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**CENTRAL COMMITTEE FOR
CO-OPERATIVE TRAINING**

**Proceedings of the Second Meeting held in Bombay
on 5th July, 1954**

**RESERVE BANK OF INDIA
BOMBAY**

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APPENDIX A TO NOTE IX

**SYLLABUS FOR THE CO-OPERATIVE SECRETARIES
CERTIFICATE EXAMINATION**

PAPER I

Law and Principles of Co-operation

1. General idea about the Principles of Co-operation.
2. Origin and growth of the Co-operative Movement in India. Co-operative Legislations—1904 and 1912 in general and the state legislation in force in the area in particular.
3. Raiffeisen and Schulze principles. Their comparison and contrast. Meaning and implications of limited and unlimited liabilities. Their advantages and disadvantages. Safeguards provided against the danger of unlimited liability.
4. Brief knowledge of the functions and working of the following types of co-operative societies: Agricultural, Thrift and Credit, Multi-purpose, Marketing, Industrial, Farming, Lift irrigation, Purchase and Sale Unions, Housing, Labour contract and Health.
5. Study of the functions and working of the co-operative financing agencies and other banking institutions, viz: Apex banks, central banks, industrial banks, land mortgage banks and the urban co-operative banks.

Study of the scheme of Rural Finance—general idea, agencies in charge of this work and their role in the Co-operative Movement.

6. Propaganda, Education and Training.

Brief knowledge of the functions and working of the All-India Co-operative Union, Provincial Unions, Regional Unions and District Unions, Institutes or Boards, if any.

7. Audit, Inspection and Supervision.

Difference between these words. General idea about the scheme in force in the State attending to all these functions.

8. Co-operative Movement and its relations with the State. Concessions, privileges and exemptions enjoyed by the Co-operative Movement.

Place of Co-operation in the Five-Year Plan.

General idea about the functions and working of the Co-operative Department of the State.

9. General idea about the plan for development of Co-operation in India as recommended by the Co-operative Planning Committee (Saraiya Committee).

PAPER II

*Practice of Co-operation, General Management
and Accounts of Co-operative Societies*

1. Rights, duties and obligations of the secretary, other office-bearers and other managing committee members

2. Admission, resignation, dismissal and withdrawal of members. Their rights, liabilities and obligations.

3. Meetings—importance of meetings—general managing committee and other sub-committee meetings—Notice, agenda, taking down of proceedings, action taken on resolutions.

4. Loans—nature, object, types, method—Preparation of credit statements. Security, security bonds, recovery of loans, arbitration.

5. Loans in kind—methods of valuation, sale of goods and recovery of loans.

6. Raising of funds—share capital, deposits, loans, cash credits, etc., and books required for them. Different kinds of deposits and books for them.

How to borrow from the central financing agency. Types of credit facilities, repayment of loans, security, etc.

7. General instructions regarding opening of bank accounts, what are cheques, drafts, hundies, etc. Precautions necessary for them. Effects of crossing of cheques and the general idea of the work done in a bank.

8. Correspondence work and maintenance of books and other records. Disposal and destruction of records of societies.

9. Principles of account keeping. How to write accounts. Preparation of receipts and payment statements, trial balance, profit and loss accounts and balance sheet.

10. Profits—what are they in the Co-operative Movement. Distribution of profits in different societies. Creation of reserve and other funds—Their use, utility and investment. Advantages of such funds.

11. Explanation of term 'audit'—scope of co-operative audit. Rights and duties of the auditor. Procedure of audit, submission of notes. Rectification of audit defects and submission of report.

N.B.—Teaching in accounts should be copiously explained by illustrations and by giving sufficient practice for writing the accounts books and preparation of necessary statement, at the end of year—viz., receipt and payments statement, balance sheet and profit and loss accounts.

*APPENDIX B TO NOTE IX***GENERAL TRAINING SCHEME FOR THE MEMBERS
OF THE MANAGING COMMITTEE**

Various points in the syllabus for the secretaries should generally be explained but the following points should be emphasised.

1. Principles of Co-operation.
2. Importance of meetings, powers and functions of the meetings. Importance of the resolutions passed therein. Action to be taken thereon.
3. Loans and how to sanction them. Principles of replacing capacity, land ownership.
4. General ideas about the statement of accounts and balance sheets.
5. General idea about the working of the society
6. Rights, duties, obligations and responsibilities of the managing committee members. Their duties regarding verification of cash balance and particularly with regard to the money received as deposits or repayments of loans by members and return of deposits and repayment of loan.
7. Verification of bank pass books and cheque books.
8. Necessity of the managing committee members taking interest in all the affairs of the society and consequences of their dis-interest.

*APPENDIX C TO NOTE IX***GENERAL TRAINING SCHEME FOR ORDINARY MEMBERS OF CO-OPERATIVE SOCIETIES****1. Principles and practice of Co-operation.**

Why one should join a co-operative society. What is the scope of the Co-operative Movement.

(This should be explained by means of homely illustrations taken from the everyday life of the members themselves and should be presented in homely language, which must be lucid, fluent and interesting.)

2. General ideas about the by-laws of certain types of societies from which the members are drawn. How people can join and withdraw from the societies. What is a share, who can purchase a share. What are the liabilities, etc.

3. What are the rights of a member shareholder. What are his obligations and responsibilities. His duties and rights at the general meeting. Why all the members of the society should attend the general meetings and take part in proceedings. How the election of office-bearers takes place. Who should be elected in the Managing Committee. Why members of co-operative societies should be above party politics.

4. What types of loans are given by societies. How to get them. What is credit. What are the rights of the members in this respect. What are their responsibilities. What would be the result of misuse of or non-repayment of loans borrowed. How their action affects the financial position of the societies and prevents others from taking advantage of the society. What is the difference between the method of finance by a moneylender and a co-operative society. Why the society should be preferred to moneylender. Why they should not encourage benami loans.

5. Who are office-bearers, secretary and others. What are their relations with one another. Why should the managing committee repose in them full confidence in the management and at the same time see that the society is not mismanaged by the office-bearers. What are their rights in such cases.

6. Why the members of the society should be honest and loyal to the society. Why they should not try to influence the staff and members of the managing committee and get the advantage or favour in their dealings with the society.

7. Why they should desist from the false criticism against the management of the society from the hearsay reports or

rumours. How those affect the credit and prestige of the society and how they would ultimately lose the benefits either of the society or of the good, honest and experienced persons to manage the society.

8. Why they should not blindly sign any document or paper but should insist on the contents being read out and gaps, if any, filled up before the signature is demanded.

4. PROCEEDINGS OF THE SECOND MEETING OF THE
CENTRAL COMMITTEE FOR CO-OPERATIVE TRAINING
HELD ON 5TH JULY, 1954.

Present :

1. Shri V. L. Mehta (*Chairman*).
2. Shri R. G. Saraiya.
3. Prof. D. G. Karve.
4. Shri M. R. Bhide, I.C.S.
5. Shri G. D. Goswami, I.A.S.
6. Shri R. P. Bhargava.
7. Shri B. Venkatappiah, I.C.S.
8. Shri V. Sivaraman. *

Sarvashri J. C. Ryan, I.A.S., K Subrahmanyam Nayudu and R. P. Bharadwaj, I.A.S., had intimated their inability to attend the meeting. Shri Bhatnagar, Deputy Registrar, Co-operative Societies, Uttar Pradesh, attended in the place of Shri Bharadwaj.

Shri H. M. Patel, I.C.S., Secretary to the Government of India, Ministry of Food and Agriculture, Rev. Father Basenach, Chairman of the Local Committee for the Madras Regional Training Centre, Shri B. J. Patel, Honorary General Secretary, All-India Co-operative Union, and Shri Tarlok Chand, Education Officer, Co-operative Department, Uttar Pradesh, attended by special invitation.

ITEM NO. I—*Review of action taken on certain items discussed or conclusions reached at the first meeting of the Central Committee for Co-operative Training held in December, 1953.*

(i) Note I was considered and recorded. It was felt that the present nomenclature of the two courses was not quite clear and that the short-term course may henceforth be termed as 'Senior Officers' Training Course' and the long-term course as the 'Intermediate Co-operative Training Course.'

(ii) It was resolved that the Standing Sub-Committee appointed at the last meeting be authorised to take such steps as were necessary to give effect to the decisions taken by the Central Committee including sanctioning of expenditure and to satisfy itself that suitable action was being taken in pursuance of the schemes adopted by the Central Committee.

The Central Committee also authorised the Standing Sub-Committee to act on its behalf between its meetings and to report its decisions to the Central Committee for information and record.

ITEM NO. II—Consideration of the Proceedings of the two Standing Sub-Committee meetings.

The proceedings were recorded.

ITEM NO. III—Review of progress made in respect of the Senior Officers' Training Course (Short-term Course) at Poona.

The note on the subject was recorded.

It was suggested during the course of the discussion that the subject of "Taxation of Co-operative Activity" be included in the syllabus for the Senior Officers' Training Course. The suggestion was accepted by the Committee.

ITEM NO. IV—Review of progress made in respect of the "Intermediate Co-operative Training Courses" at the Regional Co-operative Training Centres.

(i) Satisfaction was expressed in regard to the response from the State Governments and co-operative institutions to the courses at Madras and Poona.

It was felt that some of the Registrars, while recommending candidates for admission to our training centres, did not appreciate the minimum standards prescribed by us such as official status, minimum qualification, etc., and therefore, the Committee had to reject a number of candidates so recommended. The Chairman indicated that we might issue a circular setting out the considerations taken into account in admitting candidates to the training centres.

(ii) It was agreed that in the syllabus for Co-operative Law, in addition to appropriate sections of All-India Legislation, special Acts passed by each State or groups of States, e.g., Regulated Markets, Debt Relief, Land Settlement, etc., should be prescribed.

ITEM NO. V—Consideration of the proposals for financial assistance for the training of subordinate personnel of the Co-operative Departments and co-operative institutions in the various States.

The proposals contained in the Note were approved and the Member-Secretary was authorised to forward them to the Ministry of Food and Agriculture for necessary action.

The following addition was suggested at the end of the paragraph relating to the pay scales for the lecturers (page 68 of Note V): "Variations may be necessary in some cases but these may be made only with the approval of the Central Committee."

It was agreed in principle that the provision of Central assistance should not lead to any reduction in the existing scale of total expenditure already being incurred by the State Governments in respect of training of the staff of Co-operative Departments and institutions at the higher, intermediate and subordinate levels as also of the office-bearers of co-operatives. If, as a result of the Central Government subsidy for subordinate training, there results any reduction in the total expenditure of the States on the training of the co-operative personnel in these categories, the Central Government subsidy will be correspondingly reduced.

ITEM NO. VI—*Consideration of a letter received from the Registrar of Co-operative Societies, Rajasthan, suggesting Kotah as a suitable place for starting a Regional Co-operative Training Centre for the Central Zone.*

The Standing Sub-Committee was authorised to initiate steps for locating and organising a fifth Centre somewhere in Central India as soon as the Centres for the Eastern Zone and Northern Zone were established. The suitability of Kotah or any other place in the Central Zone will be considered at that stage.

ITEM NO. VII—*Consideration of certain requests made by the Travancore Co-operative Institute, Trivandrum.*

The Committee agreed with the decision taken at the first meeting of the Standing Sub-Committee, viz., that in view of the considerations set out in the Notes on the subject prepared after Shri V. L. Mehta and Shri Sivaraman visited the Travancore Co-operative Institute, the Committee expresses its inability to accede to the request made by the Institute. The Member-Secretary was authorised to send a suitable reply.

ITEM NO. VIII—*Consideration of the letter received from the Registrar of Co-operative Societies, Bihar, regarding the training of Co-operative Inspectors at the Regional Co-operative Training Centre, Pusa.*

On Bihar's request in regard to the training of the Inspectors required by the State for service in Community Project areas and National Extension Service Blocks, it was decided that the matter should be examined from the point of view of the requirements of all the States in India. It was felt that the question of providing adequately trained co-operative personnel for the National Extension Service Blocks had to be considered as an all-India problem and not as one pertaining to Bihar only. It was, however, admitted that their training will be best done under the supervision of the Central Committee. But owing to lack of data pertaining to the number of persons required by each State, the source from which they were recruited, the nature of responsibilities they were expected to discharge and also the period and type

of training necessary to enable them to discharge these duties, it was not possible for the Committee to fully assess the magnitude of the problem. It was, therefore, decided that Prof. Karve should be requested to get into touch with the Ministry of Food and Agriculture and the Community Projects Administration and in consultation with them formulate proposals for the training of the staff (of the Intermediate category) required for the National Extension Service Blocks.

- ITEM No. IX—*Consideration of the question of arrangements, if any, for non-official personnel, such as members, directors, panchayatdars, etc., of co-operative societies in the matter of co-operative training and propaganda.*

After a preliminary discussion of the Note submitted by the President, All-India Co-operative Union, it was felt that at this stage, it would be useful to keep co-operative training of personnel separate from co-operative education of members. It was agreed that the Standing Sub-Committee should further examine the scheme, collect more data, if necessary, and formulate a scheme. Any scheme so formulated would have to take into account the fact that this falls more within the sphere of the State Governments and for the implementation of any scheme drawn up, the local co-operators and State authorities would have to be primarily responsible. Secondly, any scheme of co-operative education would not only have to include the imparting of general co-operative education but it should be such as would increase the operational efficiency of members and office-bearers concerned in their respective spheres of activities. Before any all-India scheme could be finalised, it was, therefore, thought that, for the present, some pilot schemes might be worked out so that we might take advantage of the experience gained from such attempts and then prepare a final scheme of general co-operative education. For the time being, the arrangements would be confined to the training of secretaries of primary societies. In this connection, it was felt that it would not be possible to entrust this work to the teaching staff of the subordinate training schools and, therefore, it would be necessary to employ a separate staff. To meet the expenditure on staff, stipends and other contingencies for the pilot schemes, it was decided to ask the Government of India for a suitable 'ad hoc' grant.

- ITEM No. X—*Consideration of the requests from Orissa regarding the location of the Regional Co-operative Training Centre for the Eastern Zone.*

It was decided that the Government of Orissa might be apprised of the Committee's decision to organise a Regional Training Centre at Pusa, adding at the same time that so far as the

arrangements for the training of subordinate personnel were concerned, the Central Committee would encourage the organisation of adequate facilities in Orissa.

ITEM NO. XI—*Any other matter raised with the permission of the Chairman.*

No matter of importance outside the agenda was raised.

ITEM NO. XII—*Date of next meeting of the Central Committee for Co-operative Training.*

The Chairman was requested to fix up the date for the next meeting.