initial expenses which confronted every newly formed society ? The latter suggestion was generally condemned as impracticable. As regards penal interest, Kunwar Maharaj Singh (United Provinces) pointed out that the receipts under this head were usually trifling, and that it would not be worth while to complicate the accounts by insisting on their being credited to the reserve. The Conference entirely agreed in this view.

### V.-How to FINANCE CASH SOCIETIES.

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### VI.—AUDIT AND INSPECTION.

10. These two subjects were considered together and were introduced by Mr. Langley (Punjab).

11. The best means of requiring societies to contribute towards their own supervision.-Mr. Langley pointed out that it was generally agreed that the societies should now begin to bear part of the cost of their supervision with a view to becoming ultimately as far as possible self-supporting. The lead appeared to have been taken in this direction by Bengal and the United Provinces. In the former, Unions of societies employed auditors, and in the latter District Banks employed inspectors. The question was did both these classes of officials merely do the work of audit or were they capable of giving that frequent and sympathetic inspection and assistance which was more important than mere audit and which most exsisting societies and all new societies would require for some time to come? Unless they could do this the Government staff would not be greatly reduced. He was suggesting for the Punjab that each Union should employ a sub-inspector who would be the best type of patwari, or some such man, with local knowledge and influence, but that, in order to encourage the formation of Unions, Government should pay for these sub-inspectors. until the Unions had carned a profit of 3 per cent. In this way the number of inspectors would be considerably reduced. He suggested that some such plan as this was required if . the growing expenditure was to be transferred from Government to the societies.

12. Finance.—As regards future arrangements for financing Cash Societies Mr. Langley presented the following note :—

"We seem to have now reached the stage where it is necessary to look forward and decide what form the financing of societies is to take. Though it is generally agreed that societies should first attract local capital and though their credit is best manifested and is put on the firmest basis by the attraction of local capital, still it appears to be the experience of most provinces that outside capital is necessary also.

"What amount of capital will be required depends upon the object which each province sets before itself. Experience in the Punjab is to the effect that the co-operative movement appeals most strongly to poor and indebted villages. Such villages see in a society the only possible means offered to them/of getting rid of the crushing burden of debt, of enjoying the produce of their own lands and of borrowing money at a cheap rate of interest for the ordinary needs.

"It is for the good of the society and of its individual members to borrow as soon as possible, that is, as soon as their credit entitles them to it, sufficient money to pay off the whole of their existing debt with the money-lenders and also to have sufficient capital at their disposal to satisfy their ordinary requirements without having to resort again to the money-lender. This means that we have before us no less an ideal than the relief (to a large extent) of agricultural indebtedness. This indebtedness in the Punjab is estimated at from 25 to 30 millions sterling and this is probably a low estimate. I do not think it is taking an exaggerated view of the possibilities of the co-operative movement to hope that it may result in the paying off of 10 millions sterling of debt or 15 crores of rupees. In addition to this there is the very large sum which will be required for the current needs of the societies and for their further needs in the way of agricultural and other advancement which will follow in the wake of emancipation from debt. At any rate it seems clear that the amount of capital which will be required ultimately for this province alone will be very large and will be measured in crores.

"Of this no doubt a considerable amount will be obtained locally. As the credit of societies improves, especially as they form themselves into Unions, they will unodubtedly attract considerable sums locally. But it seems equally certain that this contribution will be only a comparatively small part of what will be ultimately required. Moreover, societies do not attract local money until they have to some extent established themselves and for this they require some capital, which, if not procurable locally, must be found outside.

"Societies which cannot attract money to themselves are at present mainly financed by District Banks. The advantage of these institutions is that they obtain local money in the district. The disadvantage seems to be that they are either too small or too large. While they are small they are easily managed, but in that case they are not sufficient for the needs of a district. If they do become sufficiently big, they become regular financing institutions requiring expert management, of which the shareholders look for a large and growing profit. Ultimately we should require a large number of these banks.

"It is therefore a question requiring early decision whether, if the necessity for outside financing is admitted, it should not be done by one instead of many banks. The question must be decided because if some larger institution is found to be necessary the District Bank will become useless and they and the larger bank will have conflicting interests. There is no use in multiplying these financial agencies. They should be as few and as simple as possible. Nor in the event of a large bank being formed could the District Banks be used as intermediate agencies. They have their own profit to make and if the large bank advance money through them, it would mean that the village societies would have to pay for a double profit.

"This difficulty seems to be already felt in the United Provinces where District Banks have been extraordinarily successful. The only reference in this year's report of that province to the rate of interest charged by District Banks to village societies shows them charging from 9 to 12 per cent., which makes it necessary for the village banks to charge the members 15 per cent. Other large District Banks appear to obtain money from Joint Stock Banks at from 7 to 7½ per cent. and they must presumably charge the village banks at least 9 or 10 per cent. District Banks, therefore, seem to mean the payment of a somewhat heavy rate of interest on the part of the members of village societies, and though the District Banks of the United Provinces are certainly doing remarkably well, we are not concerned with their welfare but with the welfare of village societies.

"It seems to me that we have to choose between District Banks and Unions, because I do not think both can exist side by side successfully, and I think the Union is much the healthier form of progress.

"If there could be formed a large financing institution which would lend money to societics or Unions of societies at 8 per cent. and relieve the Department of the trouble and responsibility of arranging for the supply of outside capital, this I think would constitute the soundest system of financing."

13. These two subjects were referred to a Sub-Committee consisting of Mr. C. S. Campbell (Bombay), Secretary, Mr. W. R. Gourlay (Bengal), Mr. Ramachandra Rao (Madras), Mr. P. Hemingway (Central Provinces), Kunwar Maharaj Singh (United Provinces), Mr. W. L. Scott (Eastern Bengal and Assam), Mr. Lalubhai Samaldas (Bombay), Mr. R. S. King (Bengal), and Mr. J. M. Mitra (Bengal). The Sub-Committee presented the following report :--

"(A)—As regards audit and inspection the Sub-Committee is of opinion :---

"I. That the responsibility of the Registrar for audit must be maintained.

"2. That the inspection of rural banks may be made over by degrees as found possible to District Banks or Unions; the official staff confining itself more to pure audit.

" (B).—As regards finance :—

• "1. After some discussion the Sub-Committee is of opinion that at present no one special financing agency for the whole of India is necessary.

"Registrars of provinces that now have a well-developed system of Central and District Banks or Unions have as a general rule experienced little difficulty in raising funds for financing societies and in such provinces there is a growing tendency among capitalists, including Joint Stock Banks, to invest money voluntarily and on business terms.

"2. The Sub-Committee would repeat the following Resolution passed last year at the Conference; page 13 of the Proceedings :---

"The Committee are unanimously of opinion that it is always best to attract local capital, and they desire to emphasise the importance of societies attracting the deposits of members and local non-members. The presence of local deposits ensures interest in the proper working of a society."

"3. When a Central Bank or other large society desires, and is willing to pay for, an audit by a chartered or professionally trained Accountant, and the Registrar is satisfied with such

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Accountant, the Registrar may accept such audit in lieu of the official audit under section 21 of the Act.

"4. No further resolution seems necessary."

14. Mr. Langley suggested that it was a matter for consideration whether a trained banker was not immediately required to advise large societies especially as regards the borrowing of money. This banker would also be the most suitable person to conduct the audit. Mr. Gourlay explained that this suggestion had been considered by the Sub-Committee which had come to the conclusion that at present it would be sufficient if Registrars got advice from bankers with whom they were personally acquainted. It would be premature to appoint an official banking expert either for each province or for all India. The suggestion was also made that it would be useful if some rough standard could be fixed for the strength of the staff required. Some Registrars were much more liberally treated in the matter than others, and the Conference might perhaps state for general guidance how many societies an official auditor might be expected to deal with. As last year, however, it was decided that the question was one which must be left to the Local Governments concerned to deal with.

15. Subject to small amendments which have been carried out in the report the Report of the Sub-Committee was adopted.

#### VII.-LIQUIDATION. THE PRINCIPLES UPON WHICH IT WAS CARRIED OUT.

16. A clear definition of the powers of liquidators under the Act and the necessity for making rules of procedure for liquidation.—The discussion was opened by Mr. J. M. Mitra (Bengal) who presented the following note :—

"The question has special reference to the powers of liquidators to summon and enforce the attendance of witnesses and to compel the production of documents, etc. These powers are defined in sub-section 3 of section 24. The terms of this section are very vague, and the words 'so far as may be' make the section rather indefinite. As the section stands at present, one can only say that sections 159 to 178 of the old Act XIV of 1882 corresponding to Order XVI, rules 1 to 21 of Act V of 1908, would empower the liquidator to issue summons and warrants. As to whether a liquidator can in case of non-compliance proceed to punish the delinquent under section 170, old Code (=rule 12, Order XVI), and section 174 (=rule 17 of the Order), it is difficult to say as the words 'so far as may be' keep it vague. It should also be considered whether provision may be made in 'the Act or rules for the issue of summons and warrants by liquidator through the Civil Court peons. At present the liquidator will have to employ his own peons for the purpose, and he may find it difficult to get his summons served or his warrants executed.

"In Bengal no rules have been framed for laying down the procedure to be followed by liquidators. I presume, other provinces also have not got such rules. I think it is necessary to have such rules laying down the procedure. If the Conference would discuss and lay down some general principles, it might help each province to draw up its own rules. I think such rules should as far as possible be in conformity with the usual procedure of liquidators under other Acts. It may also be considered whether, in order to frame these rules, it is necessary that the Act be amended by an addition to section 27 (2) empowering the Local Governments to make rules prescribing the procedure of liquidators."

17. The amendment of the Act so as to make liquidators and persons authorised under section 21 (4) to inspect public servants within the meaning of the Indian Penal Code.—The following note was presented by Mr. Mitra :—

" I think the Act should be so amended as to make these persons 'public servants' within the meaning of the Indian Penal Code. This will make failure to comply with the summons to appear and to produce documents before liquidators appointed by the Registrar under section 21(11) and persons authorized under section 21 (4) to inspect societies, punishable under sections 171 and 175, Indian Penal Code. The necessity for the amendment of the Act in this direction has not yet arisen, but it is conceivable that officers or members of a society guilty of misappropriation or neglect of duty may try to avoid appearance when summoned."

18. A Sub-Committee consisting of Kunwar Maharaj Singh (Secretary), Messre. Campbell, Mitra and Wheeler was appointed to consider these questions in the first instance, and its report was adopted by the Conference as follows :---

"1. The opinion of the Sub-Committee is that the words 'so far as may be ' in section 21(3) render the position of the liquidator somewhat uncertain and should be eliminated.

"2. The Committee further consider that at present there is no need for making any rules providing for an appeal to the District Judge from orders made by the liquidator.

"3. It is further desirable in the opinion of the Sub-Committee that liquidators should be recognised as 'public servants' within the meaning of the law."

## VIII.—ORGANISATION OF CO-OPERATIVE STORES IN INDIA.

#### IX.—DEVELOPMENT OF OTHER FORMS OF CO-OPERATION.

19. These two subjects were referred to a Sub-Committee which was also asked to consider the question raised by Kunwar Maharaj Singh (United Provinces) as to whether societies and especially District Barks might legitimately engage in other than strictly banking business. The Sub-Committee was composed of Messrs. Buchan (Secretary), English, Shirras and Shama Rao.

20. Mr. Buchan presented the report of the Sub-Committee as below :---

"I. Co-operative Stores.—The Committee's first recommendation is that the Act be amended as soon as possible so as to make the registration of societies for co-operative distribution, production and sale clearly permissible.

"The Committee have come unanimously to the following conclusions :---

- "(1) That a society which deals solely in stores is not generally practicable in a purely rural district owing to the absence, within a workable area, of a sufficiently large and continuous demand for similar articles; that while distributive annexes to Rural Credit Societies are possible, it is highly undesirable that a Credit Society should deal in distributive business until it has thoroughly mastered its own special work; and that generally speaking, in view of the different areas which a Credit Society and a store can safely, and ought to, cover, and of the danger of
  - each department damaging the other's credit, it is desirable that the separation of credit and distributive functions should, except in special cases, be insisted upon.
- "(2) That in small towns, such as the head-quarters of sub-divisions, the formation of stores should not be encouraged unless prices are unduly high and conditions adverse to the consumer.
- "(3) That in the head-quarter stations of districts and in large towns where the people are mainly wage earners and artificial conditions have made living expensive distributive societies should be developed.

"At the same time the Committee wish to record their opinion that minute official supervision and assistance in the matter of stores is neither possible nor desirable. These societies must stand on their own strength. Beyond seeing that their rules make adequate provision for the safe and honest conduct of business and carrying out the annual audit the Registrar ought not to interfere except in very special circumstances. To safeguard co-operative principles and to obviate possible dangers the Committee consider that adherence to the following rules should be strictly insisted upon :---

- "(a) Credit should be forbidden, and cash dealings only allowed. If a member requires credit he should get it from his Cash Society.
- "(b) To preserve the co-operative nature of a society and to prevent any tendency to profit-seeking and traffic in shares the dividend on shares should be limited by rule, shares should be made withdrawable only, and to their number no limit should be placed either by rules or by practice.
- "(c) To guard against fraud and irregular practices, provision should be made for effective control by the Committee of management; stock-taking should be frequent; and all officers dealing with goods or money should be required to give security in a certain amount.
- "(d) Speculation in any form should be forbidden. For instance a society should not be allowed to purchase large quantities of grain at a cheap rate with the object of placing it on a distant market and getting the benefit of the higher price. It should be insisted upon that the sole function of a distributive store is to gauge the wants of the immediate locality and to confine itself to supplying their needs.
- "(e) As far as possible the Stores should follow the methods of European distributive societies, *viz.*, they should sell at the market price of the nearest large town (thereby minimising competition with the legitimate trader), and after defraying expenses of management and placing 25 per cent. of the profits in the reserve.

they should divide the balance between members and non-members according to the amount of their purchases, non-members receiving a lower rate than members.

"II. Other forms of co-operation.—The Committee consider that all other forms which are practicable in India are covered by the general term "Agricultural co-operation." Agricultural Co-operative Societies fall into three principal classes :—

- "(1) Supply, i.e., distributive societies for providing the materials of agriculture.
- "(2) Productive, such as co-operative dairies.
- "(3) Sale, such as grain or lac selling societies. The Committee consider that much might be done in every province in the matter of Agricultural co-operation. Mr. Shirras, especially, believes that in Eastern Bengal and Assam there is scope for the co-operative supply of agricultural machinery (provided that sufficient attention is paid to the peculiarities of local agricultural methods) and a promising market for a co-operative dairy in Dacca. At the same time the Committee would draw attention to the intricate and varied nature of the subject. We are not dealing with general agricultural requirements only, which are similar the world over, but with a complex market and the machinery of commerce. Hence there is no fundamental type of society which might be recommended for general adoption. It is possible that each crop and product under the above three heads (supply, production and sale) may have to be dealt with by a different type of society; and success will always be a question of minute attention to details and conditions. The Committee therefore are not prepared to make any specific recommendations. They are, however, strongly of opinion that in each province, with the help of the Agricultural Departments, a survey should be made of the principal crops and products, the methods of cultivation, production and distribution, and the conditions of the market for each. And where the enquiry shows that co-operative methods can be used with advantage, they should be applied.

"II. (1) & (2).—These special subjects have been covered by the general discussion above.

"(3).—The building societies contemplated by Mr. Shama Rao are constituted on the lines of an ordinary Credit Society, except that their paraded capital and deposits will have to be raised on long terms. Such societies can be registered under the Act, and the Committee consider that they might serve a useful purpose in large towns.

"The members are unanimous in recommending that until the co-operative movement is thoroughly established and co-operative methods fully understood, societies of all kinds should be discouraged from dealing in other than strictly co-operative business."

21. Mr. Wheeler (Bengal) invited attention to the finding of the Sub-Committee that a society which deals solely in stores was impracticable in a purely rural area. So far as his experience went, he doubted if the remark was entirely true, and in any case he ventured to suggest that it required modification. The experience gained hardly justified sweeping generalisations at this stage, and the romark if it received the *imprimatur* of the Conference might tend to discourage experiments which might lead to useful results. The President moved that the words "not generally practicable" should be substituted for "impracticable." Mr. Buchan said that he had no objection, and the report was amended accordingly.

22. The President enquired whether the prohibition against combining credit and distributing should not be made more absolute. - He thought that there was great danger in such combination and that it might be well to omit the words "except in special cases " at the end of parsgraph I(1) of the Sub-Committee's report. lle would ask Mr. Ramachandra Rao to give his opinion as co-operation for distribution purposes had made greater progress in Madras than in any other province. Mr. Ramachandra Rao said that he must oppose the omission of the words. He had societies in Madras which were already combining successfully credit ard distributing functions. He would refer the Conference to his note on the co-operative wholesale purchase of commodities printed in Appendix XV to the Proceedings of the last Conference. The experiment mentioned in that note was proving vory successful, and he objected to any amendment of the report which would rule it out as illegitimate. Mr. Laugley (Punjab) enquired whether it would be legitimate for a Co-operative Credit Society to buy up the grain of its members and hold it up for a better price. Mr. Buchan (Bengal) held strongly that Cash Banks should refrain from speculative business of this kind. The subject was then dropped.

23. Mr. Gourlay (Bengal) drew attention to paragraph I (e) of the Report and said that the question whether Co-operative Stores Societies should sell to nonmembers deserved consideration. The first principle of Co-operative Credit Socie-

ties with which the movement had hitherto mainly been concerned, was that nonmembers should be rigidly excluded from the benefits of the society. In the case of Store Societies with cash transections there was less danger, but he was inclined to thick that a Store should deal only with members and prospective members. He would explain what he understood to be the usual practice at home. The Store dealt with any one who wished to buy at current market prices. At the end of the year net profits after payment of interest on shares were divided up rateably among purchasers who had purchased goods in excess of a fixed minimum value. A member could claim his rebate in cash or invest it in the business. But as regards non-members, he believed that the rebate could not, as a rule, be claimed in cash, but must be devoted to the acquisition of a member's share. He was inclined to think that the same principle should be followed in India. At the end of two years unclaimed rebates would be credited, as in England, to the reserve. Mr. Ramachandra Rao (Madras) was of opinion that dealings with non-members should be prohibited. This was the principle followed in all Co-operative Store Societies in Madras, even in the Triplicane Society in the Presidency town. The societies i sold only to shareholders, but the shares were payable in small instalments. The essence of a Co-operative Society of any kind was that its dealings should be only with members. If this principle were departed from it would be impossible to exclude undesirables. Mr. Wheeler (Bengal) agreed as to the importance of having power to exclude undesirables. Mr. Buchan (Bengal) did not agree. If non-members were excluded, the operations of the store would inevitably remain on a very limited scale, and members would not be attracted. The dealings would be in cash, and therefore in his view the moral character of the purchaser did not matter very much. It would be easy to exclude undesirables from any share in the management which was the really important point. He agreed with Mr. Gourlay that rebates in cash to purchasers who were not members should not be allowed. The rebates should be devoted to the acquisition of shares. Mr. Patel (Baroda) said that the question had been exhaustively discussed by the International Co-operative Union at their Congress at Buda Pesth in 1904, and that the opinion of the majority of the Conference was that there was no objection to dealings with nonmembers. Other Registrars had not had sufficient experience of Co-operative Stores to express an opinion on the point, and it was decided that until further experience had being gained it would be unwise or the Conference to record a Rosolution on the subject. But the Conference agreed in the form in which new section 9(4) of the Co-operative Act, as amended, had been put.

24. Mr. Frementle (United Provinces) said that experience in the United Provinces had shown that it was not an easy matter to start Co-operative Stores and to supervise their working when they had been started. He suggested that it was advisable that such stores should be started in the first instance on a small scale and only gradually enlarged. Mr. Buchan (Bengal) entirely agreed.

25. Mr. Buchan (Bengal) suggested that it might be considered whether the subject of the co-operative insurance of cattle should not be taken up in addition to other forms of co-operation. The death of cattle was an important cause of indebtedness in some provinces, and perhaps the attention of Registrars might be directed with advantage to the question of devising a practical mitigation of the evil on the lines of co-operative insurance of cattle. Mr. Gourlay (Bengal) raid that he understood that the question had been raised by Mr. English (who was unfortunately unable to be present during the discussion), and that Mr. English was of opinion that a practical scheme could be devised in Burma. Mr. Fremantle (United Provinces) doubted whether in India Proper any useful results would be sttained. Any such insurance scheme, if it was to be a success, would have to extend over an immense area of country. The disease from which they had most to fear in his province was rinderpest, and the most practical way of mitigating the evil of rinderpest was preventive inoculation. Mr. Hemingway (Central Provinces) entirely agreed. Mr. King (Bengal) thought that the question was an important one, but that it was more for the Agriculture and Veterinary Departments to deal with than for the Registrars of Co-operative Credit Societies. Mr. Lalubhai Samaldae (Bombay) said that in his opinion it would be premature to take up the subject, and the Conference generally agreed in this view.

26. Mr. Buchan (Bengal) drew attention to paragraph II(3) of the Sub-Committee's Report. Until the survey recommended by the Committee had been

complete, he did not think that any real advance would be possible. He would suggest that one or two important products should be taken up as a beginning, and the condition of the market studied from beginning to end. He was already enquiring in connection with yhee. Mr. Hemingway (Central Provinces) thought that the recommendation of the Committee was couched in much too definite terms, and he hoped that it would be modified by the Conference. If the Agricultural Department were brought into the enquiry, a very heavy burden would be imposed on it, and he thought that a Conference of Registrars would not be justified in endorsing the recommendation in the precise form in which it had been made by the Sub-Committee, until the Agricultural Department had had an opportunity of expressing an opinion in the matter. Mr. Gourlay (Bengal) recognized the importance of making such enquiries, but the work involved would be very great and the enquiry would take years to complete. Perhaps it would suffice for the present if the Conference contented itself with suggesting that Registrars should consult the Agricultural Departments of their respective provinces with a view to further discussion next year. Mr. Wheeler (Bengal) thought that a beginning could be made by Registrars in specified local areas. After some further discussion, the following Resolution was passed :-- "With reference to the survey proposed by the Sub-Committee, the Conference recognizes the importance of collecting information concerning the present methods of production and distribution of the principal crops and products of the country and the conditions of the market in each case. But it considers that such an enquiry can be taken up only gradually. A beginning however might be made, in consultation, if necessary, with the Agricultural Department, in specified local areas where Co-operative Credit Societies already exist."

### X.-PRIVILEGES GRANTED BY GOVERNMENT.

27. Extension of concession of Remittance Transfer Receipts at par.—Mr. T. Adniarayana Chettiar, Secretary, Salem District Urban Bank, Limited, said that in Madras the Salem District Urban Bank, Limited, had been granted a cash credit, with a Joint Stock Bank. If that bank were a society registered under Act X of 1904, remittances could be made to and fro by means of remittance transfer receipts at par. Considering that the bank issued money on demand and accepted partial repayments without notice and was entitled to interest on daily balances only, he thought it should be placed on all fours with a Central Co-operative Bank with regard to facilities for remittance. He did not propose to extend the concession to Joint Stock Banks which do not allow drawing accounts.

Mr. Ramachandra Rao (Madras) agreed that the concession of remittance transfer receipts at par might well be extended to all Joint Stock Banks giving cash credits. Mr. Hemingway (Central Provinces) said that the whole question of providing facilities for remitting money was assuming great importance in the Central Provinces. The organisation which gave greatest promise of success in the Central Provinces comprised a number of small rural societies round a Central Bank or Union. The Central Bank negotiated with capitalists and Joint Stock Banks for the funds required from time to time by the dependent or affiliated rural societies. It was most important that the Central Bank or Union should secure a cash credit with some local Joint Stock Bank, for if this arrangement were made it would never be troubled with idle capital. It was also advisable to encourage similar cash credits in the smaller transactions between the rural society and the parent Bank, and this encouragement would be given effectually only by an extension of the concession of remittance transfer receipts at par to transactions between the Central Bank or Union and the Joint Stock Bank which accommodated it with a cash credit. A rural society was never in a position to state its exact wants long beforehand. What it wanted was a cash credit with the Central Bank against which it could draw by cheque. The Central Bank must be able to obtain the required funds without delay. At present delay in remittances from the Joint Stock Bank was inevitable, but the privilege of remittance transfer receipts at par would solve the difficulty. He also drew attention to the fact that there was often difficulty in cashing remittance transfer receipts at sub-treasuries in the Central Provinces, many of which did not issue and cash bills. Kunwar Maharaj Singh (United Provinces) said that the last difficulty mentioned by Mr. Hemingway did not exist in the United Provinces. Remittances of funds backwards and forwards between Central or District Banks and societies financed by them were now permitted to be made through head-quarters-treasuries and sub-treasuries by the issue of cash orders on the latter and of payment bills on the former. Several Registrars spoke in favour of extending the concession as proposed by Mr. Adinarayana Chettiar and Mr. Ramachandra Rao. The President pointed out that a similar suggestion had been made and negatived at last year's Conference (paragraph 45). Personally he disapproved the principle of such concessions. The more the societies worked on purely business lines and the more independent they remained of concessions from Government, which business firms did not enjoy, the better. Mr. Gourlay agreed with the President, at the same time he recognized the importance of bringing Central Banks into touch with the Joint Stock Banks. Mr. Fremantle said that the concession would be merely a temporary one, and on this understanding the Conference was generally in favour of Mr. Ramachandra Rao's proposal.

28. Should Co-operative Credit Societies be given the privilege of opening running accounts in the Government Treasury.—Mr. T. Adinarayana Chettiar in opening the discussion on this subject said that at present Co-operative Societies were allowed to place their cash chests in Government Treasuries. While this was satisfactory in the case of ordinary societies, it was found desirable from experience that District Banks and Central Societies should be given the privilege of having running accounts in the Treasury as was the case with Municipalities, since these societies could not, in the present state of their development, afford to make satisfactory arrangements for the safe custody of their funds. He added that such a course would not entail any considerable work on the Treasury as the District Banks were not expected to involve the Treasury into petty and worrying transactions.

Most of the Registrars present condemned the proposal and the Conference was not in favour of it.

29. A question was asked whether there was any objection in principle to Government assistance to purely propagandist associations. The Conference saw no such objection.

XI.—THE WORKING OF GOVERNMENT OF INDIA RESOLUTION NO. 1-63-3, DATED 29TH APRIL 1904. LOANS AGAINST EQUIVALENT DEPOSITS BY MEMBERS. How far have deposits been encouraged.

30. Mr. Gourlay (Bengal) said that this item had been included in the programme at his instance. In Bengal the rule contained in the Resolution mentioned by which State funds were advanced to the Government societies up to a limit of Rs. 2,000 in each case and subject to the proviso that the advance should not exceed the amount deposited by the members of the society themselves, had at first had little result and deposits had not been encouraging. But in the last few months, in response to special efforts made by the Registrar, deposits had begun to come in freely, and the societies were applying for equivalent loans from Government. The limit fixed for such loans in Bengal, viz., Rs. 50,000 had been reached, and there were still applications which had not been disposed of. He had never approved of the principle of these loans, but he was a fraid that the promise made was binding on Government, and charges of breach of faith might plausibly be made if that promise was not fulfilled. It would be useful to know if a similar difficulty had been experienced in other provinces, and if so, how it had been met. Mr. Fremantle said that in the United Provinces the grant had been exhausted, and he did not propose to apply for more. The too favourable terms of the advance led the societies to imagine that they were entitled to borrow money at less than the market rates. In the Punjab and Eastern Bengal and Assam and Bombay it had been found necessary to raise the limits originally fixed. In Madras such loans were no longer being made. The original limit had not been exceeded. The general feeling of the Conference was that advances free of interest or at specially low rates should be discontinued. Some Registrars thought that such loans might be given at the usual rate of interest charged on agricultural loans.

XII.-HOW BEST TO ENCOURAGE THE ASSISTANCE OF NON-OFFICIALS.

31. The discussion was opened by the following note presented by Mr. Buchan

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(Bengal) in which he advocated the formation of District Co-operative Committees : -

"There is no more important or more difficult question before the Conference than the organisation of the future development of co-operation. We have come to the stage where we must choose between further officialising and more completely popularising the work. Personally I consider it vital to the movement that the propelling power of popular interest and enthusiasm should be applied to it as soon as possible, and our principal efforts should be directed to enlisting and systematising the co-operation of the people in the work of organisation. I offer the following suggestions for discussion.

" (2) There are certain facts which few will question :---

- (a) In nearly every province the Registrar has great difficulty in supervising his societies and no time for propagandist work. Honorary organisers have given most valuable assistance, but their number and powers are limited.
- "(b) It is not a sound arrangement that the Registrar should be a financing agency except in special cases. We want above all things local capital and a machinery for attracting and dealing with it.
- " (c) New forms of agricultural co-operation (productive and distributive) should be undertaken and are in contemplation. These forms present so many variations dependent on local circumstances and conditions of production, that without active assistance in the districts the Registrar can accomplish very little.
- "(d) In no country has co-operation become a force until it has become a popular movement. And so it will be in India.

"(3) We have to face then three alternatives—(1) stoppage of progress or development without guarantee of safety if our present staff is retained, (2) considerable increase of staff and further officialisation of the movement, which we want to avoid, and (3) co-operation with, and extensive devolution of responsibility to, unofficial agencies, combined with a proper organisation of this unofficial assistance. There can be no question that the last alternative is the best if it is practicable.

"(4) From what I have seen of agricultural organisation in Britain I feel sure that we want something on the lines of the Irish Agricultural Organisation Society, only much more localised. We cannot work on a provincial scale yet. A Provincial Bank or a Provincial Union would be handicapped to the point of failure by want of local machinery. It would be safer and more effective to build up to them from below. What I would suggest as a first step is the creation of District Co-operative Committees. Each would consist of a few (not too many) members really interested in co-operation and representatives of different areas. We would thus have virtually a number of Honorary Organisers in every district, not acting independently, but taking counsel together periodically and working out a common scheme. Each would undertake the preaching of co-operation and formation of societies of different types in his own area. Above all they would tap local sources of capital, which would be one of their chief duties. That they should find funds for their own societies would be insisted upon ; and the first operations should be confined to districts where local capital is available. Besides propagandism the Committees would undertake the initial supervision and control of the young societies. But this minute supervision would only be temporary, for they would always work with an eye to the formation of Unions and to the speediest possible autonomy of the groups. So the District Committees and the Unions would be parallel and complementary developments. Their lines, however, would probably converge in time, for the Union on its banking side would no doubt become affiliated to a Central Bank, while the District Committee might develop into a Central Union to which the local Unions on their administrative side would be subordinate.

"(5) To begin with the Registrar and the District Officer would guide these Committees and control them with some strictness. But within definite limits they would be given a free hand. And as the movement gathered strength and the Committees proved their worth the Registrar would gradually withdraw, and in time, I hope, would confine himself to the merely formal duties of a Registrar in other countries.

"(6) The actual constitution of the Committees is a matter for arrangement. They might be attached to the District Agricultural Associations; but they would probably be more effective, to begin with at least, as independent bodies. In any case the District Officer should be Honorary President. He would exercise a very useful supervision without interfering too minutely or making success dependent on his continuance in the district. In time these, Committees might become very useful assistants to the Agricultural Department. One of their most important duties would be to develop agricultural co-operation in production and sale; and it is the experience of every country that the direct linking of the agriculturist with the general market by a co-operative machinery is one of the most effective means of teaching improved method of cultivation, breeding, etc.

"(7) Lastly, I think that Government should give some financial assistance to the District Committees. They ought of course to be composed of voluntary helpers, but there are bound to be expenses of management which Government might, at least, in part defray. This assistance would probably best be given in the form of a small yearly grant to each district. These grants would not of course be permanent, but would be continued until the movement in each ' area became self-supporting. There can be no objection to this from a co-operative standpoint; even the violent opponents of State aid make a distinction in favour of Government grants to propagandist effort. Instances might be drawn from many countries. I need mention only the considerable subsidy which up to last year the Irish Agricultural Organisation Society received from the Irish Department of Agriculture, and the proposed grant to British Agricultural Organisation Societies under the recent development Bill, which I understand is not objected to by co-operators.

"I would be glad if this Conference would consider the above rough sketch of the line I propose to take next year. Discussion may elicit a more practicable scheme for enlisting popular interest and support."

32. Mr. Gourlay (Bengal) entirely agreed with Mr. Buchan that the movement could never be a real success unless and until it became a national movement. Government had shown the way and had proved the endless possibilities of combination; but it could not undertake the indefinite extension and supervision of rocieties, and co-operation would never become a power in the land until it became a really popular movement. The question before the Conference was what practical means could be taken to secure this end. Various schemes had been suggested in Bengal. Mr. Buchan had just explained one of them, and efforts had also been made to train the younger generation in the principles of co-operation. Co-operative Credit had been included in the syllabus of Political Economy at the University examinations, and instruction in it was given at the colleges. It would greatly assist them in Bengal, however, if the Registrars would explain what was being done in the matter in other provinces. Mr. Langley (Punjab) generally agreed in the ideas expressed in Mr. Buchan's note. Rai Ishwar Sahai Bahadur (United Provinces) pleaded for more recognition by Government of the work of Honorary Organisers. He suggested that certificates should be given to such organizers on the recommendation of the Registrar. Kunwar Maharaj Singh (United Provinces) said that his experience pointed to the same conclusion. He believed that it would have an excellent effect if the services of Honorary Organisers and managers who had year after year done particularly good work were occasionally recognised in an appropriate manner. He also mentioned that some District Banks in his province had adopted the system of giving small tokens of approval such as puggarees, certificates, etc., at their annual meetings to the Sarpanches of borrowing societies who had done good work. The system had had excellent results, and he thought that it might be followed with advantage in other provinces. With regard to District Committees, the United Provinces already possessed similar organisations in the Boards of Directors of Central and District Banks. Mr. Fremantle (United Provinces) criticised Mr. Buchan's proposal to form District Committees controlled and guided by the District Officer. The experiment had been tried nine years ago in the United Provinces and had failed. Societics started by prominent men in order to please the Collector would not do any useful work. Mr. Buchan said that Mr. Fremantle had misrepresented his scheme. He did not want prominent men. The Committees would consist only of men who were really interested in co-operation. Mr. Wheeler (Bengal) agreed with Mr. Buchan that if the movement was to be a success it must depend on disinterested work, but he disliked Committees. They were too fond of sitting round a table and talking. He had much more faith in individual men working in small local areas in which they lived and were interested. He would recognise them officially. They, should be appointed by the Registrar and should be called Assistant Organisers or given some such title. All depended of course on the careful selection of the men. Mr. Hemingway (Central Provinces) referred to the Co-operative Journal which had been started in Madras. He thought that much good would be done by a journal of this kind if the Registrar noted briefly in it the results of his inspections of societies and mentioned by name members of Committees who had done good work. Mr. Ramachandra Rao (Madras) said that he had more offers of non-official aid than he could make use of in Madras. Mr. Campbell (Bombay) said that his expericnce was that a society founded on sound lines was the best agent for development. Its influence soon spread, and it led to the formation of other societies in the vicinity. He thought, however, that much good would be done by Provincial and Divisional Conferences. Mr. Adinarayana Chettiar, Secretary of the Salem District Bank, asked leave to make a small suggestion. It would be very

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popular if a few relected non-official gentlemen in each province who had been of assistance to the Registrar were placed on the distribution list of the Co-operative publications of Government, such as the annual Administration Report on the working of the societies in the various provinces. It would be of great use to nonofficial gentlemen to get these reports and to be able to keep in touch with the work going on all through India. The Conference cordially approved of this suggestion. As regards the general question, it was felt that no cut and dried scheme could be laid down, and that it must be left to the Registrar and his staff to decide, with reference to local conditions and the degree of development attained, how the assistance of non-officials could best be encouraged. The Conference will await with interest the result of Mr. Buchan's experiment.

#### XIII.—PROVINCIAL CONFERENCES.

33. Kunwar Maharaj Singh, Mr. Wheeler and Mr. C. S. Campbell gave a brief description of the Provincial Conferences recently held in the United Provinces, Bengal and Bombay, respectively. The Conference thought that such Conferences rerved a very useful function and that they might be held with advantage in all provinces where co-operation had taken root.

### XIV.—THE AMENDMENT OF THE CO-OPERATIVE CREDIT SOCIETIES ACT.

34. The amendment of the Act was the most important subject before the Conference, and for the assistance of the Registrars a memorandum of all the changes which had been proposed by previous Conferences and Local Governments had been prepared in the Secretariat. Preparatory to the discussion various notes were laid before the Conference.

35. The amendment of the Act so as to make the certificate of registration conclusive evidence for the purpose of the Indian Evidence Act.—Mr. J. M. Mitra (Bengal) read the following note :—

"The Act is defective in making no provision for proving the registration of a society in a court of law. When a society is registered, it is usual to grant a certificate of registration, but it cannot be conclusive evidence for the purposes of the Indian Evidence Act, as the Act X of 1904 makes no mention of such certificates. I would therefore suggest that section 6 of the Act be so amended as to declare that a certificate of the incorporation of a society given by the Registrar shall be conclusive evidence that all the requirements of the Act in respect of registration have been complied with. There is a similar provision in the Indian Companies' Act (Act VI of 1882, vide section 41)."

30. The amendment of the Act to make provision for the safeguarding of a minor's interest.—This question was also raised by Mr. J. M. Mitra (Bengal) in the following note:—

"The question was raised at the third Conference by Mr. Wilberforce, and a reference to his note and the Proceedings of the Conference on the subject may be made. Similar difficulties were felt in Bengal last year, and the subject was discussed at our Provincial Conference held in July last. The Conference agreed with Mr. Wilberforce in his recommendation, but suggested that the amendment of section 10 should provide that a loan could be made to a minor for the necessaries of life. It was pointed out that a minor who had no legal guardian and also probably no other near relative would probably require some such loan to help him along, and that such a loan to a minor for the necessaries of life was legally recoverable."

# 37. The amendment of the Act to legalize the appointment of Deputy Registrars and the delegation of certain powers under the Act to them.—Mr. J. M. Mitra read the following note:—

"The necessity of an Assistant to the Registrar has been recognised in almost every province. But the Act does not provide for the appointment of such Assistants and delegation of powers to them. At present I presume such Assistants are empowered under section 21 (4) to inspect the books and accounts of the societies. It would afford great relief to the Registrar if part of his duties can be 'delegated to these officers. Take, for instance, the power of the Registrar to order dissolution under section 23 (1) after personal inquiry. An order of dissolution cannot be made on the report of enquiry held by an Assistant nor costs of inquiry held by an Assistant under the Registrar's order be levied in accordance with sub-section (6) of section 21. I would therefore suggest that section 5 should be amended so as to allow the appointment of an Assistant or Deputy Registrar; the particular powers of the Registrar with which they are to be invested should be left to the discretion of Local Governments." 38. Note by the Registrar, Co-operative Credit Societies, Burma, on the amendment of the Act ; -

"(1) Section 9 of the Act provides that a society may receive deposits from members without restriction. The control of deposits from non-members in Burma at present is the main factor in the credit of the society. The Registrar sanctions the acceptance of certain deposits with a knowledge of the societies' liabilities and assets, and it is on receipt of this sanction that the financing agencies issue money.

"The society's position might be entirely altered by its acceptance of large sums from members, possibly in the case of societies with limited liability bringing the total deposits to a sum in excess of the member's liabilities. In any liquidation, deposits by members, unless the liquidator took action under section 24 (2) (c), would rank with those of non-members. It might also cause loss or inconvenience to outside creditors even in the case of societies with unlimited liability if a society when it was getting into difficulties could pay out deposits held from members before the obligations due to non-members were met.

"I would therefore recommend that the Act be altered so as to give the Registrar full power with regard to the acceptance and repayment of deposits from members by societies which hold any deposits from non-members. There is no necessity to have powers over deposits by members in the case of societies which do not borrow from non-members.

"(2) Section 12 of the Act prohibits any member of a society from holding shares in excess of a nominal value of Rs 1,000. As far as the ordinary rural society goes, this limitation causes no trouble, but in the case of banks and central financing societies it is a serious inconvenience. If Burma were provided with a system of Joint Stock Banks to which societies could be linked there might be no need for co-operative banks. But the entire financial system for agriculture in the province has to be formed by co-operative organisations. Central agencies for local areas are a necessity. Though banks cannot be run on the lines of voluntary and unpaid management, it is an advantage to have them registered under Act X and kept as far as possible on co-operative j lines.

"In Burma a good District Bank would want at least a lakh of capital; and it would require the services of a few of the richest and most intelligent men in the towns on its committee. They cannot be expected to give much interest, time or trouble to its management if their stake is limited to Rs. 1,000 and their control of policy reduced to one-hundredth of the voting power.

"The difficulty is already a real one, and I do not think that banks can have any assured future until it is removed. It is possible to instruct and interest a small number of wealthy shareholders in the aims and methods of co-operation, but if capital has to be raised from a largo number of petty share holders, no such educational work will be feasible. Perhaps the difficulty has arisen in some other province. Provided a member shall not hold more than one-fifth of the capital, further restriction seems unnecessary and arbitrary.

"(3) Section 21 of the Act requires that the Registrar shall audit the accounts of each society once at least in every year.

"I do not know whether in the provinces where societies are much more numerous than in Burma, Registrars have found it possible to comply with this requirement, but further expansion will soon make it impossible here, unless the societies are grouped together in a few areas. The Registrar's audit will ultimately be more of the nature of a quinquennial valuation. Though for some years to come he may manage to audit nearly all societies once a year, there will be exceptions which will be increasingly numerous.

"The Act might provide for an audit by his staff by inserting after the word "Registrar" in clause (I) 'or some person authorised in this behalf by the Registrar."

39. Note on the amendment of section 3 of the Act.—Mr. Ramachandra Rao (Madras) submitted the following pote:—

"Section 3 of the Act declares that a society shall consist of ten or more persons. The rules provide that the application shall be signed by at least ten persons; so that we can ensure that the number does not fall below ten when the society is registered. But what will be the effect if, subsequent to registration, the strength owing to withdrawal of members or ineligibility to continue as such falls below ten ?

"(2) As the section now runs, the society ceases immediately thereon to be a corporate person. The Advocate-General, Madras, has given his opinion that 'the requirement that a society shall consist of ten or more persons residing in the same locality cannot be regarded merely as a ' condition to be satisfied before the registration of the society. The conditions both as to the minimum number and as to residence must be held to be continuous throughout the period of the existence of the society.'

<sup>1</sup> "(3) There is no reason to question the soundness of this ruling. It is true that the question is not one of practical importance, as it is very unlikely that the number of members in any society is likely to fall below ten. But the consequences are disastrous. For without any overt act or declaration of the Registrar, the society ceases to be such and even if subsequently the number rises to ten or above cannot be regarded as reconstituted without fresh registration. All its transactions will become void.

"(4). I propose therefore an amendment of the Act on the following lines :----

- "(a) The society shall consist of ten or more persons at registration.
- "(b) The society shall be dissolved if it be established to the Registrar's knowledge if the number of members fall below ten.
- " (c) Even if the number falls below ten, the society shall continue as such and its acts shall be valid till it is formally wound up."

40. Note on the amendment of section 17 of the Act.—This quéstion was also raised by Mr. Ramachandra Rao (Madras) who read the following note :—

"Section 17 of the Act enacts that 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 shall continue for a period of one year from the date of his ceasing to be a member.

"(2) Under section 3 (1) a member who ceases to reside in the locality will, *ipso facto*, cease to be a member of the society. The Advocate-General, Madras, has given an opinion as follows :---

- <sup>•</sup>I do not think that any rule can be framed under section 27 of the Act to the effect that a person who has become a member should be held to be a member until his name has been formally removed from the register. Clause (c) of sub-section (2)of section 27 which refers to withdrawal relates only to a direct voluntary withdrawal and not to a cessation of membership as the result of a disqualification under the Act. Nor can any such rule be framed under clause (n) which relates to the formation and maintenance of a register of members and does not authorise the framing of any rules to declare when a person shall cease to be a member.
- 'So far as the liability of a past member for debts due by him to the society is concerned, it will be governed by the general law of limitation. The special period of one year laid down in section 17 of the Act relates only to the liability of a past member in respect of debts due by the society to third parties.
- <sup>6</sup> There is, no doubt, considerable difficulty in ascertaining when a change of residence commenced, so as to cause a cessation of membership. But this question will be of practical importance only in the case of winding up, as, during the continuance of the society, the liability of the existing members will be a sufficient socurity for the debts due by the society.

"(3) To take a practical hypothetical example of the difficulty noticed : Let the debts of a society be Rs. 8,000 on 1st February 1907; and suppose it was wound up on the 1st February 1908. Then all the members on the rolls on the 1st February 1909 as well as the members who ceased to be members subsequent to 1st February 1908, will be liable for insuring Rs. 8,000. In the case of deaths or voluntary withdrawals, there can be no difficulty in ascertaining the date of cessation of membership. But in the case of persons becoming ineligible for whatever reason—by non-residence or lunacy—the date is indefinite and the persons may allege to escape liability that the ineligibility was prior to 1st February 1908. The enquiry will be difficult and vexatious. The Act which is intended for the relief of illiterate masses of people ought to be clear.

"(4) In some of the societies in the Madras Presidency, the bye-laws provide that the person shall give notice of ineligibility and the cessation of membership shall take effect only from the date of declaration of inelibigility by the governing body. Under the Advocate-General's opinion, such a provision is inoperative.

"(5) I recommend that section 17 be made more definite by a clear definition of the date when a person ceases to be a member through ineligibility. It would naturally be the date of acknowledgment of such ineligibility by the governing body of the society or if the governing body gives no acknowledgment within a reasonable time, by the date of a similar acknowledgment by the Registrar. Some provision is necessary to prevent vexatious enquiries."

41. The whole subject was then referred to a Sub-Committee consisting of Mossrs. Fremantle (Secretary), Buchan, English, Scott, Ramachandra Rao, Haller, Wheeler, Mitra and Shirras. A preliminary report was presented by the Sub-Committee on Monday, November 22nd, and several important questions were settled by the Conference. The Sub-Committee then sat again and presented its final report on Tuesday the 23rd. In order that the Conference might be in a position fully to appreciate the effect of the amendments proposed, this report took the shape of a revise of the Act with all the amendments printed *in loco* in italies. All the proposals of the Committee were considered in turn, and the Act, as the Conference propose that it should be amended, is printed as an appendix to this report, the most important changes made being explained in brief notes on clauses. In the circumstances any detailed account of the discussions of the Conference would be superfluous, and it is only necessary here to refer briefly to points which formed the subject of controversy.

42. The residential qualification.—Section 3(1) (a) of the existing Act prescribes that the members of a Co-operative Credit Society must be residents of the same town or village or the same group of villages, if the society is not a tribe, class or caste society. In 1906 a proposal was made by a Local Government that section 3 (1) (a) should be amended by the addition of words "or holding im-moveable property" after "residing" on the ground that it was unreasonable that a land-owner should be hindered by law from helping to start and maintain a Co-operative Credit Society, in what might be his native village, merely because he happened to reside in another village. The first Conference of Registrars agreed in this view, but the question was again discussed by the third Conference, and the conclusion arrived at was that the proposed amendment was both unnecessary and undesirable. Mr. Fremantle reported that the matter had again been considered by the Sub-Committee, and that they had agreed that the amendment proposed was not required except possibly in parts of Madras, Bombay, Coorg and Burma. It was suggested that exceptions from the qualification might continue to be dealt with as special cases under section 29 (1) of the Act. Much difference of opinion on the subject was again manifested. Mr. Ramachandra Rao (Madras) and Mr. Campbell (Bombay) strongly pressed for the amendment. The President pointed out that the residential qualification was one of the cardinal principles of the Act, and that after full consideration it had been maintained when the Act was first passed. Sir Denzil Ibbetson, in his speech in the Imperial Legislative Council when he presented the report of the Select Committee, had said :--- "The other condition which was imposed by the original Bill was that members must be residents of the same town or neighbourhood. All those of our advisers who speak with any authority have insisted upon the cardinal importance of this condition as ensuring that mutual knowledge and confidence\_which must\_be the basis of all successful co-operation and we have retained it in a slightly generalised form." Mr. Gourlay (Bergal) was of opinion that the area principle should be maintained. Mr. English (Burma) entirely agreed as to the importance of the principle. But the Act should state the principle and then allow the Registrar to depart from it in special cases. The objection to dealing with special cases under section 29 (1) was that a reference to Government was required in each case. The Registrar ought to be able to dispose of such matters himself. After further discussion the Conference resolved by a majority, on the motion of Mr. Fremantle (United Provinces), that a proviso should be added to the section as follows: "Provided that an agriculturist who resides in another village but whose principal holding is in the village where the Co-operative Credit Society is situated, should not be debarred from joining the society."

43. Disposal of profits.—Section 8 (1) of the Act X of 1904 states that no dividend or payment on account of profits shall be paid to a member of a rural society, but that all such profits shall be carried to the reserve. A proviso however is added to the section to the effect that when the reserve has attained such proportion to the total of the liebility of the society, and that when the interest on loans has been reduced to such rates, as may be determined by the bye-laws of the society, any further profits not exceeding three-fourths of the total annual profits may be distributed to members by way of bonus. The question of amending this proviso of the Act was first brought up by Mr. Hope Simpson, then Registrar of Cooperative Credit Societies in the United Provinces, at the first Conference of Registrars. He pointed out that the section prevented the declaration of a dividend by a rural society, and that therefore it was likely to hamper the formation of rural societies on a share capital basis. He proposed that section 8 (1) of the Act should be omitted altogether and that section 8 (2) which prescribes that in the case of an urban society dividends may be paid after not less than one-fourth of the annual profits had been carried to the reserve, should be amended by the omission of the word "urban." The Conference however was unable to come to any agreement, and the question was dropped.

44. Mr. Fremantle (United Provinces) reported that after a long discussion the Sub-Committee had decided to propose that a second proviso should be added to

section 8(1) [new section 7(1)] to the effect that dividends might be paid to members of unlimited liability societies with share capital to such extent and under such conditions as might be provided by rules or bye-laws made under the Act. The object of the proposal was to legalise what was already being done in many provinces. It had been pointed out at the first Conference that it was possible so to interpret section 8(1) of the Act as to render its provisions practically inoperative, and the bye-laws of many share societics in the Punjab and the United Provinces had been framed so as to permit a distribution of profits after a fixed number of years. It was impossible to alter the bye-laws of these societies in this respect, at any rate without exciting much dissatisfaction. But it was doubtful whether they were strictly in accordance with the law, and the opportunity should now be taken definitely to permit the distribution of profits in share societies after a stated number of years. Mr. English (Burma) entirely agreed with Mr. Fremantle. Societies of the Luzatti type had in his opinion a great future before them in Burma and other provinces, and the Act ought to be amended so as to make it plain that they were quite legal. Mr. Langley (Punjab) said that the amendment proposed was most important from the point of view of the Punjab. Personally he would go further than the Sub-Committee. He thought that the amendments proposed by Mr. Hope Simpson in 1906 should be carried out and that the whole of section 8 (1) be omitted and that section 8 (2) should be made applicable to societics generally of whatever description. Mr. Campbell (Bombay) said that he had no objection to the declaration of dividends after a certain number of years by share societies, but that as regards non-share societies he agreed in the policy of the Act. Mr. Wheeler (Bengal) proposed that the existing proviso to section 8 (1) should be omitted altogether and that the new proviso proposed by the Sub-Committee should be accepted. The effect of this proposal would be to retain the prohibition against the distribution of profits to members by unlimited liability societies generally, but to allow an exception in favour of such societies on a share basis. Mr. Buchan (Bengal) objected to the proposal. The President said that the question of policy should be decided before the precise amendments required in the Act were considered. In the first place he would ask the Conference to decide whether unlimited liability societies with share capital should be permitted to declare dividends after a stated number of years. The Conference decided in favour of the proposal by a majority. The President said that the next point for consideration was whether unlimited liability societies on a nonshare basis should be similarly empowered. The Conference decided by a large majority that the policy embodied in the Act in regard to this matter should be reallirmed, and that as a matter of principle a division of profits among members of such societies was objectionable. The amendment proposed by Mr. Langley (Punjab) was then put to the vote and negatived by a large majority. Mr. Fremantle then proposed that section 8 (1) should be amended by the addition after the words "by way of bonus" of the words "provided also that in the case of such societies with share capital dividends may be paid to the members to such extent and on such conditions as may be provided by the rules or byelaws made under this Act. But in any case one-fourth of the annual profits must be credited to the reserve." The proposal was carried by a majority. Mr. Wheeler's proposal that the existing proviso to section 8 (1) should be omitted was then considered. Mr. Buchan (Bengal) opposed the amendment. He agreed that non-share societies should not ordinarily distribute profits to members and they did not do so in Bengal. But there was no knowing what developments would take place in the future, and the discretionary power reserved by the proviso might be required. In the form in which it was put the proviso was quite unobjectionable, and he thought that it should be allowed to stand. On being put to the meeting, Mr. Wheeler's proposal was lost.

45. Mr. Fremantle (United Provinces) said that the Sub-Committee also proposed that power should be given to any society, with the sanction of the Registrar, to devote an amount not exceeding 10 per cent. of its profits to local charity or to local works of public utility. Mr. Hemingway (Central Provinces) thought that the proposal should be negatived. It would lead in his opinion to disputes among members and friction with the Registrar. Mr. Lalubhai Samaldas (Bombay) thought grants to local charities should not be allowed. They would almost certainly cause trouble. He saw no objection to contributing to local works of public utility, but for the word "works" he would substitute "objects." The President pointed out that one advantage of the proposal was that it would tend to remove the difficulty of inducing Muhammadans to join societies in the Punjab. Mr. Langley (Punjab) agreed and thought that the limitation of 10 per cent. of the profits ought to be removed. After further discussion it was resolved by a majority of the Conference that a new sub-section (3) should be added to section 8 as follows:—"Notwithstanding anything in the foregoing portion of this section, any society shall be at liberty, with the sanction of the Registrar to contribute an amount not exceeding 10 per cent. of its profits to local charities or local objects of public utility."

46. Votes of members.—Mr. Fremantle (United Provinces) said that under section 13 of the Act, as it stood at present, in unlimited liability societies each member, whatever the amount of his interest in the capital, had only one vote as a member in the affairs of the society, but in the case of limited liability societies a member had as many votes as the bye-laws of the society might prescribe. The Sub-Committee had two suggestions to make. In the first place, they considered that the principle of one member one vote should be applied to all societies. Secondly, they thought it very important that no proxies should be allowed. The Sub-Committee proposed that section 13 should be amended as follows :—" Each member of a society shall be entitled to one vote and no more however great his interest in the society may be, and no proxies shall be allowed."

47. The question of votes was taken up first. The President enquired what was the practice in regard to votes in Companies registered under the Indian Companies Act. Mr. Fremantle (United Provinces) said that the Act allows votes in proportion to the member's interest in the Company, the actual provision being one vote for each share up to ten, an additional vote for every five shares beyond the first ten up to one hundred and an additional vote for every ten shares beyond the first hundred. Mr. Buchan (Bengal) opposed the Sub-Committee's proposal. In share societies he thought it was a distinct encouragement to thrift to allow more votes than one to members who had accummulated shares. Mr. Campbell (Bombay) opposed the amendment on the ground that it made the Act more restrictive than at present. Nor did he think that sufficient experience had been gained to justify the absolute rule proposed by the Sub-Committee. Mr. Ramachandra Rao (Madras) was strongly in favour of the proposal. His experience was that section 13 (2) tended to lead to intrigue and undue influence on the part of wealthy members. Kunwar Maharaj Singh (United Provinces) opposed the ammendment. However desirable as an ideal the principle of one vote per member might be, it was not always practicable in the case of Central and District Banks. The question had arisen during the past year in the United Provinces and he had found the majority of such banks opposed to the restrictions suggested by the amendment. Mr. King (Bengal) thought that one member one vote was the correct principle for rural societies, but he doubted whether it could be applied to urban societics. Mr. Gourlay (Bengal) agreed in the principle of the proposal, but doubted whether it should be laid down in an absolute form in the Act. The President said that it would be useful to have the opinion of the Conference on the question of principle. He pointed out that even if the Conference decided in favour of the principle it did not necessarily follow that the Act should be amended. The Conference divided and by a majority decided that the principle of one member one vote was the correct one. The President then put the amendment proposed by the Sub-Committee to the meeting. The amendment was lost. Mr. Buchan (Bengal) proposed that section 13 (2) [ new section 12 (2)] of the Act should be amended by the addition of the words subject to a limit to be prescribed by rules made under the Act." The amendment was carried unanimously.

48. Proxies.—Mr. Wheeler (Bengal) proposed that a new sub-section (3) should be added as follows :—" No proxies shall be allowed." He said that on this point he entirely agreed in the views expressed by the Sub-Committee. If a member of a Co-operative Society did not take sufficient interest in the affairs of the society to attend its meetings, he certainly should not have a vote. Mr. Hemingway (Central Provinces) was inclined to think that the proposal went too far. There might be occasions when the proxies would be desirable in the best interests of the society itself. Mr. Wheeler's amendment was put to the meeting and carried.

49. Priority of society's claims against a member.—Kunwar Maharaj Singh (United Provinces) proposed that in section 19 (a) [new section 18 (a)] the words "or for irrigation" should be added after "purchase of seed or manure." Mr. Ramachandra Rao (Madras) thought that the section was a dangerous one as it stood, and he was opposed to any extension of the powers taken by it. The President doubted the advisability of making any change in the section beyond that advocated by the Conference of 1906 which had been carried out in the Sub-Committee's draft, and the Conference agreed in this view.

50. The remaining amendments proposed by the Sub-Committee were adopted by the Conference in their entirety or with small changes. But it should be noticed that although the Registrars were unanimous in recommending that in the Act as amended, the only distinction drawn should be between societies with limited and societies with unlimited liability, they considered that a distinction between rural and urban societies was useful for administrative purposes and should be retained in the statistics appended to the annual report.

51. Mr. Gourlay (Bengal), Secretary to the Conference, announced that it had been decided to withhold two of the subjects which had been included in the programme. Mr. Fremantle had recently visited Germany and had collected much literature on the question of Landschaften, but he had not had time to study it, and in the circumstances it was advisable to postpone for another year the consideration of the question of assisting landholders who do not come within the scope of village societies to co-operate on the lines of these Landschaften. The other question he was alluding to was the necessity for an Agriculturist's Relief Act. The question was one of extreme complexity and difficulty. It had been discussed informally in Committee, and the conclusion arrived at was that further experience must be gained before the Registrars would be in a position to formulate practical proposals.

52. Election of a Secretary for 1910.—Mr. Gourlay was unanimously re-elected Secretary to the Conference.

53. The proceedings closed with a vote of thanks to the President, to Mr. Gourlay, and to Mr. C. A. Innes, who had acted as Secretary during the meeting and had prepared the minutes.

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# APPENDICES.

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## APPENDIX I.

## The Co-operative Credit Societies Act, 1904 (X of 1904).

# Co-operative Societies Act as amended by the Conference of Registrars of Co-operative Credit Societies, 1909.

WHEREAS it is expedient to encourage thrift, self-help and co-operation among agriculturists, artisans and persons of limited means, and for that purpose to provide for the constitution and control of co-operative societies, which have as their object the encouragement and development of the economic interests of their members by means of operations in common; It is hereby enacted as follows :---

#### Preliminary.

1. (1) This Act may be called the Co-operative Societies Act, 1904; and

(2) It extends to the whole of British India.

2. In this Act, unless there is anything repugnant in the subject or context,---

(a) "bye-law" means a rule made by a society in the exercise of any power conferred by this Act, or by any rule made under this Act:

(b) "committee" means the governing body of a society to whom the management of its affairs is entrusted :

(c) "member" includes a person joining in the application for the registration of a society and a person admitted to membership after registration in accordance with the bye-laws and any rules made under this Act:

(d) "officer" includes a chairman, secretary, treasurer, member of committee or other person empowered under the rules applying to any society or the bye-laws thereof to give directions in regard to the business of the society:

(e) "Registrar" means a person appointed to perform the dutics of a Registrar of Cooperative Societies under this Act: and

(1) "society" means a co-operative society registered under this Act.

#### Constitution.

3. (1) A society at registration shall consist of ten or more persons above the age of eighteen Constitution years—

(a) residing in the same town or village or in the same group of villages, or,

(b) subject to the sanction of the Registrar, consisting of members of the same tribe, class or caste :

Provided that an agriculturist who resides in another village, but whose principal holding is in the village where the co-operative society is situated, shall not be debarred from joining the society.

(2) The liability of members of societies shall be either unlimited or limited.

(3) In the case of a credit society the majority of the members of which are agriculturists the rability shall, except with the special sanction of the Local Government, be unlimited.

(4) In the case of a society, the majority of the members of which are not agriculturists, the liability shall be limited or unlimited as may be provided by the bye-laws or by any rules made under the Act.

(5) When any question arises as to whether for the purposes of this Act a person is an agriculturist or a non-agriculturist or whether two or more villages shall be considered to form a group, or whether any person belongs to a tribe, class or caste, the question shall be decided by the Registrar, whose decision shall be final.

(6) Societies registered under this Act are also in their corporate capacity eligible as members of other societies, and in such a case the limit of numbers does not apply.

(7) No member while a minor shall incur any liability beyond his share or other interests and deposits in a society.

4. The members of a society shall be-

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Members of

(a) persons or societies joining in the application mentioned in section 6, sub-section (1), sosiety. and registered as a society under sub-section (2) of the same section ;

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Short title and extent.

Definitions.

Provided that a person so admitted shall not exercise the rights of a member unless or until he has made such payment to the society in respect of membership or acquired such interest in the society as may be prescribed by the rules made under this Act or the bye-laws of the society.

(c) Minor heirs of deceased members, where no guardian has been appointed, are eligible for election.

Registration.

The Registrar.

Registration and incorporation of ioolotics,

**Disposal of** 

prolits.

5. The Local Government may appoint a person to be Registrar of Co-operative Societies for the province or any portion of it and may appoint one or more Assistant Registrars. The Registrar may by general or special order delegate to the Assistant Registrar all or any of the powers conferred on him by this Act.

6. (1) Any persons or societies qualified in accordance with the requirements of section 3 and agreeing each to make such payment or acquire such interest as aforesaid, may apply to the Registrar to be registered as a society with unlimited or with limited liability, as the case may be, and the persons by whom or on whose behalf such application is made shall furnish such information in regard to the proposed society as the Registrar may require.

(2) If the Registrar is satisfied that the persons or societies proposing to form a society are qualified in accordance with the requirements of section 3 and have complied with the provisions of this Act and with the rules made thereunder, he may, if he thinks fit, register the society accordingly, and the society shall thereupon become and be a body corporate by the name under which it is registered, with perpetual succession and a common seal, and with power to ho'd property, moveable or immoveable, to enter into contracts, to institute and defend civil suits, and to do all things necessary for the purposes of its constitution.

(3) Every society shall have an address, registered in accordance with the rules made under this Act, to which all notices and communications may be sent.

(4) To the registered name of a society shall be added the words limited or unlimited as the case may be.

(5) No charge shall be made for registration under this section.

(6) The certificate of registration signed by the Registrar is conclusive proof that the necessary conditions for registration have been complied with and that the society has been duly registered.

Management.

7. (1) No dividend or payment on account of profits shall be paid to a member of a society. with unlimited liability, but all profits made by such a society shall be carried to a fund (to be called the reserve fund):

Provided that, when such reserve fund has attained such proportion to the total of the liabilities of the society, and when the interest on loans to members has been reduced to such rates as may be determined by the bye-laws or rules made under this Act, any further profits of the soclety, not exceeding three-fourths of the total annual profits, may be distributed to members by way of bonus:

Provided also that in the case of such societies with share capital dividends may be paid to the members to such extent and under such conditions as may be provided by the rules or bye-laws made under this Act. But in any case one-fourth of the annual profits must be credited to reserve.

(2) Not less than one-fourth of the profits in each year of a society with limited liability shall be carried to a fund (to be called the reserve fund) before any dividend or payment on account of profits is paid to the members or any of them.

(3) Notwithstanding anything in the foregoing portion of this section, any society shall be at liberty with the sanction of the Registrar to contribute an amount not exceeding 10 per cent. of its profits to local charity or to local objects of public utility.

8. A society may receive deposits from members without restriction, but it may borrow on borrowing. from persons who are not members only to such extent and under such conditions as may be provided by its bye-laws or by rules made under this Act.

Restrictions OB JOBDE.

Restriction

9. (1) A credit society shall make no loan to any person other than a member, and in the case of a minor it shall make no loan except for purchase of necessaries of life :

Provided that, with the consent of the Registrar, a society may make loans to another nociety.

(2) Save with the permission of the Registrar to be given by general order in the case of each society, a society with unlimited liability shall not lend money on the security of moveable property.

(3) The Local Government may, by general or special order, prohibit or restrict the lending of money on mortgage of immoveable property, or any kind thereof, by any society or class of societies.

(4) A Co-operative Society other than a credit society shall not deal with non-members except under such restrictions as may be imposed by rule made by the Local Government.

10. A society may deposit its funds in the Government Savings Bank or with any banker Deposit of society a or person acting as a banker approved for this purpose by the Registrar. fund.

#### Shares and interests of members.

11. Where the liability of the members of a society is limited by shares, a member shall not Limit on hold more than such portion of the share capital of the society, subject to a maximum of onc- capital held by member. fifth, as may be prescribed by any rules made under this Act :

Provided that no member of such a society shall hold more shares than represent a sum of one thousand rupees when fully paid up.

12. (1) Where the liability of the members of a society is not limited by shares each Votes of member shall, notwithstanding the amount of his interest in the capital, only have one vote as a member in the affairs of the society.

(2) Where the liability of the members of a society is limited by shares, each member shall have as many votes as may be prescribed by the bye-laws of the society, subject to a limit to be prescribed by rules made under the Act.

#### (3) No proxies shall be allowed.

13. (1) A member shall not transfer any share held by him or his interest in the capital Restrictions on transfer of the society or any part thereof, unless he has held such share or interest for one year at least. of share or

(2) The share or interest of a member in the capital of a society shall not be transferred or interest. . charged, unless to the society or to a member of the society and subject to any conditions as to maximum holding prescribed by this Act or by the bye-laws or by any rules made under this Act.

14. Subject to the provisions of section 19, the share or interest of a member in the share share or capital of a society shall not be liable to attachment or sale under any decree or order of a Court interest not of Justice in respect of any debt or liability incurred by such member, and neither the Official attachment. XIV of 1862. Assignee nor a Receiver appointed under Chapter XX of the Code of Civil Procedure shall be entitled to or have any claim on such share or interest.

15. On the death of a member, the society may pay to, or transfer to the credit of, the Transfer of person nominated in accordance with the rules made in this behalf, or, if there is no person so interest on nominated, such person as may appear to the Committee to be entitled to receive the same desth of member. as heir or legal representative of the deceased member, a sum representing the value of such member's share or interest as ascertained in accordance with the rules or bye-laws and all moneys due to him from the society, and the society shall thereupon be absolved from all liability in respect of such share or interest or other moneys as aforesaid.

16. The liability of a past member for the debts of the society as they existed at the time Liability of when he ceased to be a member shall continue for a period of one year from the date of his past member. ceasing to be a member. This period shall be computed from the date of the acknowledgment by the Committee of the fact of cessation of membership.

17. The estate of a deceased member shall be liable for a period of one year from the time Liability of the estates of his decease for the debts of the society as they existed at the time of his decease. of dreemed mombur.

#### Priority of Society's claim against a member.

18. Subject to any prior claim of the Government in respect of land-revenue or any money Prior claim recoverable as land-revenue or of a landlord in respect of rent or any money recoverable as rent, against crope. a society shall be entitled in priority to other creditors to enforce its claim-

(a) upon the crops or other agricultural produce of a member or past member at any time with, implewithin a year and a half from the date when seed or manure was advanced or ments and money for the purchase of seed or manure was lent to such member or past member, in respect of the unpaid portion of such advance or loan :

(b) upon any cattle, agricultural or industrial implements or raw material for manufactures or articles manufactured from raw materials, supplied by the society, or purchased in whole or in part with money lent by the society, in respect he outstanding liability on account of such supply or loan.

19. A society shall have a charge upon the shares or interest in the capital and on the Charge and deposits of a member or past member and upon any dividend, bonus or profits payable to a stoff in deposits of a member or past member and upon any dividend, bonus or profits payable to a respect of member or past member in respect of any debt due from such member or past member to the shares of society, and may set off any sum credited or payable to a member or past member in or towards interest of payment of any such debt.

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### Audit, inspection and inquiry.

20. (1) The Registrar or some person authorised by him shall audit the accounts of each Audit, insociety once at least in every year and if the person auditing is not the Registrar, the audit shall apection and not be considered valid till passed by him.

(2) No charge shall be made in respect of any audit made by the Registrar or his staff.

(3) The audit under sub-section (1) shall include an examination of overdue debts, if any, and a valuation of the assets and liabilities of the society.

(4) The Registrar, the Collector or any person authorized in this behalf by the Registrar or the Collector may at any time inspect the books, accounts, papers and securities of a society, and every officer of the society shall furnish such information in regard to the transactions and working of the society as the person making such inspection shall require.

(5) The Registrar may of his own motion, and shall on the request of the Collector, or on the application of a majority of the Committee or not of less than one-third of the members, hold an inquiry into the constitution, working and financial condition of a society, and all officers and members of the society shall furnish such information in regard to the affairs of the society as the Registrar may require.

(6) Where an inquiry is held under sub-section (5), the Registrar may apportion the costs, or such part of the costs as he may think right, between the society, the members' demanding an inquiry and the officers or former officers of the society.

(7) Any sum awarded by way of costs under sub-section (6) may be recovered, on application to a Magistrate having jurisdiction in the place where the person from whom the money is claimable resides for the time being by the distress and sale of any moveable property within the limits of the jurisdiction of such Magistrate belonging to such person.

21. A copy of any entry in a book of a society regularly kept in the course of business shall, if certified in such manner as may be prescribed by rules made under this Act, be received, in any suit to recover a debt due to the society, as prima facie evidence of the existence of such entry and shall be admitted as evidence of the matters, transactions and accounts therein recorded in every case where, and to the same extent as, the original entry itself is now by law admissible, but not further or otherwise.

### Dissolution of a society.

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Dissolution.

22. (1) If the Registrar, after holding an inquiry under section 20, sub-section (5), or on receipt of an application made by three-fourths of the members of a society, is of opinion that a society ought to be dissolved, he may cancel or may refuse to cancel the registration of the Bociety.

(2) Any member of a pociety may, within two months from the date of an order made under sub-section (1), appeal from such order to the Local Government.

(3) Where no appeal is presented within two months from the making of an order cancelling the registration of a society, the order shall take effect on the expiry of that period. Where an appeal is presented within two months, the order shall not take effect until it is confirmed by the Local Government.

(1) Where an order made under sub-section (1) cancelling the registration of a society takes effect, the society shall cease to exist as a corporate body.

23 A society shall be dissolved if the membership falls below ten, provided that, if within a time to be fixed by the Registrar from the date of his knowledge of the fact the membership be again made up to ten or more, dissolution shall not be necessary. During the period in question the society shall be considered to be a registered society under the Act.

Cancellation of registration of nociety.

24. (1) Where the registration of a society is cancelled under section 22 or 23, the Registrar may appoint a competent person to be liquidator of the society.

(2) A liquidator appointed under sub-section (1) shall have power to institute and defend suits on behalf of the society by his name of office, and shall also have power-

- (a) to sue for and recover any sums of money due to the society at the date of such cancellation;
- (b) to determine the contribution to be made by the members and past members of the society respectively to the assets of the society;
- (c) to investigate all claims against the society, and, subject to the provisions of this Act, to decide questions of priority azising between claimants ;
- (d) to determine by what persons and in what proportions the costs of the liquidation are to be borne; and

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(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.

(3) Subject to any rules of procedure made under this Act, a liquidator appointed under this section shall, so far as such powers are necessary for carrying out the purposes of this section, have power to summon and enforce the attendance of witnesses and to compel the production of documents by the same means and in the same manner as is provided in the case of a Civil Court under the Code of Civil Procedure. X1V of 1882

> () The rules may provide for an appeal to the Court of the District Judge from any order made by a liquidator under this section.

- (5) Orders made under this section may be enforced as follows :---
  - (a) when made by a liquidator, by any Civil Court having local jurisdiction in the same manner as the decree of such Court.
  - (b) when made by the Court of the District Judge in the matter of any such appeal as aforesaid, in the same manner as a decree of such Court made in any suit pending therein.

(6) Save in so far as is hereinbefore expressly provided, no Civil Court shall have any jurisdiction in respect to any matter connected with the dissolution of a society under this Act.

#### Exemptions from Taxation.

25. (1) The Governor General in Council by notification in the Gazette of India may, in Power to the case of any society or class of society, remitexempt from

- (a) the income-tax payable in respect of the profits of the society, or of the dividends stamp-duty and registreor other payments received by the members of the society on account of profits . And regis
- (b) the stamp-duty with which, under any law for the time being in force, instruments executed by or on behalf of a society or by an officer or member and relating to the business of such society, or any class of such instruments, are respectively chargeable;
- (c) any fee payable under the law of registration for the time being in force.

(2) A notification exempting any soceity from the fees referred to in sub-section (1), clause (c), may provide for the withdrawal of such exemption.

### Debts due to Government.

26. (1) All sums due from a society or from an officer or member or past member of a Recovery of society as such to the Government including any costs awarded to the Government under section 20, sub-section (6), may be recovered in the same manner as arrears of land-revenue.

(2) Sums due from a society to Government and recoverable under sub-section (1) may be recovered firstly from the property of the society; secondly in the case of a society of which the liability of the members is limited. from the members, subject to the limit of their liability ; and, thirdly, in the case of other societies from the members.

#### Rules.

27. (1) The Local Government may, for the whole or any part of the province and for any Rules. society or class of societies, make rules to carry out the purposes of this Act.

(2) In part cular and without prejudice to the generality of the foregoing power, such rules may-

- (a) prescribe the forms to be used in applying for the registration of a society and the procedure in the matter of such applications;
- (b) prescribe the conditions to be complied with by person applying for registration and by persons applying for admission or admitted as members, and provide for the election and admission of members from time to time and the amount of payment to be made and interests to be acquired before exercising rights of membership ;
- (c) provide for the mode in which the value of a deceased member's interest shall be ascertained and for the nomination of a person to whom such interest may be paid or transferred
- (d) prescribe the proportion to the total liabilities to be attained by the reserve fund and the rate to which interest on loans to members is to be reduced, before profits may be distributed to the members of a society with unlimited liability;
- (e) prescribe the conditions under which dividends may be paid to the members of unlimited liability societies with share capital.
- (f) prescribe the number of votes which may be given to holders of more than one share.

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income-tax,

- (g) provide for general meetings of the members and for the procedure at such meetings and the powers to be exercised by such meetings;
- (h) prescribe the matters in respect of which a society may or shall make bye-laws and for the procedure to be followed in making, altering and abrogating bye-laws and the sanction to be required to such making, alteration or abrogation;
- (i) prescribe the accounts and books to be kept by a society and provide for the audit of such accounts and the charges, if any, to be made for such audit, and for the periodical publication of a balance-sheet showing the assets and liabilities of a society;
- (j) provide for the persons by whom and the form in which copies of entries in books of societies may be certified;
- (k) provide for the formation and maintenance of a register of members and where the liability of the members is limited by shares, of a register of shares;
- (l) provide for the formation and maintenance of reserve funds, and the objects to which such funds may be applied, and for the investment of any funds under the control of the society;
- (m) provide that any dispute touching the business of a society between members or past members of the society or persons claiming through a member or past member or between a member or past member or persons so claiming and the committee or any officer shall be referred to the Registrar for decision, or, if he so directs, to arbitration, and prescribe the mode of appointing an arbitrator or arbitrators and the procedure to be followed in proceedings before the Registrar or such arbitrator or arbitrators, and the enforcement of the decisions of the Registrar or the awards of arbitrators;
- (n) determine in what cases an appeal shall lie from the orders of the Registrar, and prescribe the procedure to be followed in presenting and disposing of such appeals.

(3) The power to make rules conferred by this section is subject to the condition of the rules being made after previous publication.

(4) All rules made under this section shall be published in the local official Gazette and on such publication shall have effect as if enacted in this Act.

(5) A copy of the rules relating to a society and of the bye-laws thereof for the time being in force shall be kept open to inspection at all reasonable times free of charge at the registered address of the society.

#### Miscellaneous.

28. The provisions of the Indian Companies Act, 1882, shall not apply to societies regis-, tered under this Act.

29. (1) Notwithstanding anything contained in this Act, the Local Government may, by special order in each case, and subject to such conditions as it may impose, permit any association of *co-operative societies or* of not less than ten persons above the age of eighteen years to be registered as a rural or an urban society under this Act.

(2) A society so registered shall be subject to the provisions of this Act to the same extent VI of 1882; as any other society.

30. The Local Government may, by general or special order, exempt any society registered under section 6 or section 29 or any special class of such societies or such societies as are situated in a particular area from any of the provisions of this Act or direct that they may apply to such society or societies with such modifications as may be specified in the order.

31 The Local Government may, by special order in each case, register under this Act any co-operative association already registered under the Inlian Companies Act.

Indian Companios Act, 1882, not to apply. Special power to Local Government to register any association under

Act.

### Notes on Clauses.

Owing to the use of the expression "Co-operative Credit Societies " in the Preamble of Act Preamble. X of 1904 considerable doubt has been felt as to whether societies dealing with the other forms of co-operation than credit can legally be registered even under section 29. See Mr. Rajagopala Charriar's note on page 51 of the Proceedings of the First Conference. It is now proposed to omit the word "Credit," and to make it plain that the Act is intended to encourage the formation of all societies which have as their object the encouragement and development of the economic interests of their members by means of operations in common.

The words "at registration" have been introduced to meet the difficulty pointed out in Section 3. Mr. Ramachandra Rao's note printed in paragraph 39 of the Proceedings of this Conference. (1).

A proviso has been added to this sub-section for the reasons explained in paragraph 42 of the Proceedings of this Conference. See also paragraph 58 of the Proceedings of the First Conference.

In the existing Act a distinction is drawn between rural and urban societies. This distinc. Section 3. tion was criticised when the Act was under consideration by Mr. Wolff and Sir Frederick (2). Nicholson, but was retained by the Government of India mainly because it was thought that rural and urban societies would require different constitutions, a basis of unlimited liability being more suitable for the former and one of limited liability for the latter. Experience however has shown that the true distinction is between societies with limited and those with unlimited liability, and that the present distinction is purely statutory and artificial. All the Conferences of Registrars have agreed as to the necessity for amendment in this respect, and effect has been given to the change in the draft Bill (vide paragraphs 58 and 40 of the Proceedings of the First and Third Conferences, respectively).

This sub-section takes the place of section 7 (a) in Act X of 1904. It is considered advis. Section 3. able to limit the section to "Credit" Societies since the liability of productive societies will (3). ordinarily be limited.

This takes the place of section 7 (b) of the existing Act.

aub-section (4). This sub-section has been introduced to provide for the registration of Unions of societies. Section 3. Appendix VIII to proceedings of the Third Conference. sub-acction See Appendix VIII to proceedings of the Third Conference. (6) Section 3, See Appendix VII to the Proceedings of the Third Conference. sub-section (7). Section 4. The amendment proposed is consequential on the addition of section 3, sub-section (6). aub-sections (a) and (b). Section 4, See Appendix VII to the Proceedings of the Third Conference and paragraph 36 of the Pro- sub-section (0). ceedings. Section 5. See paragraph 37 of the Proceedings or this Conference. See paragraph 35 of the Proceedings of this Conference. Section 6, nub-section (6). See notes Nos. 16 and 17 appended to Proceedings of the First Conference and paragraphs Section 7 43-45 of Proceedings of this Conference. Section 9. See paragraph 36 of Proceedings of this Conference. aub-sociloa (1). In the proviso to this sub-section the word " another " has been substituted for the word " rural ". See Appendix VIII to Proceedings of the Third Conference and paragraph 40 of those Proceedings. Section 0. , See paragraph 23 of the Proceedings of this Conference. aub-metion (1), Section 11. The word "share " has been inserted before the word " capital " to make it clear that debentures and deposits are not included in capital. . Section 12. See paragraphs 46-48 of the Proceedings of this Conference. This section which is numbered 17 in Act X of 1904 has been amended to make it clear on Section 16. what date the liab lity of a member ceases. See paragraph 40 of the Proceedings of this Con-

ference. It has been thought advisable to extend the period over which a society is entitled to en-Section 18, force its claim against a member in priority to those of other creditors to one year and a half. (a), Under the law as it stands at present the priority of the society's claim is inoperative in the case of a crop like sugarcane which remains on the ground for a whole year. See Appendix 5 to Proceedings of the Second Conference.

This sub-section has been amended with reference to paragraph 6 of Note No. 15 Section 13, appended to Proceedings of the First Conference and to paragraph 58 of the Proceedings of that (2). Conference.

Section 20, sub-section (1).	Section 21 (1) of Act X of 1904 prescribes that the Registrar shall audit the accounts of each society once at least every year. Co-operative Societies are increasing so rapidly that personal audit by the Registrar is no longer possible. The sub-section has been amended so as to allow the audit to be conducted by the Registrar or any one authorised by him.
Section 20, sub-section (2),	This section has been slightly amended as some of the larger societies may employ at their own expense chartered or professional accountants to audit their accounts. See paragraph 13. of the Proceedings of this Conference.
Section 23.	See paragraph 39 of the Proceedings of this Conference.
Section 24, autosection 3.	The words "so far as may be" in this section in Act X of 1904 have been omitted. See paragraphs 17-18 of the Proceedings of this Conference. The Conference are advised that the words are unnecessary and that they may prejudice the position of a liquidator.
Section 27, aub-section (2).	Various changes have been proposed in rule making powers of Local Governments. Some are either consequential on the amendments proposed in the body of the Act and others have been omitted as it is considered that the matters in question might be dealt with by the societies in their bye-laws.
Section 29, aub-section (1).	The amendment proposed is consequential on new section 3 (6).
Soction 30.	This new section takes the place of the proviso to section 29 (2) of Act X of 1904. It is pro- posed that wider powers should be given to Local Governments to enable them to deal with special cases. It is understood that the policy of the Government of India is to make the Act as elastic as possible.
Section 31.	This section is proposed to permit the registration under the Act of Nidhis in the Madras. Presidency. See Note No. 13 appended to Proceedings of the First Conference.

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# APPENDIX II.

STATEMENT I-A.

GENERAL PROGRESS.

Central Societies (lending to other Societies only).

		KINDS OF	Societies.		NUMBER OI	SOCIETIES	NUMBER OF	MEMBERS	Wobring	CAPITAL •	
PROVINCE.	Ca	е <b>л</b>	01	her.	At the	At the	At the	, At the	At the	At the	Remarks.
	Limited liability.	Unlimited liability.	Limitəd liability.	Unlimits i liability.	beginning of the year.	end of the year.	beginning of the year.	end of the year.	beginning of the year.	end of the year.	
1	••9	8	4	5	6	7	8	9	10	11	12
				]					R a. p.		
Madrae	. 3	•••			1	3	45	• 157	1,74,040 0 0	6,61,515 15 7	
Bombay	• •••		•••		•••				•••	••• .	
Bengal	. 2				•••	2.		45	•••	4,323 0 0	•
United Provinces	. 3				2	3	102	271	28,599 0 0	2,00,318 0 0	
Puojeb	. 1				•••	1		43		74,580 0 0	
Burma.	. 1					1		45		13,960 0 0	•
Eastern Bengal and Assam						•••					
Central Provinces and Berar	. 4	1			4	5	94	628	\$2,916 13 3	52,409 3 31	
Coorg	• •••					••••	•••			***	
Ajmet					••••	•••			•••		
Mysore	• •••		•••		•				••• •		
TOTAL	. 14	1	 		7	15	241	1,194	2,85,555 13 3	10,07,106 2 104	

• Includes statistics reparting loans from non-members, loans from other societies, share capital, deposits by members, State aid and reserve fund in Statement IV-A.

## STATEMENT I-B.

# GENERAL PROGRESS.

#### Urban Societies.

		KINDS OF	Societies.		NUMBER 01	Societies	NUMBER OF	y Mambirs	WOBKING	Capital	
PROVINCE.	C	иі.	Ol	ker.	At the	At the	At the	At the	At the	At the	Remarks.
_	Limited liability.	Unlimited liability.	Limited liability.	Unlimited lisbility.	beginning of the year.	end of the year.	beginning of the year.	end of the year.	beginning of the year.	end of the year.	
1	2	3	4	5	6	7	8	9	10	11	12
				1 2					<b>R</b> a. p.	R a. p.	
Madras	12	3	8	1	23	24	4,775	6,040	2,69,330 9 7	3,72,851 6 11	
Bombay	22†	25	2	2	45	51‡.	3,337	4,37 <b>7</b>	1,90,890 0 0	8,05,572 0 0	† Inclusive of
Bengal	13	16		• •••	19	29-	1,185	1,682	42,240 0 0	1,00,539 0 0	one society cancelled.
United Provinces	24	24	1		19	49	42,701	47,026	15,07,966 0 0	20,29,752 0 0	‡Of these two societies are
Punjab	. 4	•••		•••	б	4	816	405	40,554 0 0	28,243 0 0	still engaged in collecting
Burma	17	1			9	18	423	1,036	21,531 8 0	76,837 15 0 <del>3</del>	Capital.
Eastern Bengal and Assam.	24	3			21	27	1,731	2,738	1,03,043 15 6	1,87,882 0 0	
Central Provinces and Berar .	8	•••			7	- 8	1,067	1,231	49,388 1 7	61,175 13 3	
Coorg				**4			·	•••		- - •••	
Ajmer					•••	•••		•••	• • •	•••	
Myscre	4		13	}	10 -	17	1,364	2,009	50,751 6 5	1,11,011 6 4	
TOTAL .	128	72	24	3	158	227	56,899	66,544	22,75,695 9 1	32,73,864 9 63	•

Includes statistics regarding loans from non-nembers, kans from other societies, share capital, deposits by members, State aid and reserve fund in Statement IV-B.

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# STAT EMENT I-C.

## GENERAL PROGRESS.

# **Bural Societies.**

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		Kinds or	Societies.	*	NUMBER OF	SOCIETIES	NUMBER OF	MENBERS	WOBEING	Capital*	
PROTINCE.	Ca	ish.	01	her.	At the	At the	At the	At the	At the		Ramarks.
	Limited liability.	Unlimited liability.	Limited liability.	Unlimited liability.	beginning of the year.	end of the year.	beginning of the year.	end of the year.	At the beginning of the year.	At the end of the year.	
1	. 2	3	4	5	6	7	8 -	9	10	11	. 12
Madras	10				· · · ·				R a. p.		
Madras	10	143	•••	•••	.77	153	4,717	9,400	3,30,265 2 3	7,84,728 12 10	
Bombay		122†	·	2	100	184	5,245	7,165	1,78,238 14 11	2,83,360 11 6	+Includes four so-
Bengal		859		5 (a)	- 881	<b>3</b> 64	- 10,909	12,913	1,83,197 0 <sub>0</sub>	2,60,224 0 0	cieties already cancelled and
United Provinces		305		12	166	317	38,304	43,952	6,33,577 0 0	10,65,487 0 0	three societies engaged in col-
Pubjab	1	\$10			253	\$11	21,565	22,976	4,72,367 0 0	7,83,666 0 0	lecting Capital. (a) The statistics of
Burma		155		••	72	155	2,662	4,275	1,59,445 10 9	· 4,06,005 7 6	these grain societies are
Eastern Bengal and Assam.	•••	204		•••	114	204	5,213	8,442	1,62,728 3 11	3,53,575 0 0	not available.
Central Provinces and Berar		87			69 ~	87	2,881	\$,912	79,299 13 11	90,017 8 9	
Coorg	13	2			12	15	1,031	1,284	26,224 8 0	34,527 12 6	
Ajmer		8			8	8	238	260	406 0 0	673 9 2	
Мувоге	27			1	17	28	1,157	2,542	13,374 11 0	24,439 9 5	
TOTAL .	51	1,695	•••	20	1,219	1,768	93,972	1,17,151	22,39,123 11 9	40,86,754 7 8	

• Incluise statistics regarding loans from non-members, loans from other societies, share capital, deposits by members, State aid and reserve faud in Statement IV-C.

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# STATEMENT III-A.

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# PROFIT AND LOSS ACCOUNT.

Central Societies (lending to or dealing with other Societies only).

			Рво	FIT.				1	Long.				
. Province.	Kind of Society.	Interest earned.	Gross profit on sales of stock.	Other items.	N Total.	Interest paid and due.	Establishment and Contingent charges paid and due.	Debis written off.	Depreciation of stock.	Other items.	Total	Not profit + or loss	Bester.
1	3	8	4	5	6	7	8	9	10	11	19	18	14
		<b>.</b>	R a. p.	. R. a. p.	<b>R.</b> c. p.	R a. p.	R. a. p.	R a. p.	8 a.p.	8 e p	8 4 5	Rap	
adras	Oach-Limited liability .	26,459 1 4		1,011 12 1	27,470 18 5	19,333 11 8	` 66 <b>2 8 6</b>	-		•••	19,996 4 1	+7,474 8 4	
ngal	Ditto .	. 48 7 7		×, 233 0 0	976 7 <sub>,</sub> y	20 15 11	114 18 9			•••	135 18 8	+140 9 11	•
nited Provinces.	Ditto .	12,862 0 0	•••	<sup>,</sup> 205 0 0	18,067 0 0	7,222 0 0	2,034 0 0		76 0 0	•••	9,338 0 0	+2,735 0 0	
anjab • · • • •	Ditto .	919 0 0			919 0 0	869 0 0	142 0 0			103 0 0	613 0 0	+306 0 0	
ima • • • • •	Ditto .	<b>880</b> ·	***		***		~ ···	•••					
ntral Provinces and Berar	Ditto .	2,718 2 9	410	22 2 0	2,735 4 9	589 9 6	189 8 6	•••	•••	64 8 0	836 0 0	+1,809 4 8	
	TOTAL .	42,996 11 8		1,471 14 1	44,468 9 9	27,635 5 1	· 3,185 9 8		76 0 0	166 8 0	30,913 1 9	+13,555 8 .0	
ontral Provinces and Betar	Cash—Unlimited lisbility	1,211 10 7		175 8 0	1,887 2 7					98 9 0	520 4 7	+640 14 0	
	Total .	1,211 10 7	•••	175 8 0	1,887 2 7	.			•••	36 9 0		+860 14 0	
						-				20 2 3 4			
					····								
	GRAND TOTAL	44,208 6 8	•••	1,647 6 1	45,855 12 4	28,035 0 8	8,135 9 8	***	76 0 0	193 13 0	31,439 6 4	+14416 0 0	

13

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# STATEMENT III-B.

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# PROFIT AND LOSS ACCOUNT.

#### Urban Societies.

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Punjb       .       Dito       1.073       0        445       0       1.701       0       1.40       0       85       0        1.64       0       +       1.64       0       +       1.64       0       +       1.64       0       1.701       0       1.60       0       85       0        1.64       0       +       1.64       0       +       1.64       0       +       1.64       0       +       1.64       1.16	Urban Sociefies.													
Image         Image         Other Hunz.         Yet.         Other Hunz.         Yet.         Other Hunz.         Data Hunz. <t< th=""><th>· · ·</th><th></th><th></th><th>Рво</th><th>D<b>P</b>IT.</th><th></th><th></th><th></th><th>;</th><th>Loss.</th><th></th><th></th><th>1</th><th>· · · · ·</th></t<>	· · ·			Рво	D <b>P</b> IT.				;	Loss.			1	· · · · ·
1         1	Province.	Kind of Society.	Interest earnod.	Gross profit on sales of stock.	Other items.	Total.	Interest paid and due.	and Contingent		Depreciation of Stuck.	Other items.	Total.	Net profit + or loss -	Buwanza.
Medes       Cash—Clustical labelity       19,865       4.10        21,88       9       9       97,31 h       9       102,44       0       12,246       0       12,246       0       11,246       0       11,246       0       11,11 h	1	8	8	4	5	6	7	8 ('	9	10	11	19	13	16
Index        0.0000       0.0000       0.0000       0.0000       0.0000       0.0000       0.0000       0.0000       0.0000       0.0000       0.0000			R a. p.	R a. p.	R a. p.	R a. p.	R a. p.	R a. p.	R a. p.	R c. p.	R e. p.	R a. p.	R a. p.	
Bergal        Dite       4,514 19 113       0 16 6       744 0 4       6,300 5 10       1,005 7 8       600 5 6       18 6 0        170 0       0       9,211 0       1,10,20 1 0       4,200 0       1,27,210 0       0,27,21 0       0       5,721 0       0       9,271 0       0       9,271 0       0       9,271 0       0       9,271 0       0       9,271 0       0       9,271 0       0       9,271 0       0       9,271 0       0       9,270 0       9,20 0        170 0       0       9,21 0       0       1,200 0       9,271 0       0       9,20 0        170 0       0       9,21 0       0       1,200 0       1,201 0       1,200 0       2,771 0       0       100 0       170 1       0       1,201 0       1	Madres	Cash-Limited liability .	18,685 4 10	•••	2,188 9 4	20,873 14 2	11,224 0 1	2,224 9 7		100 0 0	11 14 8	.8,569 5 10	+ 7,804 8 4	
United Provinces       Dite       L71,497 0 0       66 0 0       A,477 0 0       170,10 0       50,10 0       m.       170 0 0       9,21 0 0       1.18,80 0 0       +48,279 0 0       The series has a series has a series.         Puiph       Dite       1,278 0 0        648 0 0       1,761 0 0       160 0 0       277 0 0       98 0 0        164 0 0       +43,29 0 0       Feature has a series.         Puiph        Dite       3,058 7 11       10 0 0       5,44 10 61       130 10 0       664 0 0        168 111       868 0 0       +4,35 0 0       Feature has a series.         Entern Regulations       5,058 10 6       1,060 0 5       1,061 0 1       1,060 1 1       4,070 0       14,070 1       4,100 0       +4,100 0       Feature has a series.         Myree        Dite       5,068 11 0       1,560 7 1       1,60 0       1,60 0 1       100 0 1       11 0 0       1,61,07 1 1       14,140       669 5 4        10,070 1 1       1,14,017 1 1,41       14,140 0       100 0 1       100 0 1       1,070 1 1 0       1,070 1 1 1,41,017 1 1,41       14,160 7 1 1,41       14,160 7 1 1,41       14,160 7 1 1,41       14,160 7 1 1,41       14,160 7 1 1,41       14,160 7 1 1,41       14,160 7 1 1,41       14,160 7	Bombay	Ditto .	20,121 8 1		927 9 10	21,048 12 11	8,958 5 7	2,230 6 11		118 15 7	81 18 9	6,834 9 10	+14,714 \$ 1	
Parghé        Dite        J278<00	Bengal	Dirto .	4,514 13 113	2 <b>0 14 6</b>	744 9 4	5,260 5 10	1,016 7 8	539 5 6	18 5 0		459 11 9	2,063 15 6	+ 8,196 8 4	
Paulo       1.76 0 0        468 0 0       1.76 1 0 0       120 0 0       120 0 0       27 0 0       85 0 0        54 0 0       1.14 0 0       470 0 0       second         Burnes        Ditte       5.03 1 0 6 1        1.55 5 7 11       105 6 5       1.55 1 5 7 10       105 6 5       1.55 1 5 7 10       105 1 5 1        158 1 1 1       1.60 0       4.80 0 1 1 1       1.60 0       4.80 0 1 1 1       4.60 0 1 1 1       1.60 0       4.80 0 1 1 1       4.60 0 1 1 1 1       4.60 0 1 1 1 1       4.60 0 1 1 1 1       4.60 0 1 1 1 1       4.60 0 1 1 1 1       4.60 0 1 1 1 1       4.10 0 1 1 1 1       4.10 0 1 1 1       4.10 0 1 1 1       4.10 0 1 1 1 1       4.10 0 1 1 1       4.10 0 1 1 1 1       4.10 0 1 1 1       4.10 0 1 1 1 1       4.10 0 1 1 1 1       4.10 0 1 1 1 1       4.10 0 1 1 1 1       4.10 0 1 1 1 1       4.10 0 1 1 1 1       4.10 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	United Provinces	Ditto .	1,71,687 0 0	56 0 0	3,427 0 0	1,75,170 0 0	85,751 0 0	20,629 0 0		170 0 0	9,841 0 0	1,15,891 0 4	+ 59,979 0 0	These figures include statistics both for limited and unlimited limbility
Jarran       ·       Dito       Justa       Jus	Punjab	Ditto .		<b>b</b> 15	488 0 0	1,761 0 0	140 0 0	877 0 0			544 0 0	-	+ 617 0 0	socioting.
Control Forenzone and Burser.       Ditio       6,465 8 64        188 1 1       6,465 8 4 10       1,460 9 64       018 8 5         24.33 6 6       +4,180 6 54       +4,180 6 54         Mgrase        24.65 38 15 114       1.02 6 5 2       100,00 7 103       26,61,41 19 021       144 14 10       688 2 8        18 8 6 5       184 8 4       +4,180 6 21       +1,740 4 1       4+1,76 4 7        1.00,01 7 103       26,61,41 19 021       100,01 8 13 64       29,538 1 0       111 6 6       447 5 0       11,000 1 0       1.00,74 1 1 8       +1,46,17 1 84,       +1,46,11 1 18,       +1,108 1 44,       +1,4		Ditto .	5,033 10 5	•••	413-00	5,446 10 58	1,219 10 9	664 9 6			168 11 11	3,058 0 3	+ 8,308 10 81	
Central Previews and Horse .       Dito       6.465 3 6 9       188 1 1       6.645 4 10 1       1,640 7 6 10       91 8 8 1        B 8 6 1       1,10 (0 1 1       +1,120 4 1         Myres       Dito       2,658 8 11        477 10 6       3,009 16 6       141 14 10       696 8 5 5        B 8 6 1       1,00 0 1 0       1,00 0 1 1       +1,120 4 1         Madras       CabUsinited Hability       4,764 7 7        423 16 6       5,177 7 8       5,106 8 6       660 0        10 5 0       7 1 8       47,8 7 8       47,8 7 8       47,8 7 8       47,8 7 8       47,8 7 8       47,8 7 8       47,8 7 8       47,8 7 8       47,8 7 8       47,8 7 8       47,8 7 8       47,8 7 8       47,8 7 8       47,8 7 8       47,8 7 8       47,8 7 8       47,8 8 8       47,8 8 8       47,8 8 8       47,8 8 8       47,8 8 8       47,8 8 8       47,8 8 8       47,8 8 8       47,8 8 8       47,8 8 8       47,8 8 8       47,8 8 8       47,8 8 8       47,8 8 8       41,8 8,8 8       41,8 8,8 8       41,8 8 8       47,8 8 8       41,8 8 10 8       41,8 8 8       41,8 8 8       41,8 8 8       41,8 8 8       41,8 8 8       41,8 8 8       41,8 8 8       41,8 8 8       41,8 8 8       41,8 8 8       41,8 8 8	Kastern Bengal and Assam •	Ditto .		105 6 9	1,185 15 9	16,877 14 4	4,789 4 9	1,086 11 11	140		796	<b>5,884 14 3</b>	+ 10,998 0 9	• Includes statistics for three unlimited liability societies.
Toras       Zabisto 1142       162 5 2       10,040 7 100       260,14 1 10 $\sigma_1$ 100,013 1 3 6 4       29,283 1 0       111 6 6       417 5 0       11,099 1 0       1,40,774 11 8       +1,4,617 1 6 1         Madras         Ditto       1,985 8 6        429 15 8       5,17 7 8       5,100 8 6       686 0 8        16 3 0       7 1 2       6,7.5 7 8       +1,663 0         Boushay        Ditto       1,985 8 6        65 3 0       2,001 10 6       7.799 7 7       168 15 11        815 0        975 6 6       +1,643 6 0         Boushay        Ditto       1,985 8 6        10 6 0       41 3 8       828 9 11       476 7 9 7        810 0 15         60 0       0 407 6 9 4       +168 3 0         Dura        105 0 0        116 0       0        116 0        114 0         114 0       +108 10       100 73 6 9       +108 10       100 73 6 9        114 0         114 0       +108 10        114 0         114 0         114 0			1	, <b>, , , ,</b> , , , , , , , , , , , , , ,	188 1 1	6,643 4 10	1,540 2 6		· •			-		
Madras       Cash—Utalimited Hability       4.754 7 7        423 16 8       5.177 7 8       5.106 8 6       666 0 6        16 9 0       7 1 2       5.7.8 7 8       + 1.465 0 0         Bonbay        Ditto       1,965 8 6        86 9 0       6.117 7 8       5,106 8 6       666 0 6        816 0        975 6 6       + 1.045 4 0         Bengal        Ditto       791 6 113       0 6 0       6 113 0       92020 10 6       74 1 9 8       16 10 18        816 0        975 6 6       + 1.045 4 0         Burna        Ditto       106 0 0         116 0        81 0 0       60 0       467 8 9       + 536 9 8         Burna        7.606 7 0 b       0 8 0       619 14 8       8,130 11 6 b       4430 8 8       59 0 0       55 1 0       13 1 8       5,100 3 64       + 538 9 8       10         Bonbay        Ditto       146 8 111       1,388 9 8       180 14 6       1,060 11 7       328 18 10       1,027 0 6         1,681 6 0       15,618 6 1       4,614 0 1       1,027 0 6          1,850 0 6	Музсее	Ditto .	2,582 3 11		477 10 8	3,059 14 5	144 14 10	598 2 5		88 5 5	584 8 5	1,810 19 1	+1,749 4 4	•
Bombay       1,065       8        1,065       8        65       9       9,009       0       0       1,065       1        975       6       +1,045       4       0       1       1       0       6       0       1       1       0       6       0       282       9       1       6       1       0       6       0       282       9       1       6       1       0       6       0       4       1       0       8       1       1       1       0       1       1       0       4       0       1       1       0       1       1       0       1       1       0       1       1       0       1       1       0       1       1       0       1       1       0       1       1       0       1 <td></td> <td>TOTAL</td> <td>2,45,938 15 1143</td> <td>162 5 2</td> <td>10,040 7 10</td> <td>2,56,141 18 0<sup>7</sup>30</td> <td>1,09,813 13 9</td> <td>29,263 1 0</td> <td>111 6 6</td> <td>417 5 0</td> <td>11,009 1 0</td> <td>1,50,704 11 84</td> <td>+1,46,437 1 84/</td> <td></td>		TOTAL	2,45,938 15 1143	162 5 2	10,040 7 10	2,56,141 18 0 <sup>7</sup> 30	1,09,813 13 9	29,263 1 0	111 6 6	417 5 0	11,009 1 0	1,50,704 11 84	+1,46,437 1 84/	
Bangal	Madras ,	Cash-Unlimited liability	4,754 7 7		422 15 8	5,177 7 3	3,106 8 5	586 0 8		16 2 0	7 1 8	8,715 7 8	+ 1,462 0 0	
Burna       Ditto       Ditto       Ditto       Into 1 g       O 0 0       Into 1 g       O 0 0       Into 1 g       Into 0 0       Into 1 16 0	Bombay	Ditto .	1,965 8 6		55 2 0	2,020 10 6	·799 7 7	166 15 11	<b></b>	8 16 0	484	975 6 8	+1,015 4 0	
Midras       Torax       7.606       7       9       0       0       619       14       8       932       7       1       8       1       1       1       6.100       9       6.100       9       7       1       8       1	Bengal	Ditto .	781 6 11	060	41 13 0	823 9 11	474 12 8	16 10 1	<i>7</i> 0.		600	497 6 ¥i	2 C DES +	
Msdras        Other-Limited Hability       2,623 16 11       32,822 7 2       29,642 :0       2,469 11 0       14,420 8 2       2 99 0       35 0       1,661 6       1,683 4 5       + 10,837 5 10         Bombay       Ditte       146 8 11       1,838 9 2       186 14 6       1,666 11 7       328 18 10       1,027 0 6         34 9 9       1,863 6 4 5       + 10,837 5 10         Bombay       Ditte       146 8 11       1,838 9 2       341 0 0       7,28 0 0       1,304 0 0          34 9 9       3,867 0 0       + 3,731 0 0         Mysoce       Ditto       2,838 1 9       9,209 13 6       704 4 5       11,747 8 7       4414 4       4,871 10 0       8 1 2       7 10       1,740 0 6       6,731 1 10       + 5,626 1 9         Msdras       Other-Unlimited Hability       18,116 0 1       60,094 9 2       4,159 7 2       20,318 13 7       28 1 2       106 7 10       5,619 0 3       30,229 14 0       + 19,896 11 3         Msdras       Other-Unlimited Hability       18 11 4 7       68 8 0       692 13 0       106 8 8       290 10 10         246 9 11       652 13 0       + 10,896 11 3         Msdras       Other-Unlimited Hability       18 11 4 7	Burma	Ditto .	105 0 0	(1) D -	` <b>•</b> •	105 0 0	•••	1 14 0				114 0	+ 108 9 0	
Matrix        Other=Limited Hability       Loss 10 if 1       25,000 g 11       3,252 f 2       29,27 0       29,472 0       2,400 f 1       0       1,027 0 5        24 9 9       1,385 8 0       +B91 8 7         Bombay        Ditto       146 8 11       1,338 9 2       186 14 6       1,666 11 7       328 18 10       1,027 0 5          3,163 0 0       3,487 0 0       +9,920 10 0         Mysole        Ditto       2,683 1 9       9,209 18 5       704 4 5       11,747 8 7       4414 4       4,671 10 0       8 1 9       71 7 10       1,780 0 6       6,791 1 10       +8,026 1 9         Madrea        12,470 5 7       38,109 9 6       4,514 10 1       50,094 9 2       4,153 7 2       20,318 13 7       83 1 2       106 7 10       5,619 0 3       50,222 13 0       +19,868 11 2         Madrea                                   <		TOTAL .	7,606 7 0	0 8 0	519 14 8	8,126 11 8	<b>4</b> ,580 7 B	771 8 8		95 1 0	18 1 1	8,190 <b>2</b> 6j	+ 3,986 9 \$	
Bombay       .       Ditto       146 8 11       1,938 9 2       186 14 6       1,666 11 7       388 18 10       1,027 0 5          24 9 8       1,888 8 0       + Bul 8 7         United Provinces        Ditto       6,867 0 0        341 0 0       7,208 0 0       1,304 0 0             9,183 0 0       8,457 0 0       + 9,791 0 0         Myrore        Ditto       2,683 1 9       9,209 18 5       704 4 5       11,747 8 7       4414 4       4,671 10 0       8 1 8       71 7 10       1,730 0 6       6,721 1 10       + 50,226 1 9         Madras        12,470 5 7       38,109 9 6       4,514 10 1       50,094 9 2       4,153 7 2       20,318 13 7       18 1 5       106 7 10       5,619 0 3       50,223 14 0       + 19,848 11 3         Madras        Ditto       18 11 5       611 14 7       68 3 0       692 13 0       105 8 8       290 10 10         216 9 11       622 13 0       + 40 0 6         Bombay          24 9 8        24 9 8        1,09 3 8       + 19,848 11 3 <t< td=""><td>Madras ,</td><td>Other-Limited liability</td><td>2,623 15 11</td><td>23,566 2 11</td><td>8,282 7 2</td><td>29,472 :0 0</td><td>· 2,469 11 0</td><td>14,420 8 2</td><td>29 0 0</td><td>85 0 0</td><td>1,681 6 0</td><td>18,635 4 \$</td><td>+ 10,837 5 10</td><td></td></t<>	Madras ,	Other-Limited liability	2,623 15 11	23,566 2 11	8,282 7 2	29,472 :0 0	· 2,469 11 0	14,420 8 2	29 0 0	85 0 0	1,681 6 0	18,635 4 \$	+ 10,837 5 10	
United Provinces.       Ditto       6,867 0 0        841 0 0       7,368 0 0       1,304 0 0           9,183 0 0       8,487 0 0       +9,791 0 0         Mysore        Ditto       2,638 1 9       9,209 18 5       704 4 5       11,747 8 7       4414 4       4,871 10 0       8 1 8       71 7 10       1,730 0 6       6,791 1 10       +8,026 1 9         Msdraa        Ditto       12,470 5 7       38,109 9 6       4,514 10 1       50,094 9 2       4,158 7 2       20,318 18 7       38 1 8       106 7 10       5,619 0 8       30,228 14 0       +19,846 11 3         Msdraa        0ther							-	1	***		24 9 9	1,385 8 0	+991 8 7	
Mysol       Link       Link <thlink< th="">       Link       Link</thlink<>	United Provinces	Ditto .	6,867 0 0				1,304 0 0				<b>3,</b> 188 0 0	8,487 U O	+ 1,791 0 0	
Madraa       Torax       12,470 5 7       38,109 9 6       4,514 10 1       50,094 9 2       4,152 7 2       20,318 13 7       82 1 2       106 7 10       5,619 0 2       40,10 1 2       40,10 1 1         Madraa       . <td>Mysore</td> <td>Ditto .</td> <td>2,838 1 9</td> <td>P,209 13 5</td> <td>704 4 5</td> <td>11,747 8 7</td> <td>44 14 4</td> <td>4,871 10 0</td> <td>313</td> <td>71 7 10</td> <td>1,780 0 6</td> <td>6,711 1 10</td> <td>+ 8,026 1 9</td> <td></td>	Mysore	Ditto .	2,838 1 9	P,209 13 5	704 4 5	11,747 8 7	44 14 4	4,871 10 0	313	71 7 10	1,780 0 6	6,711 1 10	+ 8,026 1 9	
Marka       .       Other-Unlimited liability       18 11 5       611 14 7       63 8 0       692 13 0       106 8 8       290 10 10	. •	TOTAL .	12,470 5 7	33,109 9 6	4,516 10 1	50,094 9 2	4,158 7 8	20,318 13 7	82 1 2	106 7 10	5,619 0 \$	\$0,228 14 0	+19,848 11 \$	
Bombay       Ditto       446 9 1       201 13 5       132 1 9       780 8 8       274 8 9       245 15 9        26 13 9        467 0 8       +233 7 7         TOTAL       465 4 6       813 13 0       194 4 9       1,478 5 8       379 12 0       536 10 7        26 18 9        467 0 8       +233 7 7         GRAND TOTAL       9.66,481 1 1 170       84,086 0 8       15,269 5 41       3,15,536 7 1 16       101       143 7 8       575 11 0       16,057 12 4       1,87,203 9 6       +1,25,512 13 7 16	Madraa	Other-Unlimited liability	18 11 5	611 14 7	62 8 0	692 13 0	105 8 8	290 10 10			238 9 11	622 18 0	+ 70 0 0	
TOTAL       405 4 6       813 13 0       194 4 9       1,478 5 8       379 13 0       530 10 7          GRAND TOTAL       8,66,481 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		· · ·	•		l	1 1		1		26 18 9		547 0 8	+283 7 7	
		TOTAL .	465 4 6	813 12 0	194 4 9	1,478 5 8	879 12 0	536 10 7	···	26 18 3	2:6 9 11	1,169 i <b>3</b> 8	+ 313 7 7	
	·	GRAND TOTAL	9,66,161 1 1 <sub>30</sub>	84,086 0 8	15,269 5 4	3,15,536 7 1 <b>45</b>	1,18,726 8 7	50,890 1 10	143 7 8	575 11 0	16,057 12 4	1,87,203 9 6	+1,2~,512 i8 744	)

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STATEMENT III-C. PROFIT AND LOSS ACCOUNT.

	1					]	ural Societies	· · · · · · · · · · · · · · · · · · ·						
		<u> </u>	Рвог	IT.						Losa				
Province.	Kind of Society.	* Interest carned.	Gross profit on sales of stock.	Other items.	T.	tal.	Interest paid and due.	Establishmens and Contingent charges paid and due.	Debts wiltien off.	Depreciation of stock.	Other items.	Total.	Nat pridt + ar	Bonann.
1	. 2	. 8	4	5		6	. 7	8		10	11	13	18	14
		R a. p.	, R. a. p.	₽ a. p.		K a.p.	K a. p.	R a. p.	R a. p.	R e. p.	R a. p.	Rap	R . p. 1	- Proje 1999 I ani, Langue
adras	Cash-Limited liability ,	5,233 15 10	434	183 2 11	5,4	17 2 9	2,699 8 4	524 11 7		1 8 0	<b>3</b> 00	8,3::8 11 11	+9,188 6 10	I
oorg	Ditto	2,499 15 7	943	363 5 9	<b>2</b> ,8	63 5 4	243 9 4	313 6 6			•	666 18 10	+1300 6 6	
ysona	Ditto .	1,111 2 2		295 15 1	1,4	U7 1 S	9 10 9	J38 # 1		<b>5 5</b> 0	51 <b>5 3</b>	204 14 0	+1,202 8 8	
· ·	Total .	8,845 1 7	·`	842 7 9	9,6	87, 9 4	2,952 12 5	976 11 \$		7 18 0	63 5 9	3,190 9 9	+ 5,646 16 T	•
adras	Cash-Unlimited liability	42,537 6 7		4,325 8 4	46,8	62 13 11	27,179 0 10	8,878 15 1	6 8 7		54 8 8	30,618 19 9	+16,244 1 9	
ombay	Ditto .	18,563 8 6	12 0 0	2,124 15 2	20,7	0678	7,957 8 5	1,778 14 6		60 1 7	19 12 0	9,810 15 6	+10,489 8 8	
engal	Ditto	、27,706 2 10 <del>]</del>	· 218 11 11	1,587 12 71	<b>2</b> 9,5	12 10 7	15,726 7 0	534 9 8	199		575 4 7	16,837 14 7	+12,674 19 01	
nited Provinces .	Ditto .	<b>1,18,013 0 C</b>	100	<b>5,</b> 560 × 0 0	1,23,5	74 0 0	72,456 0 0	10,053 0 0			8,494 0 0	86,011 h 0	+ 57,571 0 0	1
anjab <sup>a</sup>	Ditto .	64,881 O U	•••	8,753 0 0	73,8	34 O Ó	12,053 U O	1,547 0 0			<b>3,954 0 0</b>	16,336 0 0	+ 57,075 0 0	"In-lailes one limi liability Boolety.
¢,	Ditto .	<b>30,166 15 8</b>	213 0 0	358 1 0	<b>3</b> 0,7	38 0 3	10,400 2 8	2,235 15 8	<b></b> ·		458 4 0	18,0:4 5 6	+17,643-10 9	
Castern Bengal and Assam	Ditto .	<b>95,</b> 886 <b>3 6</b>	•••	1,786 0 11	87,6	72 4 5	14,211 13 1	• 1,905 11 0	763	]	15 0 0	16,140 14 4	+ 91,599 6 1	
entral Provinces and Berar	Ditto .	9,788 15 0		401 15 3	10,1	014 8	3,852 6 11	906 8 6			<b>\$11 \$ 1</b> 0	4,570 2 3	+ 6,290 18 0	
007g	Ditto .	25 15 2		74 0 0		69 15 2		10 0 0			•••	10 0 0	+ 89 15 \$	
jmer	Ditto .	38 5 10	•••	580		43 13 10	19 7 8	010			***	19 8 8	+94 8 8	
• ,	Total .	8, 17, 607 7 83	444 11 1	24,976 13 3	<b>8,73</b> ,0	29 0 1	1,63 867 9 8	89,844 10 7	16 8 7	60 1 7	7,799 0 1	1.94,069 9 0	+1.78,959 7 1	
fyaore	Other-Limited liability .	80 <b>5</b> 11	614 5 10	882 4 6	1,0	27 0 3	102 5 3	811 19 6			1,641 6 1	1,536 7 9	-1,699 7 6	
	TOTAL .	80 5 11	614 5 10	882 4 6	1,0	27 0 3	103 5 2	811 19 6		141	1,641 6 1	8,556 7 9	-1,528 7 6	
	Other, Unlimited liability	271 15 11		13 5 9	2	85 5 8	. 91 0 6	19 11 \$			***	110 11 9	+174 9 11	
Inited Provinces	Ditto .		84-	· •		••					***	î <b>~~</b>		Brturne aus reseived.
fysore	Ditto .		••• 4				•••	***	-		***		***	Ditta
· .	Total .	271 15 11		18 5 9	2	5 5 8	91 0 6	19 11 8				110 11 0	+ 176 9 11	
	GRAND TOTAL	8,56,754 15 14	1,059 0 111	26,214 15 3	9.810	s 15 44	1,67,003 11 8	94,159 18 A	16 8 7	47 14 7	9,4%6 11 4	8,01),726 6 3	1.88 208 9 1	

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Provinces.	Kind of Society.	Cash in hand and bank.	Value of investment.	Loans due by members.	Loans due by other societies.	- Interest due on columns - 5 and 6.	Value of stock in hand.	Other items.	Total assets.	Loans from non-members.	Loans from other societies.	Interest due on loans in columns 11 and 12.	Thoans Itom	Interest due to Government.	Total of columns 11 to 15.	Share capital.	Deposits by members.	Interest due on members' deposits.	Dividends due to members.	Total due to members (columns17 to 20)		Other items.	Rosorvo fund.	Total liabilities.	Profit + and loss	REMARK
1	2	8	4	5	6	7	8	9	10	11	12	13	14	15	16	17	. 18	19	20	21	22	23	21	- 25	26	
Yadras	. Casb—Limited liability .		R a. p.	-	<i>R a. p.</i> 6,57,875 0 0	<i>R</i> a. p. 11,816 13 8	-		<b>R</b> a. p. 6,83,695 <b>4</b> 10	₽ a.p. 2,33,330 15 7	1 1	-	-	-	<b>-</b>	<b>–</b>		<i>R a. p.</i> 11,293 1 6	•	₽ a.p. 3,48,678 1 6		-	-	<b>R</b> a. p. 6,76,220 11 6	R a. p. +7,474 9 4	
Bengal	. Ditto .	1,862 10 3	- ++1	2,550 0 0		39 15 7		••• •	4,452 9 10	1,220 0 0	- +++	11 .0 0		•••	1,231 0 0	1,835 0 0	1,236 0 0	9 15 11	<b></b>	8,080 15 11	•••	•••	•••	4,311 15 11	+140 9 11	-
United Provinces	. Ditto .	28,211 0 0	636 0 0	•••	1,68,436 0 0	2,045 0 0	228 0 0	762 0.0	2,00,318 0 0	83,802 0 0		2,119 0 0	55,157 0 0	2,798 0 0	1,43,376 0 0	32,895 0 0	.10,644 0 0	468 0 0	. ==	44,007 0 0	190 0 0	7,910 0 0	1,100 0 0	1,96,583 0 0	+ 3,735 0 0	
Parjab	. Ditto .	1,030 0 0	•••		73,550 0 0	513 0 0	***		75,093 0 0	3,750 0 0	9,647 0 0	48 0 0		•••	13,445 0 0	20,520 0 0	40,390 0 0	285 0 0	•••	61,195 0 0	4500		102 0 0	74,787 0 0	+308 0 0	
Barnen	. Ditto .		***		13,960 0 0		•••	•••	13,960 0 0	10,000 0 0	•••			•••	10,000 0 0	3,960 0 0			•••	3,960 0 0	***	•••	•••	13,950 0 0		
Central Provinces	. Ditto .	10,681 15 4 <sup>1</sup> <sub>3</sub>	219 1 7	380 O O	29,248 5 2	1,343 3 3		<b>**</b> *	41,872 9 4	••• -	<b>***</b>	•••	••••	P+7	**1	24,425 0 0	14.596 7 11	454 14 6	91 <b>1 3 0</b>	40,387 9 5 <del>]</del>	72 0 0 -	219 1 7	678 5 4	41,357 0 4	+515 9 0	
-	Total .	50,764 0 10 <sup>1</sup> / <sub>3</sub>	855 1 7	7,430 0 0	9,43,069 5 2	15.758 0 6	228 0 0	1,286 15 11	10,19,391 8 0	3,31,602 15 7	1,00,447 0 0	4,864 10 10	55,157 0 ()	2,798 0 0	4,94,869 10 5	1,08,635 0 0	3,79,251 7 11	12,510 15 11	911 3 0	5,01,808 10 101	335 0 0	8,826 0 6	1,880 6 0	10,07,219 11 9	+ 12,171 12 3	•
										-																
Central Provinces	. Cash-Unlimited liability	206 7 1	706 13 5	13,572 0 0	•••	319 7 8	•••	•••	14,804 12 2	8,928 14 4	1,000 0 0	67 12 0	1,500 0 0		11,496 10 4		1,958 13 0	42 1 1		2,000 14 1	- ••·	, 	675 O U	14,172 8 5	+632 3 9	
F	- Total .	206 7 1	706 19 5	13,572 0 0		319 7 8	•••	**	14,804 12 2	8,928 14 4	1,000 0 0	67 12 0	1,500 0 0		11,498 10 4	•••	1,958 13 0	42.1 1	•••	2,000 14 1		•••• •••	675 0 0	14,172 8 5	+ 632 3 9	
	GRAND TOTAL .	50,970 7 11 <u>1</u>	1,561 15 0	21,002 0 0	9,43,069 5 2	16,077 8 2	228 0 0	1,286 15 11	10,34,196 4 21	3,40,531 13 11	1,01,447 0 0	4,932 6 10	56,657 0 0	2,798 0 0	5,06,366 4 9	1,08,635 0 0	3,81,210 4 11	12,553 1 0	911 3 0	5,03,209 8 111	335 0 0	8,826 0 6	2,555 6 0	10,21,392 4 2 <sup>1</sup> / <sub>2</sub>	+12,804 0 0	-

# STATEMENT IV-A.

# BALANCE SHEET AS AT 30TH JUNE 1909.

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• Bengal figures are for the year ending S1st Morch 1909.

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Central Societies (lending to or dealing with other Societies only).

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					Ав	38BTS.	Ŧ				•		2	•		L	ABILITIES.	•	· · .							
Presince.	Kind of Society.	Cash in hand and bank.	Value of investment.	Loans due by members.	Loans due by other societies.	Interest due on columns 5 and 6.	Value of stock in hand.	Other items.	Total assets.	Loans from non-members.	Loans from other societies.	Interest due on loans in columns 11 and 12.	Loans from Government.	Interest dus to Government.	Total of columns 11 to 15.	Share capital.	Deposits by members.	Interest due on members' deposits.	Dividends due to members.	Total due te members (columns 17 to 20).	Establishment and contingent charges.	Other i tems.	Reserve fund.	Total liabilitie	Profit + and loss	REMABES.
1	8	3	4	5	6	7	8	<b>9</b>	10	11	12	13	14	15	16	17	18	- 19	20	21		28	24	25 	26	27
		_	R a. p.		R. a. p.	R a. p.	R a.p.	R a. p.	<b>R</b> a. p.	R a. p.	R a. p.	<b>R</b> a. p.	<b>R</b> • a. p.	R a.p.	R a. p.	R a. p.	R a. p.	R a. p.	R a. p.	<b>R</b> a. p.	R a. p.	R a.p.	R a. r.	R a.	p. R <sup>°</sup> a. p.	
	Ditta	9.212 15 2 <del>1</del>	12.000 0 0	2,24,875 10 11 1,98,640 14 7 73,157 15 2 $\frac{1}{2}$ 10,99,231 0 0	• • •	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$		639 <b>8 2</b>	2,46,244 14 10 2,63,226 0 9 96,256 4 10 19.81.267 0 0	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$		$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	18,355 6 10 29.796 0 0	140 <sup>2</sup> 21 4.01200	1,05,755 13 10 40,488 4 1 18,319 0 0 12,63,795 0 0	46,428 0 2	23,975 5 1	1 501 7 O		I 70.724 Z K	8909	36 11 1	3,890 14 8	93.059 12	+7,304 8 $-4+14,621 9 5+3,196 8 4+69,721 0 0+$	
miness mgal and Assam	Ditto -   Ditto -   Ditto -   Ditto -	6,402 0 0 7,272 13 0 <del>3</del> 19.461 13 1	905 .0 0 1,174 11 9	21,841 0 0 58,777 0 0 1,03,355 10 7	5,400 0 0 71,410 11 8	336 0 0  5,910 1 10	80 0 0 1,760 8 0	492 0 0 10 0 0 80 0 0	29,071 0 0 72,444 13 0 2,03,153 8 11	$\begin{array}{cccccccccccccccccccccccccccccccccccc$		 1,721 - 2 7	1,000 0 0 23,568 5 0	•••	24,600 0 0 88,041 3 9	9,215 0 0 38,570 8 9 64,160 8 0	18,345 0 0 2,632 15 3 33,637 4 0	23 0 0 1,092 3 6	879 1 9	127,616 0 0 41,905 5 0 99,769 1 3	147 0 0	87 0 0 150 0 0 28 2 10	438 0 0 2,995 18 9 4,175 0 11	28,141 * 0 69,051 2 1.92,160 * 8	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	of the profit previous years. ‡ Includes stati
winces and Berar		6,410 12 1 6,329 10 11	•••	55,122 1 11 30,454 8 8	· • • • · · · · · · · · · · · · · · · ·	• • • • • • • • • • • • • • • • • • •	386 12 4	13 8 2 	70,004 1 11 37,184 8 1		•••• •••	546 12 0 •••		40% +++	••	27,174 5 6		18 14 11	<b>—</b> ——_	44,621 8 2 34,509 5 8	·	506 5 8	8,464 14 7 419 8 10	95,435 3	+ 8,410 11 11 + 1,749 4 4	lity societies.
	Total .	2,39,522 7 6 <sup>1</sup>	1,10,644 8 6	18,65,445 13 103	7,06,870 7 2	62,054 15 2	6,638 9 10	7,675 5 6	29,98,852 3 7 <sub>1</sub> 3	13,86,600 10 1	60,143 5 3	33,204 4 6	74,719 11 10	4,562 - 2 0	.15,59,235 1 8	6,55,273 15 11	5,57,480 7 0	18,720 10 5	4,993 11 5	12,36,468 12 10	8,081 6 5	7,080 8 6	77,666 1 4	28,83,531 14 9	1 + 1,15,320 4 9	
 	Cash—Unlimited Liability Ditto Ditto Ditto	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	. ***	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	610 10 0	452 12 11 1,368 6 6 259 10 6 	23 1 0	117 8 4 3 6 0	63,414 8 10 31,771 1 2 6,158 12 10 <del>]</del> 3,993 2 0	6,790 0 0 250 0 0 5,220 L 8 600 0 0	12,000 0 0 200 0 0	3 0 0	9,758 4 3	15 5 4	19,032 8 4 10,027 3 4 5,602 9 8 600 0 0	220 0 0	6,538 0 0 18,718 0 0 	2,317 11 8 756 3 0	23 8 8	42,692 15 4 19,694 3 0 3,290 0 0	82 10 6	7 1、2 	971 12 4 230 0 01	61,952 8 10 80,725 13 2 5,832 9 8 3,890 0 0	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	
-	Total .	3,355 13 9 <del>]</del>		99,146 3 10	610 10 0	2,080 13 11	23 1 0	120 14 4	1,05,337 8 10}	12,860 1 8	12,200 0 0	428 10 1	9,758 4 3	15 5 4	35,262 5 4	37,524 0 0	25,256 0 0	8,073 J4 8	23 8 8	65,877 2 4	52 10 6	7 1 2	1,201 12 41	102,400 15 8	+2,936 9 2	~
	Other—Limited Liability . Ditto Ditto Ditto	7,482 14 2 65 3 7 1,708 0 0 5,121 11 0		25,881 14 6 742 12 6 537 0 0 40,570 2 3	•••	846 8 11 35 9 11	51,795 13 9 9,876 13 6 28,269 0 0 31,016 15 6	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	25,725 10 3 4,368 2 3 1,344 0 0 8,998 7 4	1,000 0 0 5,000 0 0	531 13 1 151 8 0 	<b>791</b>		9,519 10 3	3,072_0_0 34,251_0_0	86,305 7 9 2,414 0 0 4,009 14 11	•••	1,038 6 11 4 0 0 199 2 8	54,075 1 3 8,072 0 0 36,669 0 0 65,748 9 8	1,589 6 7  862 9 9	6,837 5 1 261 9 3 4,868 0 0 6,819 13 11	4,323 14 8 87 8 0 1,806 0 0 1,675 10 7	94,083 2 6 12,940 6 6 44,682 0 0 84,106 0 4	+10,837 5 10 +281 3 7 +3,803 0 0§ +5,026 1 9	§ Includes #82 o profit of pro years.
-	- Total -	14,377 12 9	626 0 0	67,731 13 3	2,000 0 0	882 2 10	1,20,958 10 9	49,182 12 11	2,55.759 4 6	<u>4</u> ∩,436 <b>3</b> 10	6,000 0 0	684 2 7			47,120 6 5	1,13,075 1 8	42,729 6 8	518 8 7	1,241 9 7	1,59,564 10 6	2,452 0 4	18,781 12 3	7,892 11 10	2,35,811 9 4	+19,947 11 2	- 
	Other—Unlimited Lizbility Ditto	5 13 11 362 2 4		368 2 1 3.084 4 0	*** *** <u>*</u>	10 6 7 123 7 3	779 13 6 3,256 6 1	998 3 2 190 3 3	2,162 7 3 7,016 6 11	1,272 12 1 3 7 0	700 0 0 1,500 0 0	50 9 6	<b>3,000 0 0</b>	••• •••	2,023 5 7 4,503 7 0	1,111 0 0	1,028 14 0	104 2 8	***	2,244 0 8	41 7 8 22 14 0	27 9 6 31 15 9	0 0 8 22 7 1	2,092 7 3 6,824 12 8	+70 0 0 +191 10 5	-
-	Total .	- 368 0 3	-	3,452 6 1	·				9,178 14 2	·	·		· · · · · · · · · · · · · · · · · · ·	·			1,028 14 0			2,244 0 8	-					
	GRAND TOTAL	2,57,624 2 3	<b>1,11,270 8 6</b>	20,35,776 5 0	7,09,481 1 2	2 65,151 13 9	1,31,656 9 2	58,167 7 2	33,69,127 15 13	14,41,173 2 8	80,548 5 3	34,367 10 8	87,478 0 1	4,577 7 4	16,48,144 10 0	8,08,984 1 7	6,26,494 11 8	22,417 4 4	6,258 8 8 <del>1</del>	14,64,154 10 4	5,650 6 9	25,928 15 2	86,783 1 4	32,30,661 11 7	+1,38,466 8 6	

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# BALANCE SHEET AS AT 30TH JUNE 1909\*.

**Urban** Societies.

# STATEMENT IV-B.

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Frovince.	Kind of Society.	Cash in hand and bank.	Value of investments.	Loans due by members.	Loans due by other societies	ASSETS. Interest due on columns 5 and 6.	Value of stock in hand.	Other items.	Total assets.	Loans from non-members.	Loans from other societies.	Interest due o loans in column 11 and 12.	Loans from Government.	Interest due to Government.	Total of columns 11 to 15.	I Share capital.	Deposits by members.	Interest due on members' deposits.	Dividends due to members.	Total due to members (columns	Establishment and contingent		Rosorve fund.	Total liabilitie	Profit + and loss	BEMAR
· 1	2	3	4	* 5		7	8	9	10	11	12	18	14	15	16	- 17		- 19	20 -	17 to 20). 21	22 22		24		26	27
	,	.R. a. p.	-			. 🔒 а. р.	R a.p.		<b>R</b> a. <u>p</u> .	R a. p.	₽ a. p.	R a. p.	R a. p.	Rap.	1 -	-		· · · ·		R a. p.	R a. p.	R a. p.	R a. p.	<b>R</b> a. 1		
	Cash—Limited liability Ditto Ditto	5,700 11 0 3,157 6 8 1,434 1 2	3,529 3 5	54,619 12 0 26,445 3 3 11,855 14 5	500 0 0	0 3,192 3 2 	 630 15 8	222 1 3 351 6 5	64,234 11 5 33,131 13 4 14,272 5 8	14,326 3 4	16,150 o 0 	709 2 10	9,355 0 0 5,143 4 10 500 0 0	181 13 11  	40,722 4 1 5,143 4 10 500 0 0	13,245 0 0 17,617 15 5 11,500 9 6	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	443 9 4 9.2 8	 66 13 10	21,207 9 4 21,637 15 5 12,200 9 8	95 7 0 	20 15 10 225 8 2		62,046 4 30,825 7 1 13,070 2	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	
	Total .	10,292 2 10	3,529 3 5	92,920 13 8	500 0 (	3,192 3 2	630 15 8	573 7 8	1,11,638 14 5	14,326 3 4	16,150 0 0	709 2 10	14,998 4 10	181 13 11	46,965 8 11	42,363 8 11	12,162 15 8	452 11 7	66 13 10	55,046 2 0	95 7 0	216 8 0			0 +5,696 15 7	
Provinces Bengal and Assan Provinces and Berar	Ditto Ditto Ditto Ditto	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	796 8 0 14,283 0 0  19 0 0 3,127 8 6	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	560 0 1 660 0 0 12,750 0 0	$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	225 1 6 1,751 14 0	841 8 5 1,495 5 3 17,282 0 0 5,065 0 0	10,62,945       0       0         8,28,772       0       0         4,06,005       7       6         3,86,475       4       5	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	912 3 0 10,556 12 10 18,700 0 0 898 0 0 3,615 6 11	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	4,515 14 0 1,567 7 8 8,168 0 0 3,174 0 0  3,187 10 0 225 14 2	81 0 0 	1,36,975 12 2 1,46,718 1 9 26,038 9 1 1,25,643 0 0 5,09,648 0 0 59,671 0 0 75,960 9 9 43,745 9 8 1,156 0 0 408 8 8	459 4 1 19 5 8 729 0 0	2 8 5 1 8,9 746 0 0 3,881 6 9	18,113 8 8 20,034 7 1 40,911 0 0 10,178 6 0	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	
	Total .	3,41,276 15 11	22,879 1 8	35,66,064 15 03	15,020 0 0	1,37,519 9 10	9,555 14 6	25,847 8 7	41,18,163 11 9 <del>]</del>	6,26,658 0 10 <del>]</del>	13,96,777 1 7	45,048 5 9	5,25,823 6 3	7,318 1 11	26,71,625 0 5	5,11,845 0 0	5,95,515 14 8	17,890 12 7	1,212 7 5	11,25,964 2 8	2,068 15 10	5,010 4 0	99,466 7 8	89,04,134 14	5 +2,14,028 13 41	
• • • •	Other—Limited liability .	4,198 4 10	***	2,685 2 5	•••	<b>32 13 0</b>	2,259 2 9	1,072 7 8	10,247 14 8	990 13 7	· · · · · · · · · · · · · · · · · · ·		150:00	• • • • • • • • • • • • • • • • • • • •	1,140 19 7	5,926 6 0	945 1 8	54 2 0	87 15 1	7,018 8 9		8,520 14 5	101 1 5	11,776 6	3 —1,528 7 6	
•	- Total .	4,198 4 10	•••	_2,685 2 5	•••	32 13 0	2,259 2 9	1,072 7 8	10,247 14 8	990 13 7			150 0 0		1,140 13 7	5,926 6 0	945 1 8	54 2·0	87 15 1	7,013 8 9	***	8,520 14 5	101 1 5	11,778 6 2	-1,528 7 6	
TOTINCES	Other—Unlimited liability Ditto Ditto	116 7 5 78 0 0 	- ••• •••	2,983 4 3 979 0 0		83 10 4 51 0 0	15 11 6	 1,434 0 0	3,199 1 6 2,542 0 0	134 0 0 	1,689 0 0 	57 <sup>°°</sup> 0 0 	1,000 0 0 37.00	200	1,000 0 0 1,919 0 0 	  	1,689 11 3 	121 9 9 	21 5 0 	1,832 10 0 	1500 	8 <sup>°</sup> . 0 0 	176 13 7 	3,024 7 4 1,927 0 (	+174 9 11 +615 0 0 	Figures no
	Total .	194 7 5	***	3,962 4 3 .		134 10 4	15 11 6	1,434 0 0	5,741 1 6	134 0 0	1,689 0 0	57 0 0	1,037 0 0	2.00	<b>2</b> ,919 0 0		1,689 11 3	121 9 9	21 5 0	1,832 10 0	15 0 0	800	176 13 7	4,951 7 7	+789 9 11	<i>.</i>
	GEARD TOTAL .	3,55,961 14 2 <del>]</del>	26,408 5 1	36,65,633 3 4]	15,520 0 - 0	1,40,879 4 4	12,461 12 5	28,927 2 11	42,45,791 10 41	7,12,109 1 9 <sup>1</sup> / <sub>3</sub>	14,14,616 1 7	45,814 8 7 <del>1</del>	5,42,008 11 1	7,501 15 10	27,22,050 6 11	5,59,634 14 11	6,10,313 11 8	18,519 3 11	1,388 9 4	11,89,856 7.5	2,179 6 10	8,785 5 5 1	.,03,933 0 5	40,26,804 11 (	$+2,18,986$ 15 $4\frac{1}{2}$	

# · —· STATEMENT IV-C.

# BALANCE SHEET AS AT 30TH JUNE 1909.\*

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Rural Societies.

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#### APPENDICES.

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by	the Confer	ence	of Re	gistra	rs of	Co-c	operati	ive C	redit	Societic	39,	
	09) .			-			-			•		29-31
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## PROCEEDINGS

#### F THE

# Fourth Conference of Registrars

#### **Co-operative Credit Societies,** 0ť

# **November** 1909.

#### Present:

- MR. R. W, CARLYLE, C.I.E., I.C.S., SECRETARY TO THE GOVERNMENT OF INDIA, DEPARTMENT OF REVENUE AND AGRICULTURE (President).
- MR. W. R. GOURLAY, I.C.S., Director of Agriculture and Co-operative Credit Societies, Bengal (Secretary).
- MR. R. RAMACHANDRA RAO, Registrar, Co-operative Credit Societies, Madras Presidency.
- MR. C. S. CAMPBELL, I.C.S., Registrar, Co-operative Credit Societies, Bombay Presidency.
- MR. W. H. BUCHAN, I.C.S., Registrar, Co-operative Credit Societies, Bengal.
- MR. S. H. FREMANTLE, I.C.S., Registrar, Co-operative Credit Societies, United Provinces.
- KUNWAR MAHARAJ SINGH, Registrar, Co-operative Credit Societies, United Provinces (sub. pro tem.)
- MR. A. LANGLEY, I.C.S., Registrar, Co-operative Credit Societies, Punjab.
- MR. A. E. ENGLISH, I.C.S., Registrar, Co-operative Credit Societies, Burma.
- MR. W. L. SCOTT, I.C.S., Registrar, Co-operative Credit Societies, Eastern Bengal and Assam.
- MR. P. HEMINGWAY, I.C.S., Registrar, Co-operative Credit Societies, Central Provinces.
- MR. GUSTAV HALLER, Registrar, Co-operative Credit Societies, Coorg.
- RAI SAHIB MUNSHI GOPINATH, Registrar, Co-operative Credit Societies, Ajmer-Merwara.
- MR. M. SHAMA RAO, Registrar, Co-operative Credit Societies, Mysore.
- MR. O. B. PATEL, Registrar, Co-operative Credit Societies, Baroda.
- MR. T. ADINARAYANA CHETTIAR, Banker, Salem, and Secretary to the Salem District Urban Bank.
- MR. LALUBHAI SAMALDAS, Bombay.
- MR. R. S. KING, Rohika (Darbhanga).
- REV. E. M. WHEELER, Berhampore (Murshidabad).
- MUNSHI KABUL AHMAD of Sandila (Oudh).

RAI ISHWAR SAHAI BAHADUR of Fatchpur, United Provinces.

- SRIJUT PHANIDHAR CHALIHA, Honorary Organiser, Co-operative Credit Societies, Eastern Bengal and Assam, Dibrugarh.
- MR. G. FINDLAY SHIBRAS, M.A., Professor of Economics, Dacca College, and University (Calcutta) Lecturer in Economics.
- MR. C. M. GLYNE.
- MR. JAMINI MOHAN MITRA, Personal Assistant to the Registrar of Co-operative Credit Societies, Bengal.
- THAKUR THAMMAN SINGH, Assistant Registrar, Co-operative Credit Societies, United Provinces.
- MB. A. K. FAZLUL HAQ, Assistant Registrar, Co-operative Credit Societics, Eastern Bengul and Assam.
- MR. P. C. BARDALAI, Assistant Registrar, Co-operative Credit Societies, Eastern Bengul and Assam.
- MR. MISBAHUL OSMAN, Assistant Registrar, Central Provinces.
- MR. C. A. INNES, I.C.S., UNDER-SECRETARY TO THE GOVERNMENT OF INDIA, DEPARTMENT OF REVENUE AND AGRICULTURE.

## Programme of the Fourth Conference of Registrars of Co-operative Credit Societies held in Calcutta, November 20th to 23rd, 1909.

I.—General progress made in each Province.

II.—Cash Banks with unlimited liability.

(a) Raffeisen principles and their adaptation to Indian conditions.

- (b) Share basis: the Punjab system. How far and with what limitations it is desirable to extend this to other provinces.
- (c) Administrative machinery. How far changes in the personnel of the Managing Committee are made, and how far it is desirable to make such changes compulsory.
- (d) Principles upon which village societies should be financed.
- (e) Tribal societies : their working.
- (1) Co-operative principles how far understood. Moral effects of co-operation.

III.—Cash Banks with limited liability.

- (a) Special types suitable to India.
  - (b) Societies amongst employés of one establishment.
  - (c) Societies amongst artizans and small traders.
  - (d) Rules concerning voting—one man one vote or one share one vote. Is any statutory provision necessary ?
  - (e) Special difficulties connected with Limited Liability Banks.

SPECIAL SUBJECTS, UNDER HEADS II AND III.

- 1. Should non-members be permitted as sureties? (Kunwar Maharaj Singh.)
- 2. Remuneration of officers of societies, how far legitimate and expedient. (Kunwar Maharaj Singh.)

IV.—The utilisation of the reserve funds of societies registered under the Act.
 V.—Inspection and audit. Limitation of Registrar's power of control.
 Future arrangements about audit. State audit or State paid audit.

#### SPECIAL SUBJECTS.

1. The best way in which societies can be required to contribute towards the costs of their supervision. (Mr. A. Langley, Punjab.)

- VI.—Finance.
  - (a) Necessity for any special financing agency.
  - (b) Sources of capital-

(i) Deposits by members.

(ii) Other local capital.

(iii) Investing public. Relative importance of these sources. Difficulties connected with each source.

(c) Central Banking Unions. Their organisation and management.(d) District Banks.

#### SPECIAL SUBJECTS.

1. The future of financing of societies. Should not this be by means of one large institution, either provincial or for all India, lending to societies and Unions of societies rather than by means of District Banks ? (Mr. A. Langley, Punjab.)

2. The lawfulness of societies and especially of District Banks dealing in other than strictly banking business. (Kunwar Maharaj Singh.)

VII .- Liquidation. Principles upon which it should be carried out,

#### SPECIAL SUBJECTS.

(1) A clear definition of the powers of liquidators under the Act and the necessity of making some rules of procedure for liquidation. (Babu J. M. Mitra, Bengal.)

VIII.—Organisation of Co-operative Stores in India.

1X.-Development of other forms of co-operation.

X.—Privileges granted by Government. How far appreciated. Whether an extension is justifiable or necessary.

XI.—The working of Resolution No. 1—63-3, dated 29th April 1904 (loans against equivalent deposits by members). How far have deposits been encouraged. XII.—How best to encourage assistance of non-officials.

#### SPECIAL SUBJECTS.

1. Formation of District Co-operative Committees on the lines of the Irish Agricultural Organisation Societies and the desirability of giving

grants-in-aid to such Committees. (Mr. W. H. Buchan.)

XIII.—Provincial Conferences : their utility and work done by them.

XIV.-Amendment of the Co-operative Credit Societies Act.

#### SPECIAL SUBJECTS.

- 1. The continuance of the corporate existence of the society should the number of members drop below ten. (Mr. R. C. Rao, Madras.)
- 2. The date from which the period of one year prescribed in section 17, Act X, should be calculated. (Mr. R. C. Rao, Madras.)
- 3. Amendment of the Act to legalise the appointment of Deputy Registrars and delegation of certain powers under the Act to them. (Babu J. M. Mitra, Bengal.)
- 4. Amendment of the Act so as to include the following provisions safeguarding a minor's interest as recommended by the second Bengal Provincial Co-operative Credit Conference.
- Section 4 (b).—Add 'Provided, however, that the minor heir or heirs of a deceased member, where no legal guardian has been appointed, can be elected members. For the purposes of this Act persons under 18 are minors.'
- Section 7 (c).—No member while a minor shall incur any liability beyond his share or other interests and deposits in a society.
- Section 10 (a).—A society shall make no loan to any person other than a member of 18 years or over, provided that a loan can be made to a minor for the necessaries of life. (Babu J. M. Mitra, Bengal.)
- 5. Amendment of the Act so as to make liquidators appointed by the Registrar under section 24 (ii) and persons authorised under section 21 (4) to inspect societies "public servants" within the meaning of the Indian Penal Code. (Babu J. M. Mitra, Bengal.)
- 6. Amendment of the Act so as to make the certificate of registration granted by the Registrar conclusive evidence for the purposes of the Indian Evidence Act, 1872. (Babu J. M. Mitra, Bengal.)
- 7. Amendment of section 9 of the Act so as to give the Registrar full power with regard to the acceptance and repayments of deposits from members by societies which hold any deposit from non-members. (Mr. C. F. Grant, Burma.)
- 8. Amendment of section 12 of the Act so as to omit the proviso to section 12 of the Act which prohibits any member of a society from holding shares in excess of a nominal value of Rs. 1,000. (Mr. C. F. Grant, Burma.)
- 9. Amendment of section 21 of the Act so as to provide for an audit by the Registrar's staff by inserting after the word "Registrar" in clause (1)— "or some persons authorised in this behalf by the Registrar." (Mr. C. F. Grant, Burma.)

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#### Minutes of the Fourth Conference of Registrars of Co-operative Credit Societies held at Calcutta on the 20th November 1909 and following days.

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Mr. R. W. Carlyle, C.I.E., President of the Conference, said that he had much pleasure in welcoming to the Conference not only the Registrars of all provinces and States where co-operative work of any importance was going on, but also a considerable number of non-official gentlemen from Bombay, Madras, Bengal, Eastern Bengal and Assam and the United Provinces. All the Registrars were aware that hopeful as were the prospects of the movement, complete success was possible only if they could enlist the aid of educated and enthusiastic non-official gentlemen with influence over the rural population. He was glad to report that there was no check in the rapid and satisfactory progress of the movement to which he had alluded last year. The figures had not been finally checked and must be accepted as merely provisional. But they showed that the number of societies of all kinds had risen fr m 1,357 to 2,008, the number of members from 149,160 to 184,897; the working capital aggregated nearly 81 lakhs of rupees against just over 44 lakhs last year, and the expenditure had increased from less than 47 lakhs last year to more than 84 lakhs. This was only the fourth annual Conference, but these figures indicated that the movement had already progressed far beyond what could reasonably have been expected by those who were present at the first meeting in 1906. The progress made during the year was all the more satisfactory, because the annual reports showed that in most provinces the aim of the Registrars had been rather to foster growth where the seeds of co-operation had a lready taken root than to attempt to break new ground. It was also very satisfactory that whereas State aid accounted for only Rs. 6,86,143 of the working capital or very little more than last year (Rs. 6,51,816), loans from private persons totalled nearly 25 lakhs of rupees against less than  $12\frac{1}{2}$  lakhs at the end of June 1908. Last year in addressing the Conference he had had occasion to point out that the two questions of vital importance to the future of the movement were the best means of providing for the supervision and the financing of Co-operative Credit Societies. In several of the provinces the question of finance seemed to have been solved. He was referring in particular to Madras, Burma and the United Provinces, but so far as he could judge, he did not think it probable that this question would give rise to serious difficulties in the Punjab, Central Provinces or Bengal. He did not of course mean that in those provinces very large sums of money would at once be forthcoming, but there was reason to believe that money would come forward quite as quickly as it would be possible to establish properly supervised societies. It was too early to say that the question of supervision had been solved anywhere, but the state of affairs in the United Provinces and Madras gave great promise for the future. The reports for 1908-09 served to confirm the opinion expressed by the Government of India in their Circular dealing with the proceedings of the third Conference that the most satisfactory solution of the problems connected with the best means of financing Cash Societies and with future arrangements for audit, inspection and control would be found in the organisation of societies as they increased in numbers into local Unions and in the federation, at a later stage, if necessary, of these Unions into Central Unions. At the same time it was of course possible that in some provinces other solutions might be found necessary or desirable. The great importance of supervision not being confined to Government was well brought out by Mr. Ramachandra Rao's remarks on the danger of insufficient or routine inspection by Government officers, and be thought that there was a real danger that if Government assistance was not kept within moderate limits the whole movement would tend to become departmentalised. He referred to the fact that in many provinces Registrars had found it desirable to confine work to concentrated areas and to avoid establishing isolated societies. These could be no doubt as to the soundness of this policy. It was far easier to establish in concentrated areas Unions which could both finance and, to some extent, supervise the societies in such areas. Co-operation was, so to speak, in the air. New societies were far more likely to be started and to be run on the right lines from the beginning. He sympathised with the difficulties of the Registrar of Burma who was unable to

cope with the demands of the public. He was not sure that the Registrar was not over-anxious as to a number of societies being started without being registered. If such societies sprang into existence it would not be long before the fact that they were not registered under the Act was widely known. A question of great importance was how far societies should endeavour to pay off their members' debts to outsiders. He could not believe that any one who was in debt, both to the society and to the money-lender, could derive full benefit from his society. Of course it was not necessary that the debt should be paid off in one instalment. As long as the society could arrange for the debts of its members being definitely taken over, it did not much matter if the debts were paid off by degrees. He shared the doubts expressed by the Registrar of Co-operative Credit Societies in the Central Provinces as to the advisability of allowing banks to do general banking business as well as Co-operative Credit work, but he had no doubt the members of the Conference would have something to say on the subject. Another point to which he would draw the attention of members was the question of devising the best means of dealing with Co-operative Societies for distribution purposes. It would be agreed that management was much more difficult in such societies than in small Cash Societies, and the question how far co-operation for credit and co-operation for distribution should be combined was one which deserved careful consideration. The past year had shown that many difficultics still remained to be overcome, but they had reason to congratulate themselves not only on the general progress made, but also on many indications that public interest had been aroused. There was perhaps some danger that they might be urged to move too fast, but the interest which the movement was beginning to excite among the general public was wholly good, and unless this interest increased and spread, it would be impossible to effect that revolution in the economic condition of India which might be expected from Co-operative Credit work if it continued to progress with the same rapidity as at present.

2. It was decided that as usual the most important subjects in the programme should be dealt with in the first instance by Sub-Committees.

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#### I.-GENERAL PROGRESS MADE.

3. With the single exception of Ajmer, where the movement shows no vitality, the progress made in all provinces was satisfactory, and it is necessary to mention here only those features of the year's work in each province which are of special interest. In Madras the Registrar drew special attention to the heavy increase in the volume of transactions and the large increase of deposits and to the rapid development of the prestige of the Madras Central Bank. A new Central Society, in the shape of the Salem District Bank, was constituted during the year on identical lines, and its success was most encouraging. Though it was founded only in January 1909, all its shares had been taken up by the end of the year, and both its receipts and disbursements in this short period amounted to more than Rs. 3 lakhs. Among other features of interest the Registrar mentioned the holding of a District Conference attended by delegates from all the societies in the districts, the voluntary conversion of old societies from a limited to an unlimited liability basis, and the thorough revision of the provincial accounts. In Bombay the absence of the permanent Registrar on leave during the greater part of the year prevented any striking forward movement, but the process of intensification went steadily on. The outstanding feature of the year perhaps was the holding of the first Bombay Provincial Conference, and it is hoped that the meeting will become an annual one and that Divisional Conferences will also be held yearly. A scheme for a Central Bank for the Bombay Presidency, which is peculiarly important in that it represents a direct advance on the part of the leading capitalists in Bombay to join hands with the Co-operative Credit movement, was also matured and placed before the Government of India. Since the close of the year the Registrar has been given an expert assistant to help in dealing with Weavers' Societies. In Bengal the most important work of the year was the establishment of two Central Banking Unions. They embrace some 50 societies, and though still in the experimental stage, they are working very satisfactorily both in controlling their affiliated societies and in developing their areas. Another Union is about to be established in Bihar which will test the suitability of the scheme to less advanced districts.  $\Lambda$ large number of new rural societies, all of the Raffeisen type, have been established,

and the Registrar is continuing the policy of encouraging the formation of societies in groups with the object of gradually combining them into Unions. A departure however has been made from this policy in Ranchi, where there will shortly be registered a Mission Bank to embrace all the Roman Catholic Christians of Chota Nagpur. The aboriginal tribes of this part of Bengal have been found incapable of working independent societies successfully, and the bank will deal for some years through local agents and circles with groups of villages as individuals. The procedure is unusual, but is justified by the exceptional circumstances of the tract, and full provision has been made for the instruction in co-operation of these village groups, and for their conversion as soon as possible into autonomous societies. Development in Bengal has largely been due to the assistance of Honorary Organisers scattered about the province, there being no District Banks to encourage the growth of societies, and an attempt will now be made to systematize this voluntary assistance and to enlist further unofficial aid. A beginning has been made in Hazaribagh by the formation of a Co-operative Organisation Association, and it is hoped to create similar associations on the lines of the note submitted by the Registrar to the Conference. The system of audit has been remodelled, and three permanent auditors appointed. The second Provincial Conference, which was held in July, was a great success and will now be an annual institution. In the United Provinces, as in Bombay, the year was marked by the holding of the first Provincial Conference, which in future will meet annually. One of the most satisfactory features of the year was the great increase in working capital, the working capital of all classes of societies having risen from Rs. 21,70,142 to 32,95,537, and of this less than 5 per cent. is now supplied by Government, last year's per-centage being over 10 per cent. The rapid and successful development of small urban societies for the industrial and professional classes is also noticeable. During the year the number of such societies increased from 2 to 31. The liability of such societies is usually unlimited, save in clerks' societies, and the number of members is usually small. Repayments by members have been wonderfully full and prompt, management is democratic, and generally speaking the prospects of successful co-operation among these classes are very hopeful. The number of independent rural societies increased in number from 154 to 305, and the policy has been deliberately adopted of curtailing their membership and restricting the area of their operations. With the extension of the share system, the number of Raffeisen societies continued to decrease. The societies generally found readier access to the money market and the number of joint stock banks making loans to the societies and the amount of such loans increased considerably. Repayments by members had been excellent, the provincial average being over 85 per cent. Less satisfactory features were the detection of the first serious case of traud, and the liquidation of 15 societies. For the first time on record, also, four suits were instituted against defaulting members. In the Punjab progress was hampered in the earlier part of the year by lack of staff, but four more inspectors were subsequently appointed, and 88 new societies in all were established. The formation of half of these was directly due to funds supplied by the newly constituted Jullundur District Bank. Two more District Banks have since been opened, a third is in process of formation, and others as well as some Cooperative Unions are contemplated. The prospects of expansion in the Punjab are therefore bright, but the movement is mainly confined to eight districts, and the societies, though working satisfactorily on the whole, still need careful supervision and frequent inspection. Many weak societies were weeded out during the year. In Burma expansion has been remarkable. During the year the number of societies of all kinds increased from 80 to 174, and 39 new societies have been added since the end of June. The only new area taken up was the Pakokku district, where 17 rural societies were established with a Central Bank for the purpose of financing and supervising them. Two Co-operative Unions have also been started. In Burma funds have hitherto been obtained through agents, one for Upper and one for Lower Burma, but in February 1909 an important advance was made, an arrangement being concluded with the Bank of Rangoon that it should finance the movement, up to two lakhs of rupees, as a beginning. Capital amounting to some Rs. 30,000 has also been invested in the societies by Burmans and Natives of India, and given efficient control in the future, the movement may be regarded as independent of monetary assistance from Government. But while the problem of finance has thus been satisfactorily solved to a large extent in Burma, the equally

important problem of audit inspection and control has occupied much attention during the year. The Registrar has found himself unable to keep pace with the demand for societies, and the Local Government has decided that arrangements must be made to give him assistance. As a temporary measure, the Director of Agriculture has been appointed Joint Registrar and has taken over 4 districts including 88 societies, and arrangements have been made to train 20 Sub-Divisional Officers in Upper Burma in co-operation with a view to the control of societies being delegated largely to them. An extra Junior Assistant Registrar is also being applied for. In Eastern Bengal and Assam progress continued steadily on normal lines, and indications are not wanting that the suspicion, with which the movement has hitherto been viewed by the educated Hindu community owing to the political situation, is slowly being dissipated. The only new departure made during the year was the establishment for the first time of Industrial Banks in the shape of Weavers' Societies, one advancing yarn on credit and the other making cash advances. The Registrar mentioned that no success had so far been attained in the foundation of Co-operative Unions and Grain Banks. In the Central Provinces the Registrar reported that progress had been limited during the year because it was confined solely to tracts where success had shown the existing organisations to be suitable, because the Central Banks wanted time in those tracts to prove their ability and to secure their own position before expanding their operations, and because the Registrar acted on the principle of not starting new societics except where he could see his way to financing them as part of a real live scheme. Twenty new societies, however, had been registered including a Central Bank and an Urban Society, and the Registrar anticipated that the result of the cautious waiting policy hitherto adopted would be a remarkable expansion in the current year. The outstanding feature of the present position is, in the Registrar's opinion, the necessity for the Central Bank. Where such an organisation exists, as in the Balaghat and Jubbulpore districts, its influence is seen in the spontaneous growth of numcrous village societies. Where it is absent, societies languish. Nineteen new societies were started in Mysore, and activity was shown in many directions, the new societies including a Central Co-operative Bank, which will finance rural societies, industrial societies, co-operative stores, grain banks and an agricultural association for the purpose of supplying members with information relating to the improvement of agriculture as well as with good seed and improved appliances. Baroda was represented at the Conference for the first time, and the Registrar took the opportunity of giving a short account of the progress of the movement since its inception. The Baroda Act, which is modelled on Act X of 1904, was passed in December 1904, but owing to the fact that no whole time Registrar was appointed, progress for the first few years was not encouraging, and the 34 societies which had been formed by the beginning of 1908 either existed on paper only or were in a moribund condition. In March 1908 the present Registrar was appointed, and an improvement has since been manifested. Some of the weaker societies have been weeded out, others have been formed, and there are now 49 societies of the Raffeisen and Schultz-Delitzch type, with a membership of 884. Two-thirds of the capital of the societies which amounts to Rs. 61,874 have been found by Government, the rules regarding State aid not being so strict as it has been thought advisable to make them in British India. A feature of the movement is the number of societies formed in backward parts of the State, and in at least one aboriginal society a considerable measure of success has been attained.

4. Four general statements showing the combined statistics of the societies in the different provinces and illustrating the general progress made are attached, as usual, to these minutes. The tabular statements below compare the statistics of this year with those of last :---

						30th June 1903.	30th June 1909.
Central	Number of Societies.					7	15
Urban	•	•	•	•	• • • •	149	227
Rural	•	•	•	•	• • •	1,201	1,760
Number o	-	mbers	•	•	TOTAL	1,357 149,160	2,003 184,859

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	30th June 1908.	30th June 1909.
Capital. Loans from private persons	. 12,43,495 5,84,765 9,35,928 9,19,523 6,51,816 78,559 . 44,14,086	24,93,814 15,96,611 14,77,254 16,18,018 6,86,143 1,93,271 80,65,111
Expenditure.	•	
Loans repaid to private persons Loans issued to members Purchase of raw materials and stores . Profits	4,01,976 36,93,018 3,90,655 1,80,916	14,10,323 59,99,924 6,74,383 3,26,265
TOTAL	46,66,565	84,10,895

NOTE-Figure for 1908-09 include statistics for Sind which were not included in the previous year.

#### II AND III.—CASH BANKS WITH UNLIMITED AND LIMITED LIABILITY.

5. The President pointed out that the time at the disposal of the Conference was limited, and that several of the subjects set down for discussion, the amendment of the Act in particular, were of great difficulty and importance. Most of the points included under these two heads of the programme had been fully discussed in the Annual Reports for 1908-09 and the previous years, and he thought that the Conference might confine its attention with advantage to those on which individual Registrars had something special to say or as to which they desired advice. Referring to Raffeisen Societies, Mr. Ramachandra Rao (Madras) remarked that last year the Conference had agreed that in India the true distinction was not between productive and unproductive loans, but between necessary and unnecessary loans. This principle was one of great importance, and it would be interesting to know whether in the light of the further experience gained the Registrars still adhered to it. So far as Madras was concerned he was convinced of its soundness. Mr. Gourlay (Bengal) said that the principle was still acted on in Bengal, it being left to the society to decide for itself whether a loan was necessary or unnecessary. Mr. Fremantle (United Provinces) thought that the true principle was that a loan should be either directly productive or should involve an economic saving and the Conference endorsed this view. Mr. Shama Rao (Mysore) asked whether it was always necessary that a rural society should be formed on a basis of unlimited liability. In Mysore, owing to the failure of the Agricultural Banks, a number of ryots had had a somewhat unfortunate experience of the responsibilities entailed by unlimited liability, and he now found it very difficult to induce the agricultural population to join societies founded on this basis. They were afraid to do so. The question was briefly discussed, but the Conference saw no reason to recede from the position that unlimited liability is the only sound basis for rural societies. Mr. Gourlay (Bongal) suggested that it was a matter for consideration whether periodical changes in the Managing Committees of rural societies should not definitely be prescribed by rule, but the general sense of the Conference was against compulsory changes by rule, and the opinion was also expressed that any such rule would prove unworkable in practice. Mr. Shama Rao (Mysore) asked for a ruling as to how far a society might be allowed to continue to retain possession of land or other immoveable property which it had been forced to buy in when recovering its dues. The opinion of the Conference was that the policy to be aimed at was that the land should be got rid of as quickly as possible, though it might occasionally be necessary to wait for a favourable opportunity before disposing of it.

6. The consideration of the special subjects noted for discussion by individual Registrars was then proceeded with.

7. Should non-members be permitted as sureties? Kunwar Maharaj Singh (United Provinces) opened the discussion by presenting the following note:-

"The sole question for consideration is whether a surety should be a member or not. There are of course certain objections against non-members standing as sureties. The society has not the same intimate knowledge of such persons and their qualifications and cannot exercise the same control over them as in the case of members. The responsibility of members offering such security and of other members is apt to be weakened, and in any case an outside element is introduced into the society's affairs. It would be undesirable, however, in my opinion to exclude non-members without exception, though I admit that their inclusion should be rare.

"In certain instances, e.g., where the loan is a very large one, it may well happen that a nonmember's security is far superior to a member's. If the Committee approves of such a surety, is there any valid objection to his acceptance? Approval by the Committee is, I think, essential and minimises the risks I have already mentioned, viz., want of knowledge of the sureties' circumstances, etc. The fact that the interests of the society and surety are identical as regards the main object, viz., the repayment of the loan, diminishes the force of the charge of introducing an outside element.

"The subject was discussed a tour Provincial Conference, where the majority of members agreed with me in thinking that "though members were in every respect preferable as survices yet non-members, if approved by the Committee, should not, *ipso facto*, be debarred from standing as surety."

He said that the principle stated in his note was generally followed in the United Provinces, and enquired what the practice was in other provinces. After some discussion the Conference agreed that the principle laid down by the Provincial Conference was the correct one. Members were always preferable to non-members as sureties, but it was not possible to oust non-members by any hard-and-fast rule.

8. The remuneration of officers of societies—how far legitimate and expedient. This question was also brought forward by Kunwar Maharaj Singh in the followirg note:—

"In rural and small urban societies the only person who draws any remuneration is the Secretary, whose duties are purely ministerial. Sometimes he is a member-more often he is not. It a member, he generally works without remuneration. If a non-member, he is either paid a monthly salary, or receives a bonus from the society's profits at the end of the year.

"Recently a few societies have applied for the Registrar's sanction to the grant of cash honorariums to Sarpanches or other members of the panchayet for good work, e.g., in making collections. I have, however, refused to sanction such requests.

"I am personally of opinion that remuneration of officers, excluding, of course, reimburscment for out-of-pocket expenses, is inexpedient. It will lead to cliques among members and a spirit of unhealthy rivalry. Officers of societies at the same time must necessarily lose their independence when the question of their remuneration and its amount becomes dependent on the votes of members. It will be difficult, for instance, for officers to refuse a loan to a member who has a right to a vote when the subject of their remuneration arises.

"On the other hand there is no doubt that such payments would act as incentives to many panchayets to better work, and for this very reason they were permitted by Schultz in his societies.

"A general pronouncement on the subject by the Registrars assembled in Conference would be useful.

' I might add that District Banks sometimes remunerate Sarpanches of borrowing societies for good services by the grant of *puggrees*, certificates and other small tokens of approval. The remuneration here, however, is from without, and is not, I think, open to the same objections."

The President thought that the less payment there was the better, and Mr. Gourlay (Bengal) added that it should be unnecessary except in very large societies. Kunwar Maharaj Sirgh explained that so far the question had arisen only in the case of the societies in the Unao District many of which were of considerable size. In response to enquiries on the point, Mr. Ramachandra Rao said that payment was unusual in the Madras Presidency, but that a number of large Urban Banks had adopted the systems of giving sitting fees to their Directors, one-third of the net profits of the bank being set aside for this purpose. After some further discussion the views expressed in Kunwar Maharaj Singh's note were generally approved by the Conference.

# IV.—The utilisation of the Reserve Funds of societies registered under the Act.

9. Mr. Shama Reo (Mysore) at whose instance this subject had been included in the programme, said that he had only two small suggestions to make for the consideration of the Conference. In view of the importance of building up a reserve with the least possible delay, would it not be desirable to credit penal interest on overdue loans to the reserve instead of to profits in the usual way, and might not a portion of the stamp and registration fees remitted by Government similarly be appropriated, with the previous sanction of the Registrar, to the reserve and to the initial expenses which confronted every newly formed society ? The latter suggestion was generally condemned as impracticable. As regards penal interest, Kunwar Maharaj Singh (United Provinces) pointed out that the receipts under this head were usually trifling, and that it would not be worth while to complicate the accounts by insisting on their being credited to the reserve. The Conference entirely agreed in this view.

#### V.-How to finance Cash Societies.

#### VI.—AUDIT AND INSPECTION.

10. These two subjects were considered together and were introduced by Mr. Langley (Punjab).

11. The best means of requiring societies to contribute towards their own supervision.-Mr. Langley pointed out that it was generally agreed that the societies should now begin to bear part of the cost of their supervision with a view to becoming ultimately as far as possible self-supporting. The lead appeared to have been taken in this direction by Bengal and the United Provinces. In the former, Unions of societies employed auditors, and in the latter District Banks employed inspectors. The question was did both these classes of officials merely do the work of audit or were they capable of giving that frequent and sympathetic inspection and assistance which was more important than mere audit and which most exsisting societies and all new societies would require for some time to come? Unless they could do this the Government staff would not be greatly reduced. He was suggesting for the Punjab that each Union should employ a sub-inspector who would be the best type of patwari, or some such man, with local knowledge and influence, but that, in order to encourage the formation of Unions, Government should pay for these sub-inspectors until the Unions had carned a profit of 3 per cent. In this way the number of inspectors would be considerably reduced. He suggested that some such plan as this was required if the growing expenditure was to be transferred from Government to the societies.

12. Finance.—As regards future arrangements for financing Cash Societies Mr. Langley presented the following note :—

"We seem to have now reached the stage where it is necessary to look forward and decide what form the financing of societies is to take. Though it is generally agreed that societics should first attract local capital and though their credit is best manifested and is put on the firmest basis by the attraction of local capital, still it appears to be the experience of most provinces that outside capital is necessary also.

"What amount of capital will be required depends upon the object which each province sets before itself. Experience in the Punjab is to the effect that the co-operative movement appeals most strongly to poor and indebted villages. Such villages see in a society the only possible means offered to them of getting rid of the crushing burden of debt, of enjoying the produce of their own lands and of borrowing money at a cheap rate of interest for the ordinary needs.

"It is for the good of the society and of its individual members to borrow as soon as possible, that is, as soon as their credit entitles them to it, sufficient money to pay off the whole of their existing debt with the money-lenders and also to have sufficient capital at their disposal to satisfy their ordinary requirements without having to resort again to the money-lender. This means that we have before us no less an ideal than the relief (to a large extent) of agricultural indebtedness. This indebtedness in the Punjab is estimated at from 25 to 30 millions sterling and this is probably a low estimate. I do not think it is taking an exaggerated view of the possibilities of the co-operative movement to hope that it may result in the paying off of 10 millions sterling of debt or 15 crores of rupees. In addition to this there is the very large sum which will be required for the current needs of the societies and for their further needs in the way of agricultural and other advancement which will follow in the wake of emancipation from debt. At any rate it seems clear that the amount of capital which will be required ultimately for this province alone will be very large and will be measured in crores.

" Of this no doubt a considerable amount will be obtained locally. As the credit of societies improves, especially as they form themselves into Unions, they will unodubtedly attract considerable sums locally. But it seems equally certain that this contribution will be only a comparatively small part of what will be ultimately required. Moreover, societies do not attract local money until they have to some extent established themselves and for this they require some capital, which, if not procurable locally, must be found outside.

"Societies which cannot attract money to themselves are at present mainly financed by District Banks. The advantage of these institutions is that they obtain local money in the district. The disadvantage seems to be that they are either too small or too large. While they are small they are easily managed, but in that case they are not sufficient for the needs of a district. If they do become sufficiently big, they become regular financing institutions requiring expert management, of which the shareholders look for a large and growing profit. Ultimately we should require a large number of these banks.

"It is therefore a question requiring early decision whether, if the necessity for outside financing is admitted, it should not be done by one instead of many banks. The question must be decided because if some larger institution is found to be necessary the District Bank will become useless and they and the larger bank will have conflicting interests. There is no use in multiplying these financial agencies. They should be as few and as simple as possible. Nor in the event of a large bank being formed could the District Banks be used as intermediate agencies. They have their own profit to make and if the large bank advance moncy through them, it would mean that the village societies would have to pay for a double profit.

" This difficulty seems to be already felt in the United Provinces where District Banks have been extraordinarily successful. The only reference in this year's report of that province to the rate of interest charged by District Banks to village societies shows them charging from 9 to 12 per cent., which makes it necessary for the village banks to charge the members 15 per cent. Other large District Banks appear to obtain money from Joint Stock Banks at from 7 to 71 per cent. and they must presumably charge the village banks at least 9 or 10 per cent. District Banks, therefore, seem to mean the payment of a somewhat heavy rate of interest on the part of the members of village societies, and though the District Banks of the United Provinces are certainly doing remarkably well, we are not concerned with their welfare but with the welfare of village societies.

" It seems to me that we have to choose between District Banks and Unions, because I do not think both can exist side by side successfully, and I think the Union is much the healthier form of progress.

" If there could be formed a large financing institution which would lend money to societics or Unions of societies at 8 per cent. and relieve the Department of the trouble and responsibility of arranging for the supply of outside capital, this I think would constitute the soundest system of financing."

13. These two subjects were referred to a Sub-Committee consisting of Mr. C. S. Campbell (Bombay), Secretary, Mr. W. R. Gourlay (Bengal), Mr. Ramachandra Rao (Madras), Mr. P. Hemingway (Central Provinces), Kunwar Maharaj Singh (United Provinces), Mr. W. L. Scott (Eastern Bengal and Assam), Mr. Lalubhai Samaldas (Bombay), Mr. R. S. King (Bengal), and Mr. J. M. Mitra (Bengal). The Sub-Committee presented the following report :---

"(A)-As regards audit and inspection the Sub-Committee is of opinion :---

" 1. That the responsibility of the Registrar for audit must be maintained.

"2. That the inspection of rural banks may be made over by degrees as found possible to District Banks or Unions ; the official staff confining itself more to pure audit.

" (B).-As regards finance :---

"1. After some discussion the Sub-Committee is of opinion that at present no one special financing agency for the whole of India is necessary.

" Registrars of provinces that now have a well-developed system of Central and District Banks or Unions have as a general rule experienced little difficulty in raising funds for financing societies and in such provinces there is a growing tendency among capitalists, including Joint Stock Banks, to invest money voluntarily and on business terms.

"2. The Sub-Committee would repeat the following Resolution passed last year at the Conference ; page 13 of the Proceedings :---

"The Committee are unanimously of opinion that it is always best to attract local capital, and they desire to emphasise the importance of societies attracting the deposits of members and local non-members. The presence of local deposits ensures interest in the proper working of a society."

"3. When a Central Bank or other large society desires, and is willing to pay for, an audit by a chartered or professionally trained Accountant, and the Registrar is satisfied with such Accountant, the Registrar may accept such audit in lieu of the official audit under section 21 of the Act.

"4. No further resolution seems necessary."

14. Mr. Langley suggested that it was a matter for consideration whether a trained banker was not immediately required to advise large societies especially as regards the borrowing of money. This banker would also be the most suitable person to conduct the audit. Mr. Gourlay  $\epsilon$ xplained that this suggestion had been considered by the Sub-Committee which had come to the conclusion that at present it would be sufficient if Registrars got advice from bankers with whom they were personally acquainted. It would be premature to appoint an official banking expert either for each province or for all India. The suggestion was also made that it would be useful if some rough standard could be fixed for the strength of the staff required. Some Registrars were much more liberally treated in the matter than others, and the Conference might perhaps state for general guidance how many societies an official auditor might be expected to deal with. As last year, however, it was decided that the question was one which must be left to the Local Governments concerned to deal with.

15. Subject to small amendments which have been carried out in the report the Report of the Sub-Committee was adopted.

#### VII.-LIQUIDATION. THE PRINCIPLES UPON WHICH IT WAS CARRIED OUT.

16. A clear definition of the powers of liquidators under the Act and the necessity for making rules of procedure for liquidation.—The discussion was opened by Mr. J. M. Mitra (Bengal) who presented the following note:—

"The question has special reference to the powers of liquidators to summon and enforce the attendance of witnesses and to compel the production of documents, etc. These powers are defined in sub-section 3 of section 24. The terms of this section are very vague, and the words 'so far as may be' make the section rather indefinite. As the section stands at present, one can only say that sections 159 to 178 of the old Act XIV of 1882 corresponding to Order XVI, rules 1 to 21 of Act V of 1908, would empower the liquidator to issue summons and warrants. As to whether a liquidator can in case of non-compliance proceed to punish the delinquent under section 170, old Code (=rule 12, Order XVI), and section 174 (=rule 17 of the Order), it is difficult to say as the words 'so far as may be' keep it vague. It should also be considered whether provision may be made in the Act or rules for the issue of summons and warrants by liquidator through the Civil Court peons. At present the liquidator will have to employ his own peons for the purpose, and he may find it difficult to get his summons served or his warrants executed.

"In Bengal no rules have been framed for laying down the procedure to be followed by liquidators. I presume, other provinces also have not got such rules. I think it is necessary to have such rules laying down the procedure. If the Conference would discuss and lay down some general principles, it might help each province to draw up its own rules. I think such rules should as far as possible be in conformity with the usual procedure of liquidators under other Acts. It may also be considered whether, in order to frame these rules, it is necessary that the Act be amended by an addition to section 27 (2) empowering the Local Governments to make rules prescribing the procedure of liquidators."

17. The amendment of the Act so as to make liquidators and persons authorised under section 21 (4) to inspect public servants within the meaning of the Indian Penal Code.—The following note was presented by Mr. Mitra :—

" I think the Act should be so amended as to make these persons 'public servants' within the meaning of the Indian Penal Code. This will make failure to comply with the summons to appear and to produce documents before liquidators appointed by the Registrar under section 21(iii) and persons authorized under section 21 (4) to inspect societies, punishable under sections 174 and 175, Indian Penal Code. The necessity for the amendment of the Act in this direction has not yet arisen, but it is conceivable that officers or members of a society guilty of misappropriation or neglect of duty may try to avoid appearance when summoned."

18. A Sub-Committee consisting of Kunwar Maharaj Singh (Secretary), Messre. Campbell, Mitra and Wheeler was appointed to consider these questions in the first instance, and its report was adopted by the Conference as follows :--

"1. The opinion of the Sub-Committee is that the words 'so far as may be' in section 21(3) ronder the position of the liquidator somewhat uncertain and should be eliminated.

"2. The Committee further consider that at present there is no need for making any rules providing for an appeal to the District Judge from orders made by the liquidator.

"3. It is further desirable in the opinion of the Sub-Committee that liquidators should be recognised as 'public servants' within the meaning of the law."

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# VIII.—ORGANISATION OF CO-OPERATIVE STORES IN INDIA.

# IX.-DEVELOPMENT OF OTHER FORMS OF CO-OPERATION.

19. These two subjects were referred to a Sub-Committee which was also asked to consider the question raised by Kunwar Maharej Singh (United Provinces) as to whether societies and especially District Barks might legitimately engage in other than strictly banking business. The Sub-Committee was composed of Messrs. Buchan (Secretary), English, Shirras and Shama Rao.

20. Mr. Buchan presented the report of the Sub-Committee as below :----

"I. Co-operative Stores.—The Committee's first recommendation is that the Act be amended as soon as possible so as to make the registration of societies for co-operative distribution, production and sale clearly permissible.

- "(1) That a society which deals solely in stores is not generally practicable in a purely rural district owing to the absence, within a workable area, of a sufficiently large and continuous demand for similar articles; that while distributive annexes to Rural Credit Societies are possible, it is highly undesirable that a Credit Society should deal in distributive business until it has thoroughly mastered its own special work; and that generally speaking, in view of the different areas which a Credit Society and a store can safely, and ought to, cover, and of the danger of each department damaging the other's credit, it is desirable that the separation of credit and distributive functions should, except in special cases, be insisted upon.
- <sup>\*\*</sup> (2) That in small towns, such as the head-quarters of sub-divisions, the formation of stores should not be encouraged unless prices are unduly high and conditions adverse to the consumer.
- "(3) That in the head-quarter stations of districts and in large towns where the people are mainly wage earners and artificial conditions have made living expensive distributive societies should be developed.

"At the same time the Committee wish to record their opinion that minute official supervision and assistance in the matter of stores is neither possible nor desirable. These societies must stand on their own strength. Beyond seeing that their rules make adequate provision for the safe and honest conduct of business and carrying out the annual audit the Registrar ought not to interfere except in very special circumstances. To safeguard co-operative principles and to obviate possible dangers the Committee consider that adherence to the following rules should be strictly insisted upon :--

- "(a) Credit should be forbidden, and cash dealings only allowed. If a member requires credit he should get it from his Cash Society.
- "(b) To preserve the co-operative nature of a society and to prevent any tendency to profit-seeking and traffic in shares the dividend on shares should be limited by rule, shares should be made withdrawable only, and to their number no limit should be placed either by rules or by practice.
- \*\* (c) To guard against fraud and irregular practices, provision should be made for effective control by the Committee of management; stock-taking should be frequent; and all officers dealing with goods or money should be required to give security in a cortain amount.
- \*\* (d) Speculation in any form should be forbidden. For instance a society should not be allowed to purchase large quantities of grain at a cheap rate with the object of placing it on a distant market and getting the benefit of the higher price. It should be insisted upon that the sole function of a distributive store is to gauge the wants of the immediate locality and to confine itself to supplying their needs.
- "(e) As far as possible the Stores should follow the methods of European distributive societies, viz., they should sell at the market price of the nearest large town (thereby minimising competition with the legitimate trader), and after defraying expenses of management and placing 25 percent. of the profits in the reserve,

they should divide the balance between members and non-members according to the amount of their purchases, non-members receiving a lower rate than members.

"II. Other forms of co-operation.—The Committee consider that all other forms which are practicable in India are covered by the general term "Agricultural co-operation." Agricultural Co-operative Societies fall into three principal classes :—

"(1) Supply, i.e., distributive societies for providing the materials of agriculture.

"(2) Productive, such as co-operative dairies.

"(3) Sale, such as grain or lac selling societies. The Committee consider that much might be done in every province in the matter of Agricultural co-operation. Mr. Shirras, especially, believes that in Eastern Bengal and Assam there is scope for the co-operative supply of agricultural machinery (provided that sufficient attention is paid to the peculiarities of local agricultural methods) and a promising market for a co-operative dairy in Dacca. At the same time the Committee would draw attention to the intricate and varied nature of the subject. We are not dealing with general agricultural requirements only, which are similar the world over, but with a complex market and the machinery of commerce. Hence there is no fundamental type of society which might be recommended for general adoption. It is possible that each crop and product under the above three heads (supply, production and sale) may have to be dealt with by a different type of society ; and success will always be a question of minute attention to details and conditions. The Committee therefore are not prepared to make any specific recommendations. They are, however, strongly of opinion that in each province, with the help of the Agricultural Departments, a survey should be made of the principal crops and products, the methods of cultivation, production and distribution, and the conditions of the market for each. And where the enquiry shows that co-operative methods can be used with advantage, they should be applied.

"II. (1) & (2).—These special subjects have been covered by the general discussion above.

"(3).—The building societies contemplated by Mr. Shama Rao are constituted on the lines of an ordinary Credit Society, except that their paraded capital and deposits will have to be raised on long terms. Such societies can be registered under the Act, and the Committee consider that they might serve a useful purpose in large towns.

"The members are unanimous in recommending that until the co-operative movement is thoroughly established and co-operative methods fully understood, societies of all kinds should be discouraged from dealing in other than strictly co-operative business."

21. Mr. Wheeler (Bengal) invited attention to the finding of the Sub-Committee that a society which deals solely in stores was impracticable in a purely rural area. So far as his experience went, he doubted if the remark was entirely true, and in any case he ventured to suggest that it required modification. The experience gained hardly justified sweeping generalisations at this stage, and the remark if it received the *imprimatur* of the Conference might tend to discourse experiments which might lead to useful results. The President moved that the words "not generally practicable" should be substituted for "impracticable." Mr. Buchan said that he had no objection, and the report was amended accordingly.

22. The President enquired whether the prohibition against combining credit and distributing should not be made more absolute. He thought that there was great danger in such combination and that it might be well to omit the words "except in special cases" at the end of paragraph I(1) of the Sub-Committee's report. He would ask Mr. Ramachandra Rao to give his opinion as co-operation for distribution purposes had made greater progress in Madras than in any other province. Mr. Ramachandra Rao said that he must oppose the omission of the words. He had societies in Madras which were already combining successfully credit ard distributing functions. He would refer the Conference to his note on the co-operative wholesale purchase of commodities printed in Appendix XV to the Proceedings of the last Conference. The experiment mentioned in that note was proving very successful, and he objected to any amendment of the report which would rula it out as illegitimate. Mr. Langley (Punjab) enquired whether it would be legitimate for a Co-operative Credit Society to buy up the grain of its members and hold it up for a better price. Mr. Buchan (Bengal) held strongly that Cash Banks should refrain from speculative business of this kind. The subject was then dropped.

23. Mr. Gourlay (Bengel) drew attention to paragraph I (e) of the Report and said that the question whether Co-operative Stores Societies should sell to nonmembers deserved consideration. The first principle of Co-operative Credit Socie-

ties with which the movement had hitherto mainly been concerned, was that nonmembers should be rigidly excluded from the benefits of the society. In the case of Store Societies with cash transections there was less danger, but he was inclined to think that a Store should deal only with members and prospective members. He would explain what he understood to be the usual practice at home. The Store dealt with any one who wished to buy at current market prices. At the end of the year net profits after payment of interest on shares were divided up rateably among purchasers who had purchased goods in excess of a fixed minimum value. A member could claim his rebate in cash or invest it in the business. But as regards non-members, he believed that the rebate could not, as a rule, be claimed in cash, but must be devoted to the acquisition of a member's share. He was inclined to think that the same principle should be followed in India. At the end of two years unclaimed rebates would be credited, as in England, to the reserve. Mr. Ramachandra Rao (Madras) was of opinion that dealings with non-members should be prohibited. This was the principle followed in all Co-operative Store Societies in Madras, even in the Triplicane Society in the Presidency town. The societies sold only to shareholders, but the shares were payable in small instalments. The essence of a Co-operative Society of any kind was that its dealings should be only with members. If this principle were departed from it would be impossible to exclude undesitables. Mr. Wheeler (Bengal) agreed as to the importance of having power to exclude undesirables. Mr. Buchan (Bengal) did not agree. If non-members were excluded, the operations of the store would inevitably remain on a very limited scale, and members would not be attracted. The dealings would be in cash, and therefore in his view the moral character of the purchaser did not matter very much. It would be easy to exclude undesirables from any share in the management which was the really important point. He agreed with Mr. Gourlay that rebates in cash to purchasers who were not members should not be allowed. The rebates should be devoted to the acquisition of shares. Mr. Patel (Baroda) said that the question had been exhaustively discussed by the International Co-operative Union at their Congress at Buda Pesth in 1904, and that the opinion of the majority of the Conference was that there was no objection to dealings with nonmembers. Other Registrars had not had sufficient experience of Co-operative Stores to express an opinion on the point, and it was decided that until further experience had being gained it would be unwise or the Conference to record a Rosolution on the subject. But the Conference agreed in the form in which new section 9(4) of the Co-operative Act, as amended, had been put.

24. Mr. Frementle (United Provinces) said that experience in the United Provinces had shown that it was not an easy matter to start Co-operative Stores and to supervise their working when they had been started. He suggested that it was advisable that such stores should be started in the first instance on a small scale and only gradually enlarged. Mr. Buchan (Bengal) entirely agreed.

25. Mr. Buchan (Bengal) suggested that it might be considered whether the subject of the co-operative insurance of cattle should not be taken up in addition to other forms of co-operation. The death of cattle was an important cause of indebtedness in some provinces, and perhaps the attention of Registrare might be directed with advantage to the question of devising a practical mitigation of the evil on the lines of co-operative insurance of cattle. Mr. Gourlay (Bengal) said that he understood that the question had been raised by Mr. English (who was unfortunately unable to be present during the discussion), and that Mr. English was of opinion that a practical scheme could be devised in Burma. Mr. Fremantle (United Provinces) doubted whether in India Proper any useful results would be attained. Any such insurance scheme, if it was to be a success, would have to extend over an immense area of country. The disease from which they had most to fear in his province was rinderpest, and the most practical way of mitigating the evil of rinderpest was preventive inoculation. Mr. Hemingway (Central Provinces) entirely agreed. Mr. King (Bengal) thought that the question was an important one, but that it was more for the Agriculture and Veterinary Departments to deal with than for the Registrars of Co-operativo Credit Societies. Mr. Lalubhai Samaldae (Bombay) said that in his opinion it would be premature to take up the subject, and the Conference generally agreed in this view.

26. Mr. Buchan (Bengal) drew attention to paragraph II(3) of the Sub-Committee's Report. Until the survey recommended by the Committee had been complete, he did not think that any real advance would be possible. He would suggest that one or two important products should be taken up as a beginning, and the condition of the market studied from beginning to end. He was already enquiring in connection with ghee. Mr. Hemingway (Central Provinces) thought that the recommendation of the Committee was couched in much too definite terms, and he hoped that it would be modified by the Conference. If the Agricultural Department were brought into the enquiry, a very heavy burden would be imposed on it, and he thought that a Conference of Registrars would not be justified in endorsing the recommendation in the precise form in which it had been made by the Sub-Committee, until the Agricultural Department had had an opportunity of expressing an opinion in the matter. Mr. Gourlay (Bengal) recognized the importance of making such enquiries, but the work involved would be very great and the enquiry would take years to complete. Perhaps it would suffice for the present if the Conference contented itself with suggesting that Registrars should consult the Agricultural Departments of their respective provinces with a view to further discussion next year. Mr. Wheeler (Bengal) thought that a beginning could be made by Registrars in specified local areas. After some further discussion, the following Resolution was passed :-- "With reference to the survey proposed by the Sub-Committee, the Conference recognizes the importance of collecting information concerning the present methods of production and distribution of the principal crops and products of the country and the conditions of the market in each case. But it considers that such an enquiry can be taken up only gradually. A beginning however might be made, in consultation, if necessary, with the Agricultural Department, in specified local areas where Co-operative Credit Societies already exist."

#### X.—PRIVILEGES GRANTED BY GOVERNMENT.

27. Extension of concession of Remittance Transfer Receipts at par.—Mr. T. Admiarayana Chettiar, Secretary, Salem District Urban Bank, Limited, said that in Madras the Salem District Urban Bank, Limited, had been granted a cash credit with a Joint Stock Bank. If that bank were a society registered under Act X of 1904, remittances could be made to and fro by means of remittance transfer receipts at par. Considering that the bank issued money on demand and accepted partial repayments without notice and was entitled to interest on daily balances only, he thought it should be placed on all fours with a Central Co-operative Bank with regard to facilities for remittance. He did not propose to extend the concession to Joint Stock Banks which do not allow drawing accounts.

Mr. Ramachandra Rao (Madras) agreed that the concession of remittance transfer receipts at par might well be extended to all Joint Stock Banks giving cash credits. Mr. Hemingway (Central Provinces) said that the whole question of providing facilities for remitting money was assuming great importance in the Central Provinces. The organisation which gave greatest promise of success in the Central Provinces comprised a number of small rural societies round a Central Bank or Union. The Central Bank negotiated with capitalists and Joint Stock Burks for the funds required from time to time by the dependent or affiliated rural societies. It was most important that the Central Bank or Union should secure a cash credit with some local Joint Stock Bank, for if this arrangement were made it would never be troubled with idle capital. It was also advisable to encourage similar cash credits in the smaller transactions between the rural society and the parent Bank, and this encouragement would be given effectually only by an extension of the concession of remittance transfer receipts at par to transactions between the Central Bank or Union and the Joint Stock Bank which accommodated it with a cash credit. A rural society was never in a position to state its exact wants long beforehand. What it wanted was a cash credit with the Central Bank against which it could draw by cheque. The Central Bank must be able to obtain the required funds without delay. At present delay in remittances from the Joint Stock Bank was inevitable, but the privilege of remittance transfer receipts at par would solve the difficulty. He also drew attention to the fact that there was often difficulty in cashing remittance transfer receipts at sub-treasuries in the Central Provinces, many of which did not issue and cash bills. Kunwar Maharaj Singh (United Provinces) said that the last difficulty mentioned by Mr. Hemingway did not exist in the United Provinces. Remittances of funds backwards and forwards between Central or District Banks and societies financed by them were now permitted to be made through head-quarters-treasuries and sub-treasuries by the issue of cash orders on the latter and of payment bills on the former. Several Registrars spoke in favour of extending the concession as proposed by Mr. Adinarayana Chettiar and Mr. Ramachandra Rao. The President pointed out that a similar suggestion had been made and negatived at last year's Conference (paragraph 45). Personally he disapproved the principle of such concessions. The more the societies worked on purely business lines and the more independent they remained of concessions from Government, which business firms did not enjoy, the better. Mr. Gourlay agreed with the President, at the same time he recognized the importance of bringing Central Banks into touch with the Joint Stock Banks. Mr. Fremantle said that the concession would be merely a temporary one, and on this understanding the Conference was generally in favour of Mr. Ramachandra Rao's proposal.

28. Should Co-operative Credit Societies be given the privilege of opening running accounts in the Government Treasury.—Mr. T. Adinarayana Chettiar in opening the discussion on this subject said that at present Co-operative Societies were allowed to place their cash chests in Government Treasuries. While this was satisfactory in the case of ordinary societies, it was found desirable from experience that District Banks and Central Societies should be given the privilege of having running accounts in the Treasury as was the case with Municipalities, since these societies could not, in the present state of their development, afford to make satisfactory arrangements for the safe custody of their funds. He added that such a course would not entail any considerable work on the Treasury as the District Banks were not expected to involve the Treasury into petty and worrying transactions.

Most of the Registrars present condemned the proposal and the Conference was not in favour of it.

29. A question was asked whether there was any objection in principle to Government assistance to purely propagandist associations. The Conference saw no such objection.

XI.—THE WORKING OF GOVERNMENT OF INDIA RESOLUTION NO. 1-63-3, DATED 29TH APRIL 1904. LOANS AGAINST EQUIVALENT DEPOSITS BY MEMBERS. How far have deposits been encouraged.

30. Mr. Gourlay (Bengal) said that this item had been included in the programme at his instance. In Bengal the rule contained in the Resolution mentioned by which State funds were advanced to the Government societies up to a limit of Rs. 2,000 in each case and subject to the proviso that the advance should not exceed the amount deposited by the members of the society themselves, had at first had little result and deposits had not been encouraging. But in the last few months, in response to special efforts made by the Registrar, deposits had begun to come in freely, and the societies were applying for equivalent loans from Govern-The limit fixed for such loans in Bengal, viz., Rs. 50,000 had been reached, ment. and there were still applications which had not been disposed of. He had never approved of the principle of these loans, but he was afraid that the promise made was binding on Government, and charges of breach of faith might plausibly be made if that promise was not fulfilled. It would be useful to know if a similar difficulty had been experienced in other provinces, and if so, how it had been met. Mr. Fremantle said that in the United Provinces the grant had been exhausted, and he did not propose to apply for more. The too favourable terms of the advance led the societies to imagine that they were entitled to borrow money at 1 ss than the market rates. In the Punjab and Eastern Bengal and Assam and Bombay it had been found necessary to raise the limits originally fixed. In Madras such loans were no longer being made. The original limit had not been exceeded. The general feeling of the Conference was that advances free of interest or at specially low rates should be discontinued. Some Registrars thought that such loans might be given at the usual rate of interest charged on agricultural loans.

XII.-How BEST TO ENCOURAGE THE ASSISTANCE OF NON-OFFICIALS.

31. The discussion was opened by the following note presented by Mr. Buchan

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(Bengal) in which he advocated the formation of District Co-operative Committees :--

"There is no more important or more difficult question before the Conference than the organisation of the future development of co-operation. We have come to the stage where we must choose between further officialising and more completely popularising the work. Personally I consider it vital to the movement that the propelling power of popular interest and enthusiasm should be applied to it as soon as possible, and our principal efforts should be directed to enlisting and systematising the co-operation of the people in the work of organisation. I offer the following suggestions for discussion.

" (2) There are certain facts which few will question :---

- " (a) In nearly every province the Registrar has great difficulty in supervising his societics and no time for propagandist work. Honorary organisers have given most valuable assistance, but their number and powers are limited.
- "(b) It is not a sound arrangement that the Registrar should be a financing agency except in special cases. We want above all things local capital and a machinery for attracting and dealing with it.
- " (c) New forms of agricultural co-operation (productive and distributive) should be undertaken and are in contemplation. These forms present so many variations dependent on local circumstances and conditions of production, that without active assistance in the districts the Registrar can accomplish very little.
- "(d) In no country has co-operation become a force until it has become a popular movement. And so it will be in India.

"(3) We have to face then three alternatives—(1) stoppage of progress or development without guarantee of safety if our present staff is retained, (2) considerable increase of staff and further officialisation of the movement, which we want to avoid, and (3) co-operation with, and extensive devolution of responsibility to, unofficial agencies, combined with a proper organisation of this unofficial assistance. There can be no question that the last alternative is the best if it is practicable.

"(4) From what I have seen of agricultural organisation in Britain I feel sure that we want something on the lines of the Irish Agricultural Organisation Society, only much more localised. We cannot work on a provincial scale yet. A Provincial Bank or a Provincial Union would be handicapped to the point of failure by want of local machinery. It would be safer and more effective to build up to them from below. What I would suggest as a first step is the creation of District Co-operative Committees. Each would consist of a few (not too many) members really interested in co-operation and representatives of different areas. We would thus have virtually a number of Honorary Organisers in every district, not acting independently, but taking counsel together periodically and working out a common scheme. Each would undertake the preaching of co-operation and formation of societies of different types in his own area. Above all they would tap local sources of capital, which would be one of their chief duties. That they should find funds for their own societies would be insisted upon ; and the first operations should be confined to districts where local capital is available. Besides propagandism the Committees would undertake the initial supervision and control of the young societies. But this minute supervision would only be temporary, for they would always work with an eye to the formation of Unions and to the speediest possible autonomy of the groups. So the District Committees and the Unions would be parallel and complementary developments. Their lines, however, would probably converge in time, for the Union on its banking side would no doubt become affiliated to a Central Bank, while the District Committee might develop into a Central Union to which the local Unions on their administrative side would be subordinate.

"(5) To begin with the Registrar and the District Officer would guide these Committees and control them with some strictness. But within definite limits they would be given a free hand. And as the movement gathered strength and the Committees proved their worth the Registrar would gradually withdraw, and in time, I hope, would confine himself to the merely formal duties of a Registrar in other countries.

"(6) The actual constitution of the Committees is a matter for arrangement. They might be attached to the District Agricultural Associations; but they would probably be more effective, to begin with at least, as independent bodies. In any case the District Officer should be Honorary President. He would exercise a very useful supervision without interfering too minutely or making success dependent on his continuance in the district. In time these Committees might become very useful assistants to the Agricultural Department. One of their most important duties would be to develop agricultural co-operation in production and sale; and it is the experience of every country that the direct linking of the agriculturist with the general market by a co-operative machinery is one of the most effective means of teaching improved method of cultivation, breeding, etc.

"(7) Lastly, I think that Government should give some financial assistance to the District Committees. They ought of course to be composed of voluntary helpers, but there are bound to be expenses of management which Government might, at least, in part defray. This assistance would probably best be given in the form of a small yearly grant to each district. These grants would not of course be permanent, but would be continued until the movement in each area became self-supporting. There can be no objection to this from a co-operative standpoint; even the violent opponents of State aid make a distinction in favour of Government grants to propagandist effort. Instances might be drawn from many countries. I need mention only the considerable subsidy which up to last year the Irish Agricultural Organisation Society received from the Irish Department of Agriculture, and the proposed grant to British Agricultural Organisation Societics under the recent development Bill, which I understand is not objected to by co-operators.

"I would be glad if this Conference would consider the above rough sketch of the line I propose to take next year. Discussion may elicit a more practicable scheme for enlisting popular interest and support."

32. Mr. Gourlay (Bengal) entirely agreed with Mr. Buchan that the movement could never be a real success unless and until it became a national movement. Government had shown the way and had proved the endless possibilities of combination ; but it could not undertake the indefinite extension and supervision of rocieties, and co-operation would never become a power in the land until it became a really popular movement. The question before the Conference was what practical means could be taken to secure this end. Various schemes had been suggested in Bengal. Mr. Buchan had just explained one of them, and efforts had also been made to train the younger generation in the principles of co-operation. Co-operative Credit had been included in the syllabus of Political Economy at the University examinations, and instruction in it was given at the colleges. It would greatly assist them in Bengal, however, if the Registrars would explain what was being done in the matter in other provinces. Mr. Langley (Punjab) generally agreed in the ideas expressed in Mr. Buchan's note. Rai Ishwar Sahai Bahadur (United Provinces) pleaded for more recognition by Government of the work of Honorary Organisers. He suggested that certificates should be given to such organisers on the recommendation of the Registrar. Kunwar Maharaj Singh (United Provincas) said that his experience pointed to the same conclusion. He believed that it would have an excellent effect if the services of Honorary Organisers and managers who had year after year done particularly good work were occasionally recognized in an appropriate manner. He also mentioned that some District Banks in his province had adopted the system of giving small tokens of approval such as puggarees, certificates, etc., at their annual meetings to the Sarpanches of borrow. ing societies who had done good work. The system had had excellent results, and he thought that it might be followed with advantage in other provinces. With regard to District Committees, the United Provinces already possessed similar organisations in the Boards of Directors of Central and District Banks. Mr. Fremantle (United Provinces) criticised Mr. Buchan's proposal to form District -Committees controlled and guided by the District Officer. The experiment had been tried nine years ago in the United Provinces and had failed. Societies started by prominent men in order to please the Collector would not do any useful work. Mr. Buchan said that Mr. Fremantle had misrepresented his scheme. He did not want prominent men. The Committees would consist only of men who were really interested in co-operation. Mr. Wheeler (Bengal) agreed with Mr. Buchan that if the movement was to be a success it must depend on disinterest. ed work, but he disliked Committees. They were too fond of sitting round a table and talking. He had much more faith in individual men working in small local areas in which they lived and were interested. He would recognise them officially. They should be appointed by the Registrar and should be called Assistant Organisers or given some such title. All depended of course on the careful selection of the men. Mr. Hemingway (Central Provinces) referred to the Co-operative Journal which had been started in Madras. He thought that much good would be done by a journal of this kind if the Registrar noted briefly in it the results of his inspections of societies and mentioned by name members of Committees who had done good work. Mr. Ramachandra Rao (Madras) said that he had more offers of non-official aid than he could make use of in Madras. Mr. Campbell (Bombay) said that his experience was that a society founded on sound lines was the best agent for development. Its influence soon spread, and it led to the formation of other societies in the vicinity. He thought, however, that much good would be done by Provincial and Divisional Conferences. Mr. Adinarayana Chettiar, Secretary of the Salem District Bank, asked leave to make a small suggestion. It would be very

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popular if a few relected non-official gentlemen in each province who had been of assistance to the Registrar were placed on the distribution list of the Co-operative publications of Government, such as the annual Administration Report on the working of the societies in the various provinces. It would be of great use to nonofficial gentlemen to get these reports and to be able to keep in touch with the work going on all through India. The Conference cordially approved of this suggestion. As regards the general question, it was felt that no cut and dried scheme could be laid down, and that it must be left to the Registrar and his staff to decide, with reference to local conditions and the degree of development attained, how the assistance of non-officials could best be encouraged. The Conference will await with interest the result of Mr. Buchan's experiment.

#### XIII.—PROVINCIAL CONFERENCES.

33. Kunwar Maharaj Singh, Mr. Wheeler and Mr. C. S. Campbell gave a brief description of the Provincial Conferences recently held in the United Provinces, Bengal and Bombay, respectively. The Conference thought that such Conferences rerved a very useful function and that they might be held with advantage in all provinces where co-operation had taken root.

#### XIV.—The amendment of the Co-operative Credit Societies Act. .

34. The amendment of the Act was the most important subject before the Conference, and for the assistance of the Registrars a memorandum of all the changes which had been proposed by previous Conferences and Local Governments had been prepared in the Secretariat. Preparatory to the discussion various notes were laid before the Conference.

35. The amendment of the Act so as to make the certificate of registration conclusive evidence for the purpose of the Indian Evidence Act.—Mr. J. M. Mitra (Bengal) read the following note:—

"The Act is defective in making no provision for proving the registration of a society in a court of law. When a society is registered, it is usual to grant a certificate of registration, but it cannot be conclusive evidence for the purposes of the Indian Evidence Act, as the Act X of 1904 makes no mention of such certificates. I would therefore suggest that section 6 of the Act be so amended as to declare that a certificate of the incorporation of a society given by the Registrar shall be conclusive evidence that all the requirements of the Act in respect of registration have been complied with. There is a similar provision in the Indian Companies' Act (Act VI of 1882, vide section 41)."

36. The amendment of the Act to make provision for the safeguarding of a minor's interest.—This question was also raised by Mr. J. M. Mitra (Bengal) in the following note:—

"The question was raised at the third Conference by Mr. Wilberforce, and a reference to his note and the Proceedings of the Conference on the subject may be made. Similar difficulties were felt in Bengal last year, and the subject was discussed at our Provincial Conference held in July last. The Conference agreed with Mr. Wilberforce in his recommendation, but suggested that the amendment of section 10 should provide that a loan could be made to a minor for the necessaries of life. It was pointed out that a minor who had no legal guardian and also probably no other near relative would probably require some such loan to help him along, and that such a loan to a minor for the necessaries of life was legally recoverable."

37. The amendment of the Act to legalize the appointment of Deputy Registrars and the delegation of certain powers under the Act to them.—Mr. J. M. Mitra read the following note :—

"The necessity of an Assistant to the Registrar has been recognised in almost every province. But the Act does not provide for the appointment of such Assistants and delegation of powers to them. At present I presume such Assistants are empowered under section 21 (4) to inspect the books and accounts of the societies. It would afford great relief to the Registrar if part of his duties can be [delegated to these officers. Take, for instance, the power of the Registrar to order dissolution under section 23 (1) after personal inquiry. An order of dissolution cannot be made on the report of enquiry held by an Assistant nor costs of inquiry held by an Assistant under the Registrar's order be levied in accordance with sub-section (6) of section 21. I would therefore suggest that section 5 should be amended so as to allow the appointment of an Assistant or Deputy Registrar; the particular powers of the Registrar with which they are to be invested should be left to the discretion of Local Governments." 38. Note by the Registrar, Co-operative Credit Societies, Burma, on the amendment of the Act ;--

"(1) Section 9 of the Act provides that a society may receive deposits from members without restriction. The control of deposits from non-members in Burma at present is the main factor in the credit of the society. The Registrar sanctions the acceptance of certain deposits with a knowledge of the societies' liabilities and assets, and it is on receipt of this sanction that the financing agencies issue money.

"The society's position might be entirely altered by its acceptance of large sums from members, possibly in the case of societies with limited liability bringing the total deposits to a sum in excess of the member's liabilities. In any liquidation, deposits by members, unless the liquidator took action under section 24 (2) (c), would rank with those of non-members. It might also cause loss or inconvenience to outside creditors even in the case of societies with unlimited liability if a society when it was getting into difficulties could pay out deposits held from members before the obligations due to non-members were met.

"I would therefore recommend that the Act be altered so as to give the Registrar full power with regard to the acceptance and repayment of deposits from members by societies which hold any deposits from non-members. There is no necessity to have powers over deposits by members in the case of societies which do not borrow from non-members.

"(2) Section 12 of the Act prohibits any member of a society from holding shares in excess of a nominal value of Re 1,000. As far as the ordinary rural society goes, this limitation causes no trouble, but in the case of banks and central financing societies it is a serious inconvenience. If Burma were provided with a system of Joint Stock Banks to which societies could be linked there might be no need for co-operative banks. But the entire financial system for agriculture in the province has to be formed by co-operative organisations. Central agencies for local areas are a necessity. Though banks cannot be run on the lines of voluntary and unpaid management, it is an advantage to have them registered under Act X and kept as far as possible on co-operative lines.

"In Burma a good District Bank would want at least a lakh of capital; and it would require the services of a few of the richest and most intelligent men in the towns on its committee. They cannot be expected to give much interest, time or trouble to its management if their stake is limited to Rs. 1,000 and their control of policy reduced to one-hundredth of the voting power.

"The difficulty is already a real one, and I do not think that banks can have any assured future until it is removed. It is possible to instruct and interest a small number of wealthy shareholders in the aims and methods of co-operation, but if capital has to be raised from a large number of petty share holders, no such educational work will be feasible. Perhaps the difficulty has arisen in some other province. Provided a member shall not hold more than one-fifth of the capital, further restriction seems unnecessary and arbitrary.

"(3) Section 21 of the Act requires that the Registrar shall audit the accounts of each society once at least in every year.

"I do not know whether in the provinces where societics are much more numerous than in Burma, Registrars have found it possible to comply with this requirement, but further expansion will soon make it impossible here, unless the societies are grouped together in a few areas. The Registrar's audit will ultimately be more of the nature of a quinquennial valuation. Though for some years to come he may manage to audit nearly all societies once a year, there will be exceptions which will be increasingly numerous.

"The Act might provide for an audit by his staff by inserting after the word "Registrar" in clause (I) 'or some person authorised in this behalf by the Registrar."

39. Note on the amendment of section 3 of the Act.-Mr. Ramachandra Ram (Madras) submitted the following note :---

"Section 3 of the Act declares that a society shall consist of ten or more persons. The rules provide that the application shall be signed by at least ten persons; so that we can ensure that the number does not fall below ten when the society is registered. But what will be the effect if, subsequent to registration, the strength owing to withdrawal of members or ineligibility to continue as such falls below ten ?

"(2) As the section now runs, the society ceases immediately thereon to be a corporate person. The Advocate-General, Madras, has given his opinion that ' the requirement that a society shall consist of ten or more persons residing in the same locality cannot be regarded merely as a condition to be satisfied before the registration of the society. The conditions both as to the minimum number and as to residence must be held to be continuous throughout the period of the existence of the society.'

(3) There is no reason to question the soundness of this ruling. It is true that the question is not one of practical importance, as it is very unlikely that the number of members in any society is likely to fall below ten. But the consequences are di-astrous. For without any overt act or declaration of the Registrar, the society ceases to be such and even if subsequently the number rises to ten or above cannot be regarded as reconstituted without fresh registration. All its transactions will become void.

- "(4). I propose therefore an amendment of the Act on the following lines :---
  - "(a) The society shall consist of ten or more persons at registration.
  - "(b) The society shall be dissolved if it be established to the Registrar's knowledge if the number of members fall below ten.
  - "(c) Even if the number falls below ten, the society shall continue as such and its acts shall be valid till it is formally wound up."

40. Note on the amendment of section 17 of the Act.—This question was also raised by Mr. Ramachandra Rao (Madras) who read the following note :—

"Section 17 of the Act enacts that 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 shall continue for a period of one year from the date of his ceasing to be a member.

"(2) Under section 3 (1) a member who ceases to reside in the locality will, *ipso facto*, cease to be a member of the society. The Advocate-General, Madras, has given an opinion as follows :---

- <sup>•</sup>I do not think that any rule can be framed under section 27 of the Act to the effect that a person who has become a member should be held to be a member until his name has been formally removed from the register. Clause (c) of sub-section (2) of section 27 which refers to withdrawal relates only to a direct voluntary withdrawal and not to a cessation of membership as the result of a disqualification under the Act. Nor can any such rule be framed under clause (n) which relates to the formation and maintenance of a register of members and does not authorise the framing of any rules to declare when a person shall cease to be a member.
- \*So far as the liability of a past member for debts due by him to the society is concerned, it will be governed by the general law of limitation. The special period of one year laid down in section 17 of the Act relates only to the liability of a past member in respect of debts due by the society to third parties.
- 'There is, no doubt, considerable difficulty in ascertaining when a change of residence commenced, so as to cause a cessation of membership. But this question will be of practical importance only in the case of winding up, as, during the continuance of the society, the liability of the existing members will be a sufficient security for the debts due by the society.'

"(3) To take a practical hypothetical example of the difficulty noticed : Let the debts of a society be Rs. 8,000 on 1st February 1907; and suppose it was wound up on the 1st February 1908. Then all the members on the rolls on the 1st February 1909 as well as the members who ceased to be members subsequent to 1st February 1908, will be liable for insuring Rs. 8,000. In the case of deaths or voluntary withdrawals, there can be no difficulty in ascertaining the date of cessation of membership. But in the case of persons becoming ineligible for whatever reason—by non-residence or lunacy—the date is indefinite and the persons may allege to escape liability that the ineligibility was prior to 1st February 1908. The enquiry will be difficult and vexatious. The Act which is intended for the relief of illiterate masses of people ought to be clear.

"(4) In some of the societies in the Madras Presidency, the bye-laws provide that the person shall give notice of ineligibility and the cessation of membership shall take effect only from the date of declaration of inelibigility by the governing body. Under the Advocate-General's opinion, such a provision is inoperative.

"(5) I recommend that section 17 be made more definite by a clear definition of the date when a person ceases to be a member through ineligibility. It would naturally be the date of acknowledgment of such ineligibility by the governing body of the society or if the governing body gives no acknowledgment within a reasonable time, by the date of a similar acknowledgment by the Registrar. Some provision is necessary to prevent vexatious enquiries."

41. The whole subject was then referred to a Sub-Committee consisting of Mossrs. Fremantle (Secretary), Buchan, English, Scott, Ramachandra Rao, Haller, Wheeler, Mitra and Shirras. A preliminary report was presented by the Sub-Committee on Monday, November 22nd, and several important questions were sottled by the Conference. The Sub-Committee then sat again and presented its final report on Tuesday the 23rd. In order that the Conference might be in a position fully to appreciate the effect of the amendments proposed, this report took the shape of a revise of the Act with all the amendments printed *in loco* in italics. All the proposals of the Committee were considered in turn, and the Act, as the Conference propose that it should be amended, is printed as an appendix to this report, the most important changes made being explained in brief notes on clauses. In the circumstances any detailed account of the discussions of the Conforence would be superfluous, and it is only necessary here to refer briefly to points which formed the subject of controversy.

42. The residential qualification.—Section 3(1) (a) of the existing Act prescribes that the members of a Co-operative Credit Society must be residents of the same town or village or the same group of villages, if the society is not a tribe, class or caste society. In 1906 a proposal was made by a Local Government that section 3 (1) (a) should be amended by the addition of words "or holding im-moveable property" after "residing" on the ground that it was unreasonable that a land-owner should be hindered by law from helping to start and maintain a Co-operative Credit Society, in what might be his native village, mercly because he happened to reside in another village. The first Conference of Registrars agreed in this view, but the question was again discussed by the third Conference, and the conclusion arrived at was that the proposed amendment was both unnecessary and undesirable. Mr. Fremantle reported that the matter had again been considered by the Sub-Committee, and that they had agreed that the amendment proposed was not required except possibly in parts of Madras, Bombay, Coorg and Burma. It was suggested that exceptions from the qualification might continue to be dealt with as special cases under section 29 (1) of the Act. Much difference of opinion on the subject was again manifested. Mr. Ramachandra Rao (Madras) and Mr. Campbell (Bombay) strongly pressed for the amendment. The President pointed out that the residential qualification was one of the cardinal principles of the Act, and that after full consideration it had been maintained when the Act was first passed. Sir Denzil Ibbetson, in his speech in the Imperial Legislative Council when he presented the report of the Select Committee, had said :--- " The other condition which was imposed by the original Bill was that members must be residents of the same town or neighbourhood. All those of our advisers who speak with any authority have insisted upon the cardinal importance of this condition as ensuring that mutual knowledge and confidence which must be the basis of all successful co-operation and we have retained it in a slightly generalised form." Mr. Gourlay (Bergal) was of opinion that the area principle should be maintained. Mr. English (Burma) entirely agreed as to the importance of the principle. But the Act should state the principle and then allow the Registrar to depart from it in special cases. The objection to dealing with special cases under section 29 (1) was that a reference to Government was required in each case. The Registrar ought to be able to dispose of such matters himself. After further discussion the Conference resolved by a majority, on the motion of Mr. Fremantle (United Provinces), that a proviso should be added to the section as follows: "Provided that an agriculturist who resides in another village but whose principal holding is in the village where the Co-operative Credit Society is situated, should not be debarred from joining the society."

43. Disposal of profits.-Section 8 (1) of the Act X of 1904 states that no dividend or payment on account of profits shall be paid to a member of a rural society, but that all such profits shall be carried to the reserve. A proviso however is added to the section to the effect that when the reserve has attained such proportion to the total of the liability of the society, and that when the interest on foans has been reduced to such rates, as may be determined by the by e-laws of the society, any further profits not exceeding three-fourths of the total annual profits may be distributed to members by way of bonus. The question of amending this proviso of the Act was first brought up by Mr. Hope Simpson, then Registrar of Cooperative Credit Societies in the United Provinces, at the first Conference of Registrars. He pointed out that the section prevented the declaration of a dividend by a rural society, and that therefore it was likely to hamper the formation of rural societies on a share capital basis. He proposed that section 8 (1) of the Act should be omitted altogether and that section 8 (2) which prescribes that in the case of an urban society dividends may be paid after not less than one-fourth of the annual profits had been carried to the reserve, should be amended by the omission of the word "urban." The Conference however was unable to come to any agreement, and the question was dropped.

44. Mr. Fremantle (United Provinces) reported that after a long discussion the Sub-Committee had decided to propose that a second proviso should be added to

section 8(1) [new section 7(1)] to the effect that dividends might be paid to members of unlimited liability societies with share capital to such extent and under such conditions as might be provided by rules or bye-laws made under the Act. The object of the proposal was to legalise what was already being done in many provinces. It had been pointed out at the first Conference that it was possible so to interpret section 8(1) of the Act as to render its provisions practically inoperative, and the bye-laws of many share societics in the Punjab and the United Provinces had been framed so as to permit a distribution of profits after a fixed number of years. It was impossible to alter the bye-laws of these societies in this respect, at any rate without exciting much dissatisfaction. But it was doubtful whether they were strictly in accordance with the law, and the opportunity should now be taken definitely to permit the distribution of profits in share societies after a stated number of years. Mr. English (Burma) entirely agreed with Mr. Fremantle. Societies of the Luzatti type had in his opinion a great future before them in Burma and other provinces, and the Act ought to be amended so as to make it plain that they were quite legal. Mr. Langley (Punjab) said that the amendment proposed was most important from the point of view of the Punjab. Personally he would go further than the Sub-Committee. He thought that the amendments proposed by Mr. Hope Simpson in 1906 should be carried out and that the whole of section 8(1) be omitted and that section 8(2) should be made applicable to societies generally of whatever description. Mr. Campbell (Bombay) said that he had no objection to the declaration of dividends after a certain number of years by share societies, but that as regards non-share societies he agreed in the policy of the Act. Mr. Wheeler (Bengal) proposed that the existing proviso to section 8 (1) should be omitted altogether and that the new proviso proposed by the Sub-Committee should be accepted. The effect of this proposal would be to retain the prohibition against the distribution of profits to members by unlimited liability societics generally, but to allow an exception in favour of such societies on a share basis. Mr. Buchan (Bengal) objected to the proposal. The President said that the question of policy should be decided before the precise amendments required in the Act were considered. In the first place he would ask the Conference to decide whether unlimited liability societies with share capital should be permitted to declare dividends after a stated number of years. The Conference decided in favour of the proposal by a majority. The President said that the next point for consideration was whether unlimited liability societies on a nonshare basis should be similarly empowered. The Conference decided by a large majority that the policy embodied in the Act in regard to this matter should be reallismed, and that as a matter of principle a division of profits among members of such societies was objectionable. The amendment proposed by Mr. Langley (Punjab) was then put to the vote and negatived by a large majority. Mr. Fremantle then proposed that section 8 (1) should be amended by the addition after the words "by way of bonus" of the words "provided also that in the case of such societies with share capital dividends may be paid to the members to such extent and on such conditions as may be provided by the rules or byelaws made under this Act. But in any case one-fourth of the annual profits must be credited to the reserve." The proposal was carried by a majority. Mr. Wheeler's proposal that the existing proviso to section 8 (1) should be omitted was then considered. Mr. Buchan (Bengal) opposed the amendment. He agreed that non-share societies should not ordinarily distribute profits to members and they did not do so in Bengal. But there was no knowing what developments would take place in the future, and the discretionary power reserved by the proviso might be required. In the form in which it was put the proviso was quite unobjectionable, and he thought that it should be allowed to stand. On being put to the meeting, Mr. Wheeler's proposal was lost.

45. Mr. Fremantle (United Provinces) said that the Sub-Committee also proposed that power should be given to any society, with the sanction of the Registrar, to devote an amount not exceeding 10 per cent. of its profits to local charity or to local works of public utility. Mr. Hemingway (Central Provinces) thought that the proposal should be negatived. It would lead in his opinion to disputes among members and friction with the Registrar. Mr. Lalubhai Samaldas (Bombay) thought grants to local charities should not be allowed. They would almost certainly cause trouble. He saw no objection to contributing to local works of public utility, but for the word "works" he would substitute "objects." The President pointed out that one advantage of the proposal was that it would tend to remove the difficulty of inducing Muhammadans to join societies in the Punjab. Mr. Langley (Punjab) agreed and thought that the limitation of 10 per cent. of the profits ought to be removed. After further discussion it was resolved by a majority of the Conference that a new sub-section (3) should be added to section 8 as follows:—" Notwithstanding anything in the foregoing portion of this section, any society shall be at liberty, with the sanction of the Registrar to contribute an amount not exceeding 10 per cent. of its profits to local charities or local objects of public utility."

46. Votes of members.—Mr. Fremantle (United Provinces) said that under section 13 of the Act, as it stood at present, in unlimited liability societies each member, whatever the amount of his interest in the capital, had only one vote as a member in the affairs of the society, but in the case of limited liability societies a member had as many votes as the bye-laws of the society might prescribe. The Sub-Committee had two suggestions to make. In the first place, they considered that the principle of one member one vote should be applied to all societies. Secondly, they thought it very important that no proxies should be allowed. The Sub-Committee proposed that section 13 should be amended as follows :—" Each member of a society shall be entitled to one vote and no more however great his interest in the society may be, and no proxies shall be allowed."

47. The question of votes was taken up first. The President enquired what was the practice in regard to votes in Companies registered under the Indian Companies Act. Mr. Fremantle (United Provinces) said that the Act allows votes in proportion to the member's interest in the Company, the actual provision being one vote for each share up to ten, an additional vote for every five shares beyond the first ten up to one hundred and an additional vote for every ten shares beyond the first hundred. Mr. Buchan (Bengal) opposed the Sub-Committee's proposal. In share societies he thought it was a distinct encouragement to thrift to allow more votes than one to members who had accummulated shares. Mr. Campbell (Bombay) opposed the amendment on the ground that it made the Act more restrictive than at present. Nor did he think that sufficient experience had been gained to justify the absolute rule proposed by the Sub-Committee. Mr. Ramachandra Rao (Madras) was strongly in favour of the proposal. His experience was that section 13 (2) tended to lead to intrigue and undue influence on the part of wealthy members. Kunwar Maharaj Singh (United Provinces) opposed the ammendment. However desirable as an ideal the principle of one vote per member might be, it was not always practicable in the case of Central and District Banks. The question had arisen during the past year in the United Provinces and he had found the majority of such banks opposed to the restrictions suggested by the amendment. Mr. King (Bengal) thought that one member one vote was the correct principle for rural societies, but he doubted whether it could be applied to urban societies. Mr. Gourlay (Bengal) agreed in the principle of the proposal, but doubted whether it should be laid down in an absolute form in the Act. The President said that it would be useful to have the opinion of the Conference on the question of principle. He pointed out that even if the Conference decided in favour of the principle it did not necessarily follow that the Act should be amended. The Conference divided and by a majority decided that the principle of one member one vote was the correct one. The President then put the amendment proposed by the Sub-Committee to the meeting. The amendment was lost. Mr. Buchan (Bengal) proposed that section 13 (2) [ new section 12 (2)] of the Act should be amended by the addition of the words "subject to a limit to be prescribed by relevant density of the words subject to a limit to be prescribed by rules made under the Act." The amendment was carried unanimously.

48. Proxies.—Mr. Wheeler (Bengal) proposed that a new sub-section (3) should be added as follows:—" No proxies shall be allowed." He said that on this point he entirely agreed in the views expressed by the Sub-Committee. If a member of a Co-operative Society did not take sufficient interest in the affairs of the society to attend its meetings, he certainly should not have a vote. Mr. Hemingway (Central Provinces) was inclined to think that the proposal went too far. There might be occasions when the proxies would be desirable in the best interests of the society itself. Mr. Wheeler's amendment was put to the meeting and carried.

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49. Priority of society's claims against a member.—Kunwar Maharaj Singh (United Provinces) proposed that in section 19 (a) [new section 18 (a)] the words "or for irrigation" should be added after "purchase of seed or manure." Mr. Ramachandra Rao (Madras) thought that the section was a dangerous one as it stood, and he was opposed to any extension of the powers taken by it. The President doubted the advisability of making any change in the section beyond that advocated by the Conference of 1906 which had been carried out in the Sub-Committee's draft, and the Conference agreed in this view.

50. The remaining amendments proposed by the Sub-Committee were adopted by the Conference in their entirety or with small changes. But it should be noticed that although the Registrars were unanimous in recommending that in the Act as amended, the only distinction drawn should be between societies with limited and societies with unlimited liability, they considered that a distinction between rural and urban societies was useful for administrative purposes and should be retained in the statistics appended to the annual report.

51. Mr. Gourlay (Bengal), Secretary to the Conference, announced that it had been decided to withhold two of the subjects which had been included in the programme. Mr. Fremantle had recently visited Germany and had collected much literature on the question of Landschaften, but he had not had time to study it, and in the circumstances it was advisable to postpone for another year the consideration of the question of assisting landholders who do not come within the scope of village societies to co-operate on the lines of these Landschaften. The other question he was alluding to was the necessity for an Agriculturist's Relief Act. The question was one of extreme complexity and difficulty. It had been discussed informally in Committee, and the conclusion arrived at was that further experience must be gained before the Registrars would be in a position to formulate practical proposals.

52. Election of a Secretary for 1910.—Mr. Gourlay was unanimously re-elected Secretary to the Conference.

53. The proceedings closed with a vote of thanks to the President, to Mr. Gourlay, and to Mr. C. A. Innes, who had acted as Secretary during the meeting and had prepared the minutes.

APPENDICES.

#### APPENDIX I.

#### The Co-operative Credit Societies Act, 1904 (X of 1904).

#### Co-operative Societies Act as amended by the Conference of Registrars of Co-operative Credit Societies, 1909.

WHEREAS it is expedient to encourage thrift, self-help and co-operation among agriculturists, artisans and persons of limited means, and for that purpose to provide for the constitution and control of co-operative societies, which have as their object the encouragement and development of the economic interests of their members by means of operations in common; It is hereby enacted as follows :--

#### Preliminary.

1. (1) This Act may be called the Co-operative Societies Act, 1904; and (2) It extends to the whole of British India.

2. In this Act, unless there is anything repugnant in the subject or context,-

(a) "bye-law" means a rule made by a society in the exercise of any power conferred by this Act, or by any rule made under this Act:

(b) "committee" means the governing body of a society to whom the management of its affairs is entrusted :

(c) "member" includes a person joining in the application for the registration of a society and a person admitted to membership after registration in accordance with the bye-laws and any rules made under this Act:

(d) "officer" includes a chairman, secretary, treasurer, member of committee or other person empowered under the rules applying to any society or the bye-laws thereof to give directions in regard to the business of the society:

(e) "Registrar" means a person appointed to perform the dutics of a Registrar of Cooperative Societies under this Act: and

(f) "society" means a co-operative society registered under this Act.

#### Constitution.

3. (1) A society at registration shall consist of ten or more persons above the age of eighteen Constitution years---

(a) residing in the same town or village or in the same group of villages, or,

(b) subject to the sanction of the Registrar, consisting of members of the same tribe, class or caste:

Provided that an agriculturist who resides in another village, but whose principal holding is in the village where the co-operative society is situated, shall not be debarred from joining the society.

(2) The liability of members of societies shall be either unlimited or limited.

(3) In the case of a credit sociely the majority of the members of which are agriculturists the piability shall, except with the special sanction of the Local Government, be unlimited.

(4) In the case of a society, the majority of the members of which are not agriculturists, the liability shall be limited or unlimited as may be provided by the bye-laws or by any rules made under the Act.

(5) When any question arises as to whether for the purposes of this Act a person is an agriculturist or a non-agriculturist or whether two or more villages shall be considered to form a group, or whether any person belongs to a tribe, class or caste, the question shall be decided by the Registrar, whose decision shall be final.

(6) Societies registered under this Act are also in their corporate capacity eligible as members of other societies, and in such a case the limit of numbers does not apply.

(7) No member while a minor shall incur any liability beyond his share or other interests and deposits in a society.

4. The members of a society shall be-

Members of

(a) persons or societies joining in the application mentioned in section 6, sub-section (1), sourcy, and registered as a society under sub-section (2) of the same section ;

Short title and extent.

Definitions.

(b) persons or societies qualified in accordance with the requirements of section 3 and admitted by the society in accordance with the provisions of this Act and with the bye-laws of the society:

Provided that a person so admitted shall not exercise the rights of a member unless or until he has made such payment to the society in respect of membership or acquired such interest in the society as may be prescribed by the rules made under this Act or the bye-laws of the society.

(c) Minor heirs of deceased members, where no guardian has been appointed, are eligible for election.

5. The Local Government may appoint a person to be Registrar of Co-operative Societies

Registration.

for the province or any portion of it and may appoint one or more Assistant Registrars. The

Registrar may by general or special order delegate to the Assistant Registrar all or any of the powers

The Regiatrar.

Registration and incorporation of ioointios.

conferred on him by this Act. 6. (1) Any persons or societies qualified in accordance with the requirements of section 3 and agreeing each to make such payment or acquire such interest as aforesaid, may apply to the Registrar to be registered as a society with unlimited or with limited liability, as the case may be, and the persons by whom or on whose behalf such application is made shall furnish such

information in regard to the proposed society as the Registrar may require.

(2) If the Registrar is satisfied that the persons *or societies* proposing to form a society are qualified in accordance with the requirements of section 3 and have complied with the provisions of this Act and with the rules made thereunder, he may, if he thinks fit, register the society accordingly, and the society shall thereupon become and be a body corporate by the name under which it is registered, with perpetual succession and a common seal, and with power to ho'd property, moveable or immoveable, to enter into contracts, to institute and defend civil suits, and to do all things necessary for the purposes of its constitution.

(3) Every society shall have an address, registered in accordance with the rules made under this Act, to which all notices and communications may be sent.

(4) To the registered name of a society shall be added the words limited or unlimited as the case may be.

(5) No charge shall be made for registration under this section.

(6) The certificate of registration signed by the Registrar is conclusive proof that the necessary conditions for registration have been complied with and that the society has been duly registered.

Management.

7. (1) No dividend or payment on account of profits shall be paid to a member of a society with unlimited liability, but all profits made by such a society shall be carried to a fund (to be called the reserve fund):

Provided that, when such reserve fund has attained such proportion to the total of the liabilities of the society, and when the interest on loans to members has been reduced to such rates as may be determined by the bye-laws or rules made under this Act, any further profits of the society, not exceeding three-fourths of the total annual profits, may be distributed to members by way of bonus:

Provided also that in the case of such societies with share capital dividends may be paid to the members to such extent and under such conditions as may be provided by the rules or bye-laws made under this Act. But in any case one-fourth of the annual profits must be credited to reserve.

(2) Not less than one-fourth of the profits in each year of a society with limited liability shall be carried to a fund (to be called the reserve fund) before any dividend or payment on account of profits is paid to the members or any of them.

(3) Notwithstanding anything in the foregoing portion of this section, any society shall be at liberty with the sanction of the Registrar to contribute an amount not exceeding 10 per cent. of its profits to local charity or to local objects of public utility.

8. A society may receive deposits from members without restriction, but it may borrow on berrowing, from persons who are not members only to such extent and under such conditions as may be provided by its bye-laws or by rules made under this Act.

9. (1) A credit society shall make no loan to any person other than a member, and in the case of a minor it shall make no loan except for purchase of necessaries of life :

Provided that, with the consent of the Registrar, a society may make loans to another Bociety.

(2) Save with the permission of the Registrar to be given by general order in the case of each society, a society with unlimited liability shall not lend money on the security of moveable property.

(3) The Local Government may, by general or special order, prohibit or restrict the lending of money on mortgage of immoveable property, or any kind thereof, by any society or c'ass of societies.

Restrictions

Disposal of

protita.

Restrictions ch loans,

## (4) A Co-operative Society other than a credit society shall not deal with non-members except under such restrictions as may be imposed by rule made by the Local Government.

10. A society may deposit its funds in the Government Savings Bank or with any banker Deposit of or person acting as a banker approved for this purpose by the Registrar. nociety's funds.

### Shares and interests of members.

11. Where the liability of the members of a society is limited by shares, a member shall not Limit on hold more than such portion of the share capital of the society, subject to a maximum of one. capital held fifth as may be prescribed by any rules made under this test. fifth, as may be prescribed by any rules made under this Act :

Provided that no member of such a society shall hold more shares than represent a sum of one thousand rupees when fully paid up.

12. (1) Where the liability of the members of a society is not limited by shares each vote of member shall, notwithstanding the amount of his interest in the capital, only have one vote as a member in the affairs of the society.

(2) Where the liability of the members of a society is limited by shares, each member shall have as many votes as may be prescribed by the bye-laws of the society, subject to a limit to be prescribed by rules made under the Act.

(3) No proxies shall be allowed.

13. (1) A member shall not transfer any share held by him or his interest in the capital Restrictions of the society or any part thereof, unless he has held such share or interest for one year at least. on transfer of share or

(2). The share or interest of a member in the capital of a society shall not be transferred or interest. charged, unless to the society or to a member of the society and subject to any conditions as to maximum holding prescribed by this Act or by the bye-laws or by any rules made under this Act.

14. Subject to the provisions of section 19, the share or interest of a member in the share Share or capital of a society shall not be liable to attachment or sale under any decree or order of a Court interest not of Justice in respect of any debt or liability incurred by such member, and neither the Official attachment. 11V of 1862. Assignce nor a Receiver appointed under Chapter XX of the Code of Civil Procedure shall be entitled to or have any claim on such share or interest.

15. On the death of a member, the society may pay to, or transfer to the credit of, the Transfer of person nominated in accordance with the rules made in this behalf, or, if there is no person so interest on nominated, such person as may appear to the Committee to be entitled to receive the same member. as heir or legal representative of the deceased member, a sum representing the value of such member's share or interest as ascertained in accordance with the rules or bye-laws and all moneys due to him from the society, and the society shall thereupon be absolved from all liability in respect of such share or interest or other moneys as aforesaid.

16. The liability of a past member for the debts of the society as they existed at the time Liability of when he ceased to be a member shall continue for a period of one year from the date of his past member. ceasing to be a member. This period shall be computed from the date of the acknowledgment by the Committee of the fact of cessation of membership.

17. The estate of a deceased member shall be liable for a period of one year from the time Liability of of his decease for the debts of the society as they existed at the time of his decease. of decound member.

#### Priority of Society's claim against a member.

18. Subject to any prior claim of the Government in respect of land-revenue or any money Film claim recoverable as land-revenue or of a landlord in respect of rent or any money recoverable as rent, of making as a society shall be entitled in priority to other creditors to enforce its claim—

- (a) upon the crops or other agricultural produce of a member or past member at any time sub, tople within a year and a half from the data when read of a member of past member at any time sub, tople within a year and a half from the date when seed or manure was advanced or ments and money for the purchase of seed or manure was lent to such member or past member, in respect of the unpaid portion of such advance or loan :
- (b) upon any cattle, agricultural or industrial implements or raw material for manufactures or articles manufactured from raw materials, supplied by the society, or purchased in whole or in part with money lent by the society, in respect of the outstanding liability on account of such supply or loan.

19. A society shall have a charge upon the shares or interest in the capital and on the Clarge and deposits of a member or past member and upon any dividend, bonus or profits payable to a respect of member or past member in respect of any debt due from such member or past member to the share of society, and may set off any sum credited or payable to a member or past member in or towards lateres of payment of any such debt.

#### Audit, inspection and inquiry.

20. (1) The Registrar or some person authorised by him shall audit the accounts of each society once at least in every year and if the person auditing is not the Registrar, the audit shall not be considered valid till passed by him.

(2) No charge shall be made in respect of any audit made by the Registrar or his staff.

(3) The audit under sub-section (1) shall include an examination of overdue debts, if any, and a valuation of the assets and liabilities of the society.

(4) The Registrar, the Collector or any person authorized in this behalf by the Registrar or the Collector may at any time inspect the books, accounts, papers and securities of a society, and every officer of the society shall furnish such information in regard to the transactions and working of the society as the person making such inspection shall require.

(5) The Registrar may of his own motion, and shall on the request of the Collector, or on the application of a majority of the Committee or not of less than one-third of the members, hold an inquiry into the constitution, working and financial condition of a society, and all officers and members of the society shall furnish such information in regard to the affairs of the society as the Registrar may require.

(6) Where an inquiry is held under sub-section (5), the Registrar may apportion the costs, or such part of the costs as he may think right, between the society, the members demanding an inquiry and the officers or former officers of the society.

(7) Any sum awarded by way of costs under sub-section (6) may be recovered, on application to a Magistrate having jurisdiction in the place where the person from whom the money is claimable resides for the time being by the distress and sale of any moveable property within the limits of the jurisdiction of such Magistrate belonging to such person.

Mode of proof of ontries in nociotion book.

Audit, in-

sportion and inquiry.

21. A copy of any entry in a book of a society regularly kept in the course of business shall, if certified in such manner as may be prescribed by rules made under this Act, be received, in any suit to recover a debt due to the society, as *primâ facie* evidence of the existence of such entry and shall be admitted as evidence of the matters, transactions and accounts therein recorded in every case where, and to the same extent as, the original entry itself is now by law admissible, but not further or otherwise.

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#### Dissolution of a society.

Dissolution.

22. (1) If the Registrar, after holding an inquiry under section 20, sub-section (5), or on receipt of an application made by three-fourths of the members of a society, is of opinion that a society ought to be dissolved, he may cancel or may refuse to cancel the registration of the society.

(2) Any member of a society may, within two months from the date of an order made under sub-section (1), appeal from such order to the Local Government.

(3) Where no appeal is presented within two months from the making of an order cancelling the registration of a society, the order shall take effect on the expiry of that period. Where an appeal is presented within two months, the order shall not take effect until it is confirmed by the Local Government.

(4) Where an order made under sub-section (1) cancelling the registration of a society takes effect, the society shall cease to exist as a corporate body.

23 A society shall be dissolved if the membership falls below ten, provided that, if within a time to be fixed by the Registrar from the date of his knowledge of the fact the membership be again made up to ten or more, dissolution shall not be necessary. During the period in question the society shall be considered to be a registered society under the Act.

Cancellation of registration of society. 24. (1) Where the registration of a society is cancelled under section 22 or 23, the Registrar may appoint a competent person to be liquidator of the society.

(2) A liquidator appointed under sub-section (1) shall have power to institute and defend suits on behalf of the society by his name of office, and shall also have power—

- (a) to sue for and recover any sums of money due to the society at the date of such cancellation;
- (b) to determine the contribution to be made by the members and past members of the society respectively to the assets of the society ;
- (c) to investigate all claims against the society, and, subject to the provisions of this Act, to decide questions of priority arising between 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.

(3) Subject to any rules of procedure made under this Act, a liquidator appointed under this section shall, so far as such powers are necessary for carrying out the purposes of this section, have power to summon and enforce the attendance of witnesses and to compel the production of documents by the same means and in the same manner as is provided in the case of a Civil Court under the Code of Civil Procedure.

XIV of 1882

(1) The rules may provide for an appeal to the Court of the District Judge from any order made by a liquidator under this section.

- (5) Orders made under this section may be enforced as follows :----
  - (a) when made by a liquidator, by any Civil Court having local jurisdiction in the same
     manner as the decree of such Court.
  - (b) when made by the Court of the District Judge in the matter of any such appeal as aforesaid, in the same manner as a decree of such Court made in any suit pending therein.

(6) Save in so far as is hereinbefore expressly provided, no Civil Court shall have any jurisdiction in respect to any matter connected with the dissolution of a society under this Act.

#### Exemptions from Taxation.

25. (1) The Governor General in Council by notification in the Gazette of India may, in Power to the case of any society or class of society, remit—

- (a) the income-tax payable in respect of the profits of the society, or of the dividendly stamp-duty or other payments received by the members of the society on account of profits; and registration for
- (b) the stamp-duty with which, under any law for the time being in force, instruments executed by or on behalf of a society or by an officer or member and relating to the business of such society, or any class of such instruments, are respectively chargeable;
- (c) any fee payable under the law of registration for the time being in force.

(2) A notification exempting any society from the fees referred to in sub-section (1), clause (c), may provide for the withdrawal of such exemption.

#### Debts due to Government.

26. (1) All sums due from a society or from an officer or member or past member of a Recovery of society as such to the Government including any costs awarded to the Government under sec. Sums due to tion 20, sub-section (6), may be recovered in the same manner as arrears of land-revenue.

(2) Sums due from a society to Government and recoverable under sub-section (1) may be recovered firstly from the property of the society; secondly in the case of a society of which the liability of the members is limited, from the members, subject to the limit of their liability; and, thirdly, in the case of other societies from the members.

#### Rules.

27. (1) The Local Government may, for the whole or any part of the province and for any Rube. society or class of societies, make rules to carry out the purposes of this Act.

- (2) In particular and without prejudice to the generality of the foregoing power, such rules may-
  - (a) prescribe the forms to be used in applying for the registration of a society and the procedure in the matter of such applications;
  - (b) prescribe the conditions to be complied with by persons applying for registration and by persons applying for admission or admitted as members, and provide for the election and admission of members from time to time and the amount of payment to be made and interests to be acquired before exercising rights of membership;
  - (c) provide for the mode in which the value of a deceased member's interest shall be ascertained and for the nomination of a person to whom such interest may be paid or transferred
  - (d) prescribe the proportion to the total liabilities to be attained by the reserve fund and the rate to which interest on loans to members is to be reduced, before profits may be distributed to the members of a society with unlimited liability;
  - (e) prescribe the conditions under which dividends may be gaid to the members of unlimited liability societies with share capital.

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(1) prescribe the number of votes which may be given to hold ro of more than one share.

- (g) provide for general meetings of the members and for the procedure at such meetings and the powers to be exercised by such meetings;
- (h) prescribe the matters in respect of which a society may or shall make bye-laws and for the procedure to be followed in making, altering and abrogating bye-laws and the sanction to be required to such making, alteration or abrogation;
- (i) prescribe the accounts and books to be kept by a society and provide for the audit of such accounts and the charges, if any, to be made for such audit, and for the periodical publication of a balance-sheet showing the assets and liabilities of a society;
- (j) provide for the persons by whom and the form in which copies of entries in books of societies may be certified;
- (k) provide for the formation and maintenance of a register of members and where the liability of the members is limited by shares, of a register of shares;
- (l) provide for the formation and maintenance of reserve funds, and the objects to which such funds may be applied, and for the investment of any funds under the contro<sup>1</sup> of the society;
- (m) provide that any dispute touching the business of a society between members or past members of the society or persons claiming through a member or past member or between a member or past member or persons so claiming and the committee or any officer shall be referred to the Registrar for decision, or, if he so directs, to arbitration, and prescribe the mode of appointing an arbitrator or arbitrators and the procedure to be followed in proceedings before the Registrar or such arbitrator or arbitrators, and the enforcement of the decisions of the Registrar or the awards of arbitrators;
- (n) determine in what cases an appeal shall lie from the orders of the Registrar, and prescribe the procedure to be followed in presenting and disposing of such appeals.

(3) The power to make rules conferred by this section is subject to the condition of the rules being made after previous publication.

(4) All rules made under this section shall be published in the local official Gazette and on. such publication shall have effect as if enacted in this Act.

(5) A copy of the rules relating to a society and of the bye-laws thereof for the time being in force shall be kept open to inspection at all reasonable times free of charge at the registered address of the society.

#### Miscellaneous.

Indian'Com. 28. The provisions of the Indian Companies Act, 1882, shall not apply to societies regispanies Act. tered under this Act.

panies Act, 1882, not to apply. Special powor to Local Government to register any association under Act.

29. (1) Notwithstanding anything contained in this Act, the Local Government may, by special order in each case, and subject to such conditions as it may impose, permit any association of co-operative societies or of not less than ten persons above the age of eighteen years to be registered as a rural or an urban society under this Act.

(2) A society so registered shall be subject to the provisions of this Act to the same extent VI of 1882. as any other society.

30. The Local Government may, by general or special order, exempt any society registered under section 6 or section 29 or any special class of such societies or such societies as are situated in a particular area from any of the provisions of this Act or direct that they may apply to such society or societies with such modifications as may be specified in the order.

31 The Local Government may, by special order in each case, register under this Act any co-operative association alrealy registered under the Indian Companies Act.

#### Notes on Clauses.

Owing to the use of the expression "Co-operative Credit Societies" in the Preamble of Act Prevates X of 1904 considerable doubt has been felt as to whether societies dealing with the other forms of co-operation than credit can legally be registered even under section 29. See Mr. Rajagopala Charriar's note on page 51 of the Proceedings of the First Conference. It is now proposed to omit the word "Credit," and to make it plain that the Act is intended to encourage the formation of all societies which have as their object the encouragement and development of the economic interests of their members by means of operations in common.

The words " at registration " have been introduced to meet the difficulty pointed out in Section 3. Mr. Ramachandra Rao's note printed in paragraph 39 of the Proceedings of this Conference. (1).

A proviso has been added to this sub-section for the reasons explained in paragraph 42 of the Proceedings of this Conference. See also paragraph 58 of the Proceedings of the First Conference.

In the existing Act a distinction is drawn between rural and urban societies. This distinc. Section 3, tion was criticised when the Act was under consideration by Mr. Wolff and Sir Frederick (2). Nicholson, but was retained by the Government of India mainly because it was thought that rural and urban societies would require different constitutions, a basis of unlimited liability being more suitable for the former and one of limited liability for the latter. Experience however has shown that the true distinction is between societies with limited and those with unlimited liability, and that the present distinction is purely statutory and artificial. All the Conferences of Registrars have agreed as to the necessity for amendment in this respect, and effect has been given to the change in the draft Bill (vide paragraphs 58 and 40 of the Proceedings of the First and Third Conferences, respectively).

This sub-section takes the place of section 7 (a) in Act X of 1904. It is considered advise Section 3, able to limit the section to "Credit" Societies since the liability of productive societies will  ${}^{\text{sub-schem}}_{(3)}$ , ordinarily be limited.

	This takes the place of section 7 (b) of the existing Act.	pulsestion (d).
	This sub-section has been introduced to provide for the registration of Unions of societies.	Section 3.
500	Appendix VIII to proceedings of the Third Conference.	πabisection (β)
000	See Appendix VII to the Proceedings of the Third Conference.	Section J.
	See Appendix VII to the Hoceedings of the Hind Concretence.	-multanes (200 -(7).
	The amendment proposed is consequential on the addition of section 3, sub-section (6).	Soction 4, nub-a ection (4) and (5).
ceed	See Appendix VII to the Proceedings of the Third Conference and paragraph 36 of the Pro- lings.	Section 4, nules ection (c),
	See paragraph 37 of the Proceedings of this Conference.	Section 5.
	See paragraph 35 of the Proceedings of this Conference.	Section 8, nationetra (6)
43	See notes Nos. 16 and 17 appended to Proceedings of the First Conference and paragraphs -45 of Proceedings of this Conference.	menta par 7 m
30	See paragraph 36 of Proceedings of this Conference.	Section 9, onborectori (7):
" n	In the proviso to this sub-section the word "another" has been substituted for the word ural ". See Appendix VIII to Proceedings of the Third Conference and paragraph 40 of these	
Pro	ceedings.	Section 9,
		πµ1⊶₩÷tµ×π. { <b>#</b> },
	The word "share " has been inserted before the word " capital " to make it clear that	festion II.
deb	entures and deposits are not included in capital. See paragraphs 46-48 of the Proceedings of this Conference.	'e tra12.
	See paragraphs 40-45 of the Hoccounty of the Constant amended to make it clear on This section which is numbered 17 in Act X of 1904 has been amended to make it clear on	K-to a D¢
wha	This section which is numbered 17 in Act A of 1307 has been another decidings of this Con- t date the liab lity of a member ceases. See paragraph 40 of the Proceedings of this Con-	
fere		S. 5. 5 <b>15</b>
Und of a	It has been thought advisable to extend the period over which a society is entitled to en- e its claim against a member in priority to those of other creditors to one year and a hold, ler the law as it stands at present the priority of the society's claim is inoperative in the case crop like sugarcane which remains on the ground for a whole year. See Appendix 5 to Pro-	nglas (tring) aga
cced	lings of the Second Conference. This sub-section has been amended with reference to paragraph 6 of Note No. 17	en en de la de La de la d

This sub-section has been amended with reference to pringraph of the Proceedings of the First Conference and to paragraph 55 of the Proceedings of the First Conference and to paragraph 55 of the Proceedings of the the Conference.

Section 20. nub-section (1).	Section 21 (1) of Act X of 1904 prescribes that the Registrar shall audit the accounts of each society once at least every year. Co-operative Societies are increasing so rapidly that personal audit by the Registrar is no longer possible. The sub-section has been amended so as to allow the audit to be conducted by the Registrar or any one authorised by him.
Fection 20, nub-section (2),	This section has been slightly amended as some of the larger societies may employ at their own expense chartered or professional accountants to audit their accounts. See paragraph 13 of the Proceedings of this Conference.
Section 23.	See paragraph 39 of the Proceedings of this Conference.
Rection 24, autosection 3	The words "so far as may be" in this section in Act X of 1904 have been omitted. See paragraphs 17-18 of the Proceedings of this Conference. The Conference are advised that the words are unnecessary and that they may prejudice the position of a liquidator.
Section 27, sub-section (4).	Various changes have been proposed in rule making powers of Local Governments. Some are either consequential on the amendments proposed in the body of the Act and others have been omitted as it is considered that the matters in question might be dealt with by the societies in their byc-laws.
Bretion 29, sub-section (1).	The amendment proposed is consequential on new section 3 (6).
Section 30.	This new section takes the place of the proviso to section 29 (2) of Act X of 1904. It is pro- posed that wider powers should be given to Local Governments to enable them to deal with special cases. It is understood that the policy of the Government of India is to make the Act as elastic as possible.
Soction 31.	This section is proposed to permit the registration under the Act of Nidhis in the Madras Presidency. See Note No. 13 appended to Proceedings of the First Conference.

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## APPENDIX II.

## STATEMENT I-A.

## GENERAL PROGRESS.

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Central Societies (lending to other Societies only).

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• -	•	••	Kinds of f	BOCINTINS.	1.4	. NUMBER OF	Societiza	NUMBRE OF	MEMBERS	WOBEING	Capital •	
PROVINCE.	·	Ca	sð	Oti	lor.	At the	At the	At the	At the	At the	At the	Remarks
		Limited liability.	Unlimited liability.	Limited liability.	Unlimite 1 lisbility.	beginning of the year.	end of the , year.	beginning of the year.	end of the . year.	beginning of the year.	end of the year.	
1	ł	3	8	4	Ľ.	6	7	8	9	10	. 11	12
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lms	• •	5				1	<b>S</b> .	45	157.	1,74,040 0 0	.6,61,515 15 7	•
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jmer	•								•••			
yeore	•											
- To	TAL	. 14				7	15	841	1,194	2,85,855 15 8	10,07,106 2 104	

#### STATEMENT I-B.

#### GENERAL PROGRESS.

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#### Urban Societies.

1		Kinds or	Societies.	n, <u>, , , , , , , , , , , , , , , , , , </u>	NUMBER OF	F Societies	NUMBER OF	f Memburs	Wobking	Capital*	
PROVINCE.	Ca	sh.	Ot	her.	At the	<b>A</b> t the	At the	At the	At the	At the	Remarks.
	Limited liability.	Unlimited liability.	Lim <sup>;</sup> ted liability.	Unlimited liability.	beginning of the year.	end of the year.	beginning of the year.	end of the year.	beginning of the year.	end of the year.	
1	2	, 3	4	б	6	7	8	9	10	11	12
									<b>R</b> a. p.	<b>R</b> a. p.	· · ·
Madras	12	3	8	1	23	24	4,775	6,040	2,69,330 9 7	8,72,851 6 11	
Bombay	22†	25	2	2	45	51‡	3,337	4,377	1,90,890 0 0	3,05,572 0 0	† Inclusive of
Bengal	13	16			19	29	1,185	1,682	42,240 0 0	1,00,539 0 0	
United Provinces	24	24	1		19	49	42,701	47,026	15,07,966 0 0	20,29,752 0 0	‡Of these two societies are
Punjab	4				õ	4	316	405	40,554 0 0	28,243 0 0	still engaged in collecting
Burma	17	1			9	18	423	1,036	21,531 8 0	76,837 15 0홏	Capital.
Eastern Bengal and Assam.	24	3	•••		21	27	1,731	2,738	1,03,043 15 6	1,87,882 0 0	
Central Provinces and Berar .	8			j	7	8	1,067	1,231	49,388 1 7	61,175 13 3	
Coorg	•••		•••			•••		•••		• • •	
Ajmer					•••	•••		•••		•••	
Myscre	4		13		10	17	1,364	2,009	50,751 6 5	1,11,011 6 4	
Total .	128	72	24	3	158	227	56,899	66,544	22,75,695 9 1	<b>3</b> 2,73,864 9 63	

\* Includes statistics regarding loans from non-nembers, loans from other societies, share capital, deposits by members, State aid and reserve fund in Statement IV-B.

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#### STATEMENT ----

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### GENERAL PROGRESS.

## - **Bural Societies.**

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		KINDS OF	Societize.		NUMBER OF S	Societize	NUMBER OF	Nakya28	Working	Capital <sup>*</sup>	
Рвотінов.	_ Qa	ek.	Of	lor.	`At the	At the	At the	At the	At the	At the	Remaêke.
	Limited liability.	Unlimițed liabliity.	Limited liability.	Unlimited liability.	beginning of the year.	end of the year.	begivning of the year.	end of the year.	beginning of the year.	end of the year.	 
1	· 3	8	•	. 5	6	. 7	8	9	10	11	12
					······				R` a. p.	R a. p.	•
Madras	10	143		·	77	153	4,717	9,400	8,80,265 % 8	7,84,728 12 10	•
Bombay	•••	122†		2	100 .	184	5,245	· 7,165	1,78,288 14 11	2,83,360 11 6	+Includes four so- cieties already
Bengal		859		5 (a)	831	864	10,909	12,913	1,88,197 0 0	2,60,224 0 0	cancelled and
United Provinces		305		18	166	817	\$8,804	43,952	6,33,577. 0 0	10,65,487 0 0	three societies engaged in col-
Punjab	1	810			253	811	21,565	22,976	4,72,867 0 0	7,88,666 0 0	lecting Capital. (a) The statistics of
Burma		155			78	155	2,662	4,275	1,59,445 10 9	4,06,005 7 6	these grain societies are
Eastern Bengal and Amam.		204			114	204	5,213	8,442	1,62,728 3 11	8,53,575 0 0	not available.
Central Provinces and Berns		87			69	87	2,881	3,942	79,299 18 11	90,017 8 9	
Coorg	13	1			15	15	1,081	1,284	26,224 8 0	84,527 12 6	-
Ajmet		8		•••	8	8	238	260	408 0 0	673 9 2	
Mysore	. 27			1	17	28	1,157	2,542	13,374 11 0	24,488 9 5	
Total	. 61	1,695	***	20	1,219	1,768	93,972	1,17,151	22,39,123 11 9	40,86,754 7 8	

· Includes statistist regarding itans from non-mombers, losse from other societies, share aspital, deposite by mombers, State aid and reserve fand in Statement IV-C.

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•			١	Central Socie	eties (lending	to or dealing	with other S	ocieties onl	y).	· · ·			
<u> </u>			Рво	FIT.	· ·				Loss.	· ·			
Province.	Kind of Society.	Interest earned.	Gross profit on sales of stock.	Other items.	Total.	Interest paid and due.	Establishment and Contingent charges paid and due.	Debts written off.	Depreciation of stock.	Other items.	TotaL	Net profit + or loss-	BEMARES.
1	2	8	4 ,	5	6	7	8	9	10	11	12,	18	14
	· · ·	<b>R</b> a. p.	<b>R</b> a. p.	R a. p.	<b>R.</b> a. p.	<b>R</b> a. p.	R. a. p.	R a. p.	R a. p.	R a. p.	R a. p.	R.a.p.	
1dras • • • • •	Cash-Limited liability .	26,459 1 4	4 <b>66</b>	1,011 12 1	27,470 13 5	19,333 11 8	662 8 5			<b></b>	19,996 4 1	+7,474 9 4	
ngal	Ditto -	43 7 7	<b></b> .	233 0 0	276 7 7	20 15 11	114 13 9	••••	<b>P44</b>	***	135 13 8	+140 9 11	
ited Provinces	Ditto -	12,862 0 0	•••"	205 0 0	. 18,067 0 0	7,222 0 0	2,034 0 0		76 0 0	· እ.	9,332 0 0	+3,735 0 0	
njab • • •	. Ditto	919 0 0	. ĩ		919 0 0	369 O O	142 0 0	•••	•••	102 0 0	613 O O	+306 0 0	<b>4</b> , '
ma • • • •	Ditto .			•••	•••	, <b>é</b> tt c	•••	••• •	***	****	•••		
ntral Provinces and Berar	Ditto .	2,713 2 9		22 2 0	2,735 4 9	589 9 6	183 3 6	· · ·		64.30	836 0 0	+1,899 4 9	<b>-</b> .
۰ · . ۱	TOTAL .	42,996 11 8	+++	1,471 14 1	44,468 9 9	27,635 5 1	3,135 9 8		76 0 0	166 3 0	30,913 1 9	+13,555 8 0	
	· · · · · · · · · · · · · · · · · ·		t	175 0 0	<b>*</b> 1,387 2 7	499 11 7	· · · · · · · · · · · · · · · · · · ·			26 9 0	526 4 7	+860 14 0	
intral Provinces and Berar	Cash—Unlimited liability	·		175 8 0						26 9 0	526 4 7	+860 14 0	. 🔊
• •	Total .	1,211 10 7	····	175 8 0	1,387 2 7	499 11 7							
•								•	· · ·				
	GRAND TOTAL	44,208 6 3		1,647 6 1	45,855 12 4	28,035 0 8	9,135 9 '8	3	76 0 0	192 12 0	31,439 6.4	+14,416 6 0	
<u> </u>	<u></u>	• • •	l 1	 	l	1 	<u> </u>						

# ŚTATEMENT III-A.

## PROFIT AND LOSS ACCOUNT.

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## Central Societies (lending to or dealing with other Societies only).

			· Pro	FIT.				I					
Province.	Kind of Society.	Interest earned.	Gross profit on sales of stock.	Other items. ,	• Total.	Interest paid and due.	Establishment and Contingent charges paid and due.	Debts written off.	Depreciation of Stock.	Other items.	Total,	Net profit + or loss	REMARKS.
1	2	3		5	6	7	8	9	10	11	12	13	14
		<b>R</b> a. p.	R a. p.	R a. p.	R a. p.	R a. p.	R a. p.	R a. p.	<b>R</b> a. p.	R a. p.	<b>R</b> a. p.	`R a. p.	
dras	Cash—Limited liability .	18,685 4 10	· •=•	2,188 9 4		11,224 0 1	2,224 9 7	8 13 6	100 0 0	11 14 8	3,569 5 10	+ 7,304 8 4	
nbay	Ditto .	20,121 3 1	, 	927 9 10	21,048 12 11	3,958 5 7	2,230 6 11	***	113 15 7	31 13 9	6,334 9 10	+14,714 3 1	
gal	Ditto .	4,514 13 111	0 14 6	744 9 4	5,260 5 10	1,016 7 3	539 5 6	18 5 0		459 11 9	2,068 13 6	+ 3,196 8 4	
ted Provinces		1,71,687 -0 0	-56 0 0	3,427 0 0	1,75,170 0 0	85,751 0 0	20,629 0 0	•••	170 0 0	9,341 0 0	1,15,891 0 0	+ 59,279 0 0	These figures include statistics both for limited
•			i	400 0 0	1 591 0 0	140 0 0	377 0 0	83 0 0		544 0 0	· 1,144 0 0	+ 617 0 0	and unlimited liability societies.
njab	Ditto .	1,273 0 0	•••	488 0 0	] ·	ł			•••	168 11 11	2,053 0 <b>2</b>	+ 3,393 10 38	
<u>1018</u> •	Ditto .	5,033 10 5 <del>3</del>		413 0 0	5,446 10 5 16,877 14 4		1,086 11 11			796	5,884 14 2	+ 10,993 0 2	Includes statistics for three unlimited liability
stern Bengal and Assam *	Ditto .	15,586 7 11	. 105 6 9	1,185 15 9	10,077 14 4	4,700 2 0					0.429 5 91	+4,189 15 21	societies.
otral Provinces and Berar .	Ditto .	6,455 3 91	·	188 1 1	6,643 4 10}	1,540 2 6}					2,453 5 8 <sup>1</sup> / <sub>2</sub> 1,310 19 1	+1,749 4 4	
<b>3000 • •</b> • •	Ditto .	2,582 3 11	•••	477 10 6	3,059 14 5	144 14 10	598 2 5		<u> </u>	534 3 5			
*	Тотац	2,45,938 15 1113	162 5 2	10,040 7 10	2,56,141 13 07	1,09,813 J3 9	29,263 1 0	111 6 6	417 5 0	11,099 1 0	1,50,704 11 3	+1,05,437 1 81	
					<u>с 188 л. 9</u>	3,106 3 5	. 586 0 8	· · · · · · · · · · · · · · · · · · ·	16 2 0	712	3,7:5 7 3	+ 1,462 0 0	•.
dras	Cash—Unlimited liability		***	· 422 15 8	5,177 7 3	799 7 7			8 15 0		975 6 6	+1,045 4 0	
mbay	Ditto .	1,965 8 6		55 2 0			1	1		<b>600</b>	497 6 9 <del>3</del>	+ 326 3 2	•
ngal	Di <b>t</b> to -		060	41 13 0	105 0 0		1 14 0	ſ			1 14 0	+ 103 2 0	
	Ditto .	105 0 0	•••	· • •				·		13 1 2	5,190 2 6	+2,936 9 2	
•	To TAL .	7,606 7 0 <del>]</del>	080	519 14 8	8,126 11, 81	4,380 7 8	771 8 8	k -∫	25 1 0				
	Out an I implied lightliter	2,623 15 11	23,566 2 11	3,282 7 2	29,472 10 0	2,469 11 0	14,420 3 2	29 0 0	35 0 0				
•	Other-Limited liability.	146 3 11	1,333 9 2			333 13 10	1,027 0 5	••••		4	1,385 8 0		
mbay	Ditto	6,867 0 0		* 341 0 0		1,304 0 0	. ••••	·	•	2,183 0 0	·	1	
ited Provinces.	Ditto	2,833 1 9	8,209 13 5			44 14 4	4,871 10 0	3 1 2	71 7 10	1,730 0 6			-
JEOI @	Ditto		·		- 50,094 9 2	4,152 7 2	20,318 13 7	32 1 2	106 7 10	5,619 0 3	30,228 14 O	+19,865 11 2	
	TOTAL .	12,470 5 7	33,109 9 6	4,514 10 1						226 9 11	622 13 0	+ 70 0 0	
adras	Other—Unlimited liability	18 11 5	611 14 . 7	62 3 0	692 13 0	105 8 3	290 10 10	••••			547 0 8		
ombay	Ditto	446 9 1	201 13 5	132 1 9	780 8 9	27.4 8 9	245 15 9		26 13 2		1	·	
·	Total .	465 4 6	813 12 0	194 4 9	1,473 5 3	379 12 0	536 10 7	···	26 18 2			·	-
		2,66,181 1 $1\frac{7}{30}$	·	15,269 5 4	3,15,836 · 7 11	<del>7</del> 1,18,726 8 7	50,890 1 10	143 7 8	575 11 0	16,957 12 4	1,87,293 9 0	+1,28,542 13 7	ō 

# STATEMENT III-B.

PROFIT AND LOSS ACCOUNT.

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Urhan Societies.

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Frovince.	Kind of Society.	Interest earned.	Gross profit on sales of stock.	Other items.	Tutal.	Interest paid and due.	Establishment and Contingent charges paid and due	Debts written off.	Depreciation of stock.	Other items.	Total.	Net profit + or Luas —.	REMARKS.
1	2	3	. 4	5	6	7	8	9	10	11	12	18	14,
· •		<b>R</b> a. p.	R a. p.	R a. p.	<i>R</i> α. p.	<i>R</i> a. p.	₽ a.p.	<b>R</b> a. p.	. <b>R</b> a. p.	, R a. p.	₽ a. p.	R a. p.	
ladras	Cash—Limited liability .	5,233 15 10	•••	183 2 11	5,417 2 9	2,699 8 4	524 11 7	. ·	280	200	3,228 11 11	+2,188 6 10	
borg	Ditto	2,499 15 7	•••	363 5 9	2,863 5 4	243 9 4	313 6 6			••	556 15 10	+2,306 5 6	
fysore	_Ditto .	1,111 2 2	•••	295 15 1	1,407 1 3	9 10 9	138 9 1		`550	51 5 2	204 14 0	+1,202 8 3	
•	TOTAL .	8,845 1 7	•••`	842 7 9	9,687 9 4	2,952 12 5	976 11 2		, 7130	53 <b>5 2</b>	3,690 9 9	+ 5,696 15 7	
Medras	Cash—Unlimited liability	42,537 5 7		4,325 8 4	46,862 13 11	27,179 0 10	3,378 15 1	637		54 8 8	30,618 12 2	+16,244 1 9	
Bombay .	Ditto .	18,563 8 6	12 0 0		-				60 1 7	19 12 0	9.810 15 6	+10,889 8 2	
Bengal	Ditto .	27,706 2 10 <del>]</del>	218 11 1 <del>]</del>	1,587 12 7 <del>1</del>	29,512 10 7	15,726 7 0	534 9 3	199		575 4 7	16,837 14 7	+12,674 12 0	
United Provinces	Ditto .	1,18,013 0 C	100	5,560 0 0	1,23,574 0 0	72,456 0 0	10,052 0 0	× ••	. •••	3,494 0 0	86,002 <b>つ</b> 0	+37,572 0 0	
Panjab#	Ditto .	64,881 0 0	•••	8,753 0 0	78,634 0 0	12,055 0 0	1,547 0 0	•••		2,954 0 0	16,556 0 0	+57,078 0 0	*Lachu es one lim'ted liability So iety.
Brims	Dit <b>t</b> o .	30,166 15 3	- 213 0 0	358 1 0	30,738 0 3	10,400 2 3	2,235 15 8	•••.	•••	458 4 0	13,094 5 6	′ +17,643 10 9	
Eastern Bengal and Assam	Ditto .	35,886 3 6		1,786 0 11	Í .	, , , , , , , , , , , , , , , , , , ,		763	•••	25 0 0	16,149 14 4	+21,522 6 1	
Central Provinces and Berar	Dit:o .	9,788 15 0		401 15 3	10,190 14 3		1 .		•••	211 2 10	4,970 2 3	+ 5,220 12 0	
Coorg	Ditto	25 15 2		74_00			10 0 0	•••	•••	* •••	10 0° 0	+89 15 2	
Ajmer	Ditto .	38 5 10	- <b></b>	580	43 13 10	19 7 8	010	•••	•••	•••	19 8 8	+24 5 2	
	TOTAL .	3,47,607 7 8 <del>3</del>		24,976 13 3	3,73,029 0 1	1,63 857 9 2	22,344 10 7	15 3 7	60 1 7	7,792 0 1	1.94,069 9 0	+1,78,959 7 1	
Mysore	Other-Limited liability .	30 5 11	614 5 10	. 382 4 6	1,027 0 3	102 5 3	811 12 6		•	1,641 6 1	2,555 7 9	1,528 7 6	
- -	TOTAL .	30 5 11	614 5 10	382 4 6	1,027 Ò 3	102 5 2	811 12 6	•••		1,641 6 1	2,555 7 9	1,528 7 6	, ,
Bombay .	Other—Unlimited liability	271 15 11		13 5 9	285 5 8	91 0 6	19 11 3	•••	, 	•••	110 11 9	+174 9 11	
United Previnces	Ditto .		•••			• 					- <b>•••</b>	***	Returns not received.
Музота	Ditto .	•••	•••						····	••• ·	•••	•••• •	Ditto.
	Total .	271 15 11	•••	. 13 5 9	285 5 8	91 0 6	19 11 3	`	· · · · ·		110 11 9	+174 9 11	
ť	GRAND TOTAL	3,56,754 15 1	- 1,059 0 11 <del>3</del>	26,214 15 3	<b>3,84,028 15</b> 4 <del>3</del>	1,67,003/11 3	24,152 13 6	15 3 7	67 14 7	9,486 11 4	2,00,726 6 3	1,83,302 9 1	·
	<u>-</u> <u></u> <u>-</u>		• <u></u>	·	• • • • • • • • • • • • • • • • •	· · · · · · · · · · · · · · · · · · ·	<u> </u>		-	•	- t		• 、

# STATEMENT III-C.

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# PROFIT AND LOSS ACCOUNT.

Rural Societies

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<u> </u>				- 	A	BETS.	-					· · · · · · · · · · · · · · · · · · ·	+ +			L	iabilities.									
Province.	Kind of Society.	Cash in hand and bank.	Value of investment.	Loans due by members.			Value of stock in haud.	Other items.	Total assets.	Loans from non-members.	Loans from other societies.	Interest due on loans in columns 11 and 12.	Loans from Government.	Interest due to Jovernment.	Total of columns 11 to 15.	Share capital.	Deposits by members.	Interest due on members' doposite.	Dividends due to members.		Establishmont and contingent charges.	Other itoms.	Reserve fund.	Total liabilities.	Profit + and loss	Brna
		 S		5	. 6	7	8	. 9	10	11	12	18 .	14	15	16	17	18	19	20	21	22	23	21	25		27
	Casb-Limited liability .	R a. p.			р. R а.р. 0 6,57,87 <b>5</b> 0 0	-	,	R a. p. 524 15 11	<b>R</b> a. p. 6,83,695 <b>4</b> 10		_		R a. p.			R a. p. 25,000 0 <sub>4</sub> 0	_	-		₽ a.p. 3,48,678 1 6		-	<b>R</b> а.р. 008	<b>R</b> a. p. 6,76,220 11 6		
Madraz · · · · · · · · · · · · · · · · · · ·	Ditto	1,862 10 3		2,550 0		39 15 7		•••	4,452 9 10			11 0 0				1,835 0 0				<b>3,0</b> 50 15 11			••• 1 100 0 0	4,311 15 11		
United Provinces	Ditto-	28,211 0 0	636 0	0	1,68,436 0 0		, <u>,</u>	762 0 0	2,00,318 0 0		9,647 0 0	2,119 · 0 0 48 0· 0				) 32,895 0 0				44,007 0 0 61,195 0 0		7,910 0 0	102 0 0	1,96,58 <b>3</b> 0 0 74,787 0, 0		-
Panjab	Ditto .	1,030 0 0	•••		73,550 0 0 13,960 0 0	513 0 0		••••	75,093 0 0 13,960 0 0	•				- ++0		3,960 0 0		•••	•••	8,960 0 0			<b>***</b>	1 <b>3,9</b> 50 0 0	£#4	
Barma		10,681 15 4	219 1	7 380 0	0 29,248 5 2	1,349 3 3	1.**	•••	41,872 9 4	F44		•••				24,425 0 0	14,596 7 11	454 14 6	91 <b>1 3 0</b>	) 40,387 9 5 	72 0 0	219 1 7	678 5 4	41,357 0 4	+515 9 0	
	Total .	50,764 0 10	<b>§</b> 855 1	7 7,430 0	0 9,43,069 5	2 15.758 0 6	228 0 0	1,286 15 11	10,19,391 8 0	3,31,602 15 7	1,00,447 0 0	4,864 10 10	55,157 O O	2,798 0 0	4,94,869 10 5	5 1,08,635 0 0	3,79,251 7 11	12,510 15 11	911 8 0	0 5,01,908 10 10}	835 0 0	-8,826 0 6	1,880 6 0	10,07,219 11 9	+12,171 12 3	
• • • •				5 13,572 0		819 7 8	3		14,804 12 2	8,928 14	1,000 0 (	67 12 0	1,500 0 0		11,496 10 4		1,958 13 0	42 1 1	- ***	2,000 14 1	<b>* *</b> *		675 O U	14,172 8 5	+632 3 9	-
Central Provinces	Cash-Unlimited liability			5 13,572 0		819 7 8		••	14,804 12 2	8,928 14	1,000 0 (	67 12 0	1,503 0 0	•••	11,498 10 4	4	1,958 13 0	42 1 1	••••	2,000 14 1	·		675 0 0	14,172 8 5	+632 3 9	
	TOTAL . GRAND TOTAL .			1		2 16,077 8 2	2 228 0 0	1,286 15 1]	10,34,196 4 2		L 1,01,447 0	4,982 18 10	56,657 0 • 0	2,798 0 0	5,06,366 4 9	9 1,08,635 0 0	3,81,210 4 11	12,562 1 0	911 8 (	0 5,03,309 8 11	835 0 0	8,826 0 6	2,555 6 0	10,21,392 4 2 <del>]</del>	+12,804 0 0	
*-	GRAND TOTAL .	50,970 7 11	GI 1,001 10						<u> </u>			figures are for the ;					!	<u> </u>	<u> </u>	!	•				- ·	

# BALANCE SHEET AS AT 30TH JUNE 1909.

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# STATEMENT IV-A.

# Central Societies (lending to or dealing with other Societies only).

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					. <b>Å</b> s	8 <b>775.</b>					- <b>-</b>		5	•		- L14	BILITINS.					•		-		
Protince	Kind of Society.	Cash in hand and bank.	Value of investment.	Losns due by members.	Loans due by other societies.	Interest due on columns 5 and 6.	Value of stock in hand.	Other items.	Total assets.	Loans from non-members.	Loans from other societies.	Interest due on losss in columns 11_and 12.	Loans from Government.	Interest due to Government.	Total of columns 11 to 15,	Share capital.	Deposits by members.	Interest due on members' deposits.	Dividends due to members.	Total due te members (columns 17 to 20).	Establishment and contingent charges.	Other items.	Bosorvo fund.	Total liabilities.	Profit + and loss	BEMABES.
1	\$	8		5	6	7	8	9	10	11	18	18	16	15	16	17	_ 18	19	20	21	22	28	24	\$5	25	37
Matan Bontay Bongal Uniced Provinces Punjeb Burun Kastern Bengal and Asuan Central Provinces and Berar Mynga	Cash-Limited Liability . Ditto Ditto Ditto Ditto Ditto Ditto Ditto Ditto Ditto Ditto	10,771 0 8 19,445 6 6 9,213 18 2 1,54,216 0 0 6,403 0 0 7,272 18 0 19,461 13 1	681 19 6 12,000 0 0 89,956 0 0 905 0 0 1,174 11 9 5,927 0 3	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	83,522 11 6 5,89,297 0 0 5,400 0 0 71,410 11 8 1,000 0 0	9,016 13 7 1,245 14 8 40,544 0 0 336 0 0	900 3 0 <b>3,467 0 0</b> 80 0 0 1,760 8 0	1,018 3 1 639 8 2 4,626 0 0 492 0 0 10 0 0 80 0 0 14 6 0	2,63,226 0 9 96,256 4 10 19,81,267 0 0 29,071 0 0 72,444 18 0 2,03,158 8 11 70,004 1 1	R a. p. 68,840 1 9 21,490 14 6 18,156 2 10 11,78,907 0 0 60,827 7 0 15,689 0 0	<b>23,284</b> 00 800000	511 12 8 162 18 9 27,896 0 0	18,355 6 10 29,796 0 0 1,000 0 0 23,568 5 0	140 2 1 4,012 0 0  409 15 11	1,05,755 18 10 40,488 4 1 18,919 0 0 12,63,795 0 0 24,600 0 0 88,041 8 9	36,284       15       8         1,20,209       2       3         46,424       0       2         2,87,297       0       0         9,915       0       0         88,570       8       9         64,160       8       0	93,608 5 0 77,526 10 2 23,975 5 1 2,85,003 0 0 18,845 0 0 2,632 15 8 38,637 4 0 17,650 5 8	8,495 0 1 2,713 13 2 501 7 0 10,480 0 0 23 0 0  1,092 3 6 296 3 91	718 0 0 83 0 0 101 18 0 879 1 9 783 7 14	1,32,960 7 10 8,01,464 14 6 70,724 2 5 5,83,498 0 0 137,616 0 0 41,305 5 0 99,769 1 3	2,189 0 0  147 0 0 241 2 5	$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	57,449 0 0	98,059 12 6 19,11,546 0 0 28,141 0 0 69,051 2 0 1,92,160 8 9 66,593 5 91	+8,196 8 4 +69,791 0 0† +930 0 0 +8,393 10 8 +10,993 0 2	<ul> <li>Includes H10,442</li> <li>of the profit of previous years.</li> <li>Includes statistics for 3 unlimited liabi-</li> </ul>
•	Total .	2,39,522 7 6 <sub>1</sub>	1,10,644 8 6	18.65,445 18 10	17,06,870 7 <b>2</b>	62,054 15 2	6,688 9 10	7,675 5 6.	29,98,852 8 7 <sub>1</sub>	13,86,600 10 1	60,149 5 8	33,204 4 6	74,719 11 10	4,563 2 0	15,69,235 1 8	8,55,273 15 11	6,67,480 7 0	18,720 10 51	4,993 11 61	19,86,468 12 10	8,081 6 5	7,080 8 6	77,666 1 4	28,83,531 14 9}	+1,15,820 4 93	
Kadrat Bonday Bangal Berne	<b>Cesi-Unlimited Liability</b> Ditto Ditto Ditto	2,360 18 6 443 13 8 548 0 7 3 2 0		60,483 6 1 29,321 12 0 5,351 1 9 3,990 0 0		458 19 11 1,368 6 6 259 10 6	28°10		63,414 8 10 81,771 - 1 2 6,158 12 10 3,998 2 0	6,790 0 0 250 0 0 5,220 1 8 600 0 0	200 0 0	8 9 9	9,758 4 8	15 5 4	19,032 8 4 10,027 8 4 5,602 9 8 600 0 0		18,718 0 0	2,317 11 8 756 8 0		42,892 15 4 19,694 8 U 8,290 0 0		719		80,726 19 1	+1,045 4 0 +326 3 2	
-	Total -	3,855 18 91	***	99,146 3 10	610 10 0	2,090 18 11	23 1 0	120 14 4	1,05,837 8 10}	12,860 1.8	18,200 0 0	428 10 ,1	9,768 4 3	15 5 4	35,263 5 4	87,524 0 0	25,256 0 0	8,073 14 8	23 8 8	65,877 2 4	52 10 6	719	1,201 19 4	102,400 15 8	+2,936 9 2	
Mains Beniey United Provinces Mysore	Other-Limited Liability . Ditto Ditto Ditto	7,482 14 2 65 8 7 1,708 0 U 5,121 11 0	626 0 0	25,881 14 6 742 12 6 537 0 0 40,570 2 3	2,000 0 0 	846 8 11 85 9 11 	51,795 13 9 9,876 13 6 28,269 0 0 81,016 15 6	16,913 5 0 9,501 2 7 17,345 0 0 12.423 5 4	1,04.920 8 4 13,221 10 1 4,485 0 0 89,182 2 1	25,725 10 3 4,368 2 3 1,344 0 0 8,998 7 4	1,000 0 0 5,000 0 0 	581 18 1 151 8 0 0 18 6	1	6.400 99.7 99.7 99.7 99.7 99.7 99.7 99.7 99	9,519 10 8 9,519 10 8 1,843 0 0 8,999 4 10	16,222 2 10 8,072 0 0 84,251 0 0 61,529 14 10	86,805 7 9 - 2,414 0 0 4,009 14 11	508 15 9  9 8 10	1,038 6 11 4 0 0 199 2 8	54,075 1 8 8,073 0 0 86,669 0 0 65,748 9 8	1,589 6 7 	6,837 5 1 261 9 8 4,868 0 0 6,819 13 11	4,828 14 8 87 8 0 1,806 0 0 1,675 10 7	94,088 2 6 12,940 6 6 43,682 0 0 84,106 0 4	+10,837 5 10 +281 3 7 +3,803 0 0§ +6,036 1 9	§ Includes, R83 of the profit of previous years.
	Total .	14,377 12 9	626 0 0	67,731 18 8	2,000 0 0	882 2 10	1,20,968 10 9	49,182 12 11	2,55,759 4 6	49,486 8 10	6,000 0 0	684 9 7	•••	••••	47,120 6 5	1,13,075 1 8	41,729 6 8	518 8 7	1,241 9 7	1,59,564 10 6	2,453 0 4	18,781 12 8	7,892 11 10	2,85,811 9 4	+19,947 11 2	-
Naime Banksy	Other—Unlimited Lizbility Ditto	- 5 13 11 362 2 4	•	368 9 1 3,084 4 0		10 6 7 128 7 8	779 18 6 3,356 6 1	998 8 2 190 8 8	2,162 7 3 7,016 6 11	1,872 12 1 8 7 0	700 0 0 1,500 0 0	50 9 8	8,000 0 0		2,023 5 7 4,503 7 0	1,111 0 0	1,028 14 0	104 2 8	***	2,244 0 8	- 41 7 6 23 14 0	27 9 6 31 15 9	0 0 8 23 7 1	2,093 7 8 6,824 12 6	+70 0 0 +191 10 5	- `
	Total .	868 0 8		3,452 6 1		183 18 10	4,086 8 7	1,188 6 5	. 9,178 14 2	1,276 8 1	2,200 0 0	60°9 6	3,000 0 0		6,526 12 7	1,111 0 0	1,023 14 Q	104 8 8	· - · · ·	2,244 0 8	66 5 6	<b>69 9 8</b>	22 7 9	8,917 8 9	+261 10 5	
	GRAND TOTAL .	2,57,624 2 8	1,11,270 8 6	20,35,776 5 0	7,09,481 1 2	65,151 13 9	1,31,656 9 2	58,167 7 2	83,69,127 15 1	14,41,178 8 8	80,548 5 3	84,867 10 8	87,478 0 1	4,577 7 4	16,48,144 10 0	8,08,984 1 7	6,26,494 11 8	82,417 4 4	6,z58 8 8 <del>1</del>	14,64,154 10 4	5,650 6 9	<b>\$5,928 15 \$</b>	86,783 1 4	32,30,601 11 7	+1,88,466 8 6	
			·		<u> </u>						· Bengal fig	res are for the ye	er ending 81st 1	arch 1909.												_

# STATEMENT IV-B.

BALANCE SHEET AS AT 30TH JUNE 1909\*. BALANCE SHEET AS AT SUTH JUF Urban Societies.

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• Bengal figures are for the year ending 31st March 1909.

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<b>ک</b>														· · ·		Lu	ABILITIZS.				· ,				Profit + and	BENARTS.
	Kind of Society.			Loans due by	Loans due by	Interest due	Value of stock	Other items.	Total assets.	Loans from non-members.	Loans from other societies.	Interest due on loans in columns 11 and 12	Loans from Government.	Interest due to Government.	Total of columns 11 to 15.	Share capital.	Deposita by members.	Interest due on members' deposits.	Dividends due to .members.	Total due to members (columns 17 to 20).	Establishment and contingent oharges.	Othor itoms.	Reserve fund.	Total liabilities.	loss	
	_	Cash in hand and bank.	Value of investments.	members.	other Societies.	5 and 6.	in hand.	9		11	12	18	14		16	17		19	20	81	22	28	24	25	26	<b>27</b>
	8	3		5	6	7			R a. p. 64,234 11. 5	R G. D.	R a. p.	R G. p.	R a. p.	R. ap.	R a. p.	R a. p.	<b>R</b> a, p.	R a. p.	R a. p.	R G. p.	R a. p.	R a. p.	R a. p.	<b>R</b> 5. 9	<b>R</b> • <b>a</b> . <b>p</b> . ⊥9.188 • 6.10	
	Cash-Limited liability • Ditto Ditto •	<b>R</b> a. p. <b>5,700 11 0</b>	<b>R</b> a. p. 8.529 9 5	<b>R</b> a. p. 54,619 12 0 26,445 8 3	<b>R</b> a. p. 500 0 0	<b>R</b> a. <u>p</u> . 3,192	, # G. p.	222 1- 8	64,234 11, 5 83,131 13 4 14 27 3 5 8	14,826 8 4	16,150 0 0	709 2 10	9,355 0 0 5,143 4 10 500 0 0	181 13 11	40,722 4 1 5,143 4 10 500 0 0	18,245 0 0 17,617 15 5 11,500 9 6	7,519 0 0 4,020 0 0 623 15 8	443 9 4 9 2 8	66 13 10	12,200 9 8	•••				+2,306 5 6 +1,202 3 3	
			<del>_</del>		·	( ~		•		1/ 90A 9 A	16 150 0 0	708 2 10	14.998 4 10	181 13 11	.46,365 8 11	42,303 0 11	12,102 15 0				] ·					-
-	Total Ash—Unlimited liability	10,292 2 10 21,897 14 6	3,529 3 5	7,08,743 14 9	1,050 0 0	20,093 1 7 9 544 × 7	70 0 0 225 1 6	857 13 <b>2</b> 341 8 6	1,11,638 14 5 7,52,701 12 0 2,97,261 11 11 2,83,807 18 5 $\frac{1}{2}$ 10,62,945 0 0 8,28,772 0 0 4,06,005 7 6 3,86,475 4 5 98,017 12 6	48,844 13 0 9,401 0 0	5,01,875 0 0 26,520 7 0	9,725 0 11 912 3 0	38,455 0 0 88,769 6 11 25 580 15 1	209 14 7 212 2 5 623 8 11	5,99,109 12 6 1,25,815 3 4 2,25,039 3 8	84,499 8 0 830 0 0 2,545 0 0	50,459 4 6 1,41,341 3 9 2),926 1 5	2,016 15 8 4,515 14 0 1,567 7 8	81 0 0	1,36,975 1 <b>2 2</b> 1,46,718 1 9 26,088 9 1	295 2 0 459 4 1 19 5 8 729 0 0	69 8 11 2 8 5 1 8 9 746 0 0	13 6 8 18,113 8 8 20,034 7 1 40,911 0 0	7,96,457 10 2,96,107 15 1 2,71,193 1 10,25,869 0	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	• Taslades est
	Ditto	18,190       2       0         22.671       1       0         1,24,544       0       0         1,17,392       0       0         5,926       12       5	262 0 0 796 8 0 14,283 0 0	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	660 0 0 12,750 C 0	20,322 0 9 31,391 0 0 27,291 0 0	1,751 14 0 7,037 0 0 471 15 0	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	2,83,807 18 5 10,62,945 0 0 8,28,772 0 0 4,06,005 7 6	$\begin{array}{rrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrrr$	550 0 0 6,68,426 0 0 88,650 0 0 16,310 0 0		55,416 0 0 1,08,959 0 0 28,380 0 0	788 0 0 669 0 0 24 0 0 4.321 13 8	$   \begin{array}{r}     8,57,341 & 0 & 0 \\     2,24,811 & 0 & 0 \\     3,18,014 & 0 & 0 \\     2,77,864 & 10 & 8   \end{array} $	14,427 0 0 8,27,956 0 0 49,884 8 0	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	8,168 0 0 8,174 0 0 3,187 10 0	7000 545 711 740 740	1,20,093 0 0 5,09,648 0 0 59,671 0 0 75,960 9 9	227 11 0 998 0 A	8,881 6 9 815 8 2	10,178 6 0 10,819 15 4 4,816 1 2	7,34,459 0 8,91,744 12 8,64,952 14 91,895 15	+94,315 0 0 +14,260 10 9 +21,522 6 1 +6,121 12 11 +6,121 12 11	liability socie
Assan nd Berar	Ditto Ditto Ditto	5,926 12 5 21,478 13 9 8,875 9 8 100 15 2 199 10 7	4,391 I Z	3,98,867 12 1 8,36,520 5 10 81,141 15 1 1,295 0 0 565 4 6	] 4**	25,348 S 4 3,523 9 10 15 15 9		85 8 9	3,86,475 4 5 98,017 12 6 1,395 15 2 780 14 10	16,504 O O 5,893 5 6 800 O O		640 14 1	6,841 6 8 150 0 0	469 10 4	43,180 3 1 150 0 0 300 0 0	31,047 0 0 156 0 0	11,291 4 1 1,000 0 0 873 9 8	225 14 2 34 15 1	*** *** T <sup>1</sup> 12T Å . D							
: :	Ditto	199 10 7	99.970 7 0	505 4 6 35 66 064 15 01	15.020 0 0	1,37,519 9 10	9,535 14 6	25,847 8 7	41,18,163 11. 9	6,26,658 0 10}	13,96,777 1 7	45,048 5.9	5,25,823 6 8	7,318 1 11	26,71,625 0 5	5,11,345 0 0	5,95,515 14 8	17,890 12 7	1,212 7 5	· · · · · · · · · · · · · · · · · · ·	┟───┢		99,466 7 6 101 1 5			
		3,41,276 15 14 4,198 4 10	, <b> </b> _	2,685 2 5	╺╏╼╾╧╼╼╌╧╼╼╌╸	┟──────────────────────────				990 13 7	1	••• *•	150 0 0	1 1	1,140 19 7	5,926 6 0	. 945 1 8	54 2 0		7,018 8 9	-  ·		101 1 5			I
	Other—Limited liability Total	4,198 4 10		2,685 2 5		82 18 0	2,259 2 9	1,072 7 8	10,247 14 8	990 13 <sup>•</sup> 7	+++		150 0 0		1,140 13 7	5,926 6 0	945 1 8			7,013 8 9		0,060 14 0	176 13 7		+174 9 11 +615 0 0	
0	• .	116 7 5 , 78 0 0		2,983 4 3 979 0 0	• • • • • • • • • • • • • • • • • • • •	83 10 4 51 0 0	15 11 6	1,434 0 0	- 3,199 1 6 2,542 0 0	134 0 0	1,689 0 0	57 0 0	1,000 0 0 37 0 0	<b>2</b> 00	1,000 0 0 1,919 0 0	• • • • • •	1,689 11 8 	121 9 9	21 5 0  	1,832 10 0	• •••	8 0 0		<b>3,024</b> 7 1,927 0		– Figures not
	Ditto -				••••	134 10 4		1,434 0 0	5,741 1 6	134 0 0	1,689 0 0	+ 57 0 0	1,037 0 0	200	2,919 0 0		-1,689 11 8	121 9 9		1,882 10 0				4,951 7		_
	Total -	194 7 5					10 441 19 5	28.927 2 11	5,741 1 6 42,45,791 10 $4\frac{1}{3}$	7,12,109 1 .9	14,14,616 1 7	45,814 8 7	5,42,008 11 1	7,501 15 10	27,22,050 6 11	5,59,684 14 11	6,10,313 11 8	18,519 3 11	1,388 9 4	11,89,856 7 5	2,179 6 10	8,785 5 5	1,03,833 0 0	w,20,009 11		