

ANNUAL REPORT
ON THE WORKING
OF
Co-operative Societies
IN THE
UNITED PROVINCES OF AGRA AND OUDH
FOR THE YEAR 1911-1912.



ALLAHABAD:
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No. $\frac{227}{\lambda 11-49}$ OF 1912.

FROM

A. C. CHATTERJEE, Esq., I. C. S.,
REGISTRAR, CO-OPERATIVE SOCIETIES,
UNITED PROVINCES,

TO

THE CHIEF SECRETARY TO GOVERNMENT,
UNITED PROVINCES, REVENUE DEPARTMENT.

Dated Lucknow, the 17th September 1912.

SIR,

I HAVE the honour to submit the Annual Report of Co-operative Societies for the year ending the 30th June 1912.

I have the honour to be,

SIR,

Your most obedient servant,

A. C. CHATTERJEE,
*Registrar, Co-operative Societies,
United Provinces.*

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Annual Report on the Working of Co-operative Societies in the United Provinces of Agra and Oudh for the year 1911-1912.

I.—ADMINISTRATION AND TOURS.

1. Mr. S. H. Fremantle, I. C. S., was Registrar up to the 8th January 1912, when I succeeded him. Thakur Thamman Singh, Deputy Collector, held the post of Assistant Registrar throughout the year.
Officers.
2. Mr. Fremantle was on tour for 127 days and I was in camp for 91 days, making a total of 218 days for the Registrar. The Assistant Registrar was on tour for 185 days.
Tours.
3. The number of Inspectors remained nine, as at the end of the previous year. The training of the three inspectors appointed in March 1911 has been completed and they are now being given charge of circles. The strength of the office staff remained the same as in the previous year, but the pay of the clerks has been revised with effect from the 1st April 1912.
Staff.

II.—SUMMARY OF GENERAL PROGRESS.

4. Some explanation is necessary for the elucidation of the figures in statement I of the appendix. Under 'central societies' are included all banks which now confine loans to registered societies and have practically ceased dealings with individuals. Some of these central societies are situated at district headquarters. Others are located in the interior of a district and are themselves financed by central or district banks at district headquarters. Societies classed as district banks in this statement lend to registered societies as well as to individuals. The tendency is for such banks to limit their transactions to societies only; then they are transferred to the category of central societies. In this report the banks at Bulandshahr, Kashi (Benares), Basti, Mohanlalganj (Lucknow), Hardoi and Sandila have been classed as central societies. This explains the decrease in the number of district banks from 14 to 8. Taking central societies and district banks together, the number of financing institutions rose from 26 to 39 or by fifty per cent., and their total working capital from over twenty-seven and a half lakhs to nearly forty-one lakhs, or in about the same proportion.
Increase and decrease.

There has been a similar development in small urban societies which cater mostly for the petty trader and artisan. The number of these societies has increased from 124 to 166, and their popularity is evident from the fact that the average number of members has risen from 27·4 to 34·5. The working capital per member is now Rs. 62·5, which is adequate. The year has witnessed a very great expansion in the number of rural societies. A full local inquiry is made before applications come to me and they are then subjected to close scrutiny. A large number have to be refused or kept pending further investigation. The number of rural societies at the end of the year stood at 1,741; as some of them had not started work, figures are available for 1,681 societies only. The number of members has not increased in the same proportion. This is because large unwieldy societies (in Unao and one or two other districts), which embrace several villages and are not truly co-operative, are now being reorganised into village societies. The process will continue for two or three years yet. If the Unao and Ghazipur figures are excluded the average membership was 36 in the previous year and 34 in the year under report. New societies are naturally smaller than old societies and the very large number of new societies affects the average of the old societies. There has been a very satisfactory increase in the average working capital per member. It is at present Rs. 39·6 against Rs. 32·6 in the previous year. One can now feel assured that in most cases the society meets all the needs of its members and the latter have no occasion to go to a moneylender.

5. At the beginning of the year 34 societies were under liquidation. Proceedings were completed in 13 cases and are still pending in 21 cases. During the year 15 other societies were placed under liquidation. In 8 of these proceedings have terminated; 7 are in progress. In all the cases that were completed during the year all liabilities were satisfied and the members also suffered no loss. In most cases there were profits, which were according to the wishes of the members and the local
Dissolution of societies.

authorities either utilised for some local public object or added to the reserve fund of the district bank. Liquidation proceedings have given most trouble in the Unao district. To the eight cases in progress there at the beginning of the year three more were added in the course of the year. Proceedings have been completed in only one case. The tahsildars are the liquidators. The societies were in each case very big, with ramifications over a large tract of country. The accounts are consequently involved and there is much litigation. A special staff has been employed under the tahsildars. I am much indebted to Mr. Pert, the Deputy Commissioner, for the help rendered by him in this matter. It is hoped that the liquidations will be closed in the current year. In some cases the experiment is now being tried of appointing the manager of the district bank as a liquidator. With the number of societies continuously increasing, instances of failure are bound to occur, but with proper education of the members and constant supervision by the staff of the district bank the proportion ought to decrease, and normally speaking there should never be any difficulty in discharging all liabilities.

6. Concurrently with the great increase in the number of societies and their work, there has been a very satisfactory development during the year in the organisation of a staff to cope with the work. The limited number of Government

Improvements in organisation (staff).

Inspectors under the Registrar find it impossible to supervise in detail the numerous societies. It is gratifying to be able to record that directors of district and central banks have fully realised their function, not only with regard to the financing of the small societies under them but also with regard to their education and supervision. The staff employed by these banks has in nearly every case been increased and improved during the year. The men are all trained either before or after appointment. The training is conducted by one of my Inspectors under the personal supervision of the Assistant Registrar. A large number of men now offer themselves for training with a view to future employment. I am glad to say a very good type of men is now coming forward. The work out in the districts is hard and demands much tact, patience and knowledge of rural economy. Quite a different class of men is therefore required from what is suitable for office work. An advantage of having a reliable peripatetic staff under the district banks is that special propaganda work is seldom necessary. One good society which has been properly educated and supervised forms a natural nucleus for many others round it. When residents of new tracts apply for societies we always insist on their having an organiser trained at their own expense. Several landholders and public-spirited gentlemen have had organisers trained in this manner for work in their neighbourhood.

As mentioned in last year's report, societies have now wherever practicable been arranged in groups, the accounts of a group being in the charge of a secretary. The training and supervision of these secretaries have received much attention during the year. They have been as a rule placed under the control of the district bank staff. The societies contribute towards their pay.

Provident funds have been instituted by most district banks for the benefit of their staff, the district bank generally contributing a sum equal to the amount paid by the employé. In many districts secretaries also participate in the fund. The system is a powerful incentive towards good work on the part of the staff.

7. As has been referred to above, the large banks at district headquarters are now gradually giving up transactions with individuals. This is a decided step in co-operative progress. In the smaller societies, both urban and rural, the education of members in co-operative principles has been kept steadily in view, and from what will be said below there is little doubt that substantial progress has been achieved in this respect.

A growing difficulty with the spread and increase of small societies in remote parts of a district is a suitable arrangement for their financing and supervision. To meet this need experiments are being made with central societies of different types in the interior of districts. Several such societies were established during the year and some valuable lessons have been learnt, which will enable us to go forward with more confidence in future years.

The most important work in rural societies during the year has been the completion of the *haisiyat* or status register for all members. This is a statement giving

the area of the land held by a member under different tenures, the rental paid, the cattle and other stock, trees and houses owned by him with their value, and also the debts due by him to the moneylender or to the landlord. The particulars are filled in by the secretary to the dictation of the *panchayet* and often with the help of the village accountant. They are checked by the district peripatetic staff and also by my Inspectors. A consideration of all these circumstances enables the *panchayet* to determine the maximum credit that should be allowed to a member during the year. This is then recorded. The figures for all the members of a rural society afford the central society a standard by which to fix the maximum normal credit for that rural society. The register is a great help to inspecting officers in ascertaining whether loans are being properly given. It will be revised and verified every year. If it is correctly maintained it will in future be easy to determine the economic progress of a particular individual or village.

III.—WORKING OF SOCIETIES.

A.—Central Societies.

8. The number of central societies (lending money only to other societies) has increased during the year from 12 to 31. Of these, Central banks, the banks at Bulandshahr, Kashi (Benares), Basti, Mohanlalganj (Lucknow), Hardoi and Sandila (Hardoi) used in former years to be classed as district banks under the heading of urban societies. In the course of the year under report they have all determined to close business with individual members and have consequently been placed in the category of central societies. The amounts lent by them to individuals during the year were small and confined to a very few transactions. It is hoped that no such transactions will appear against them in future statements. Two new district banks which will lend only to societies were registered at Bareilly and Sultanpur recently. Work began at Bareilly in the early spring, while at Sultanpur actual financial operations did not commence till June. New central banks were opened in the year at Jewar, Chandok and Kuchesar (all in Bulandshahr), Sahawar in Etah, Badlapur, Machhlishahr and Ranipur (all in Jaunpur), Safipur, Kusambhi and Rampur Garhwan, the last being styled the Ilfat Bank after its founder (all in Unao) and Salon in Rai Bareli. Some of these new societies, like Badlapur, Safipur and Kusambhi, are central banking unions with rural societies only as members. In others, like the Bulandshahr banks, there are a few individual shareholders besides the societies of which the bank is composed. The idea in all these cases is that the bulk of the working capital will be derived from deposits or from an existing or future district organisation.

9. The table below gives statistics regarding the business done by the larger central societies. I have included in it the banks at Mohanlalganj and Sandila. Figures for Sultanpur have not been abstracted for this statement.

Bank.	Year of institution.	Share capital paid up at end of year.	Working capital at end of year.	Reserve fund after disposal of profits of year.	Loans outstanding on 30th June 1912.	Arrears of 1911-12.	Arrears of previous years.	Total arrears.
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1. Bulandshahr ...	1906	30,800	2,07,800	7,031	1,92,770	967	229	1,106
2. Mainpuri ...	1906	17,900	1,52,500	6,500	99,337	11,002	...	11,002
3. Bareilly ...	1912	9,200	27,100	44	22,846	80	...	80
4. Budaun ...	1908	42,300	4,27,000	15,000	2,54,723	29,463	...	29,463
5. Fatehpur ...	1905	...	27,200	1,545	25,392	4,992	...	4,992
6. Kashi (Benares)	1907	21,300	1,69,000	5,500	1,62,038	3,516	722	4,238
7. Basti ...	1906	12,200	71,200	6,500	61,198	1,305	1,053	2,358
8. Mohanlalganj (Lucknow).	1906	11,700	40,700	2,355	37,503	559	407	966
9. Hardoi ...	1906	14,200	1,03,700	3,300	69,621	280	99	379
10. Sandila (Hardoi)	1906	9,500	1,41,200	3,500	1,34,590	...	...	...
11. Fyzabad ...	1906	9,800	82,000	3,200	74,456	1,431	186	1,617
Total ...	...	1,78,900	14,49,400	54,475	11,34,504	53,595	2,696	56,291

In every case there has been a substantial increase in the working capital. In Mainpuri, Mohanlalganj, Hardoi and Sandila the working capital is nearly twice as much as last year, while in Bulandshahr, Kashi (Benares) and Fyzabad the increase is over fifty per cent. Reserves have also been materially developed. They would have been larger but for the fact that some banks are investing money separately in buildings or are creating a floating reserve against any possible bad debts. The arrears are very small except in the case of Mainpuri, Budaun and Fatehpur. In the two former districts default by members of rural societies is the cause and will be dealt with later on. In Fatehpur Rai Bahadur Lala Ishwar Sahai, the Chairman of the bank, has had most of his time occupied with other public work and could not give enough attention to the affairs of the bank. Moreover the cotton crop in the district was a failure and the *rabi* was not up to expectations. Necessary postponements would have been allowed in other districts under such circumstances. In Fatehpur all such outstandings are shown as arrears.

10. The policy with regard to the establishment of such banks was thus enunciated by Mr. Fremantle in the report of last year: "If these *central banking unions* (of which only societies are members) prove successful, many more will eventually be founded; for they will enable the district banks to decentralise by dealing with only a few central banks instead of with a large number of village societies, and will thus greatly facilitate extension of business..... The advisability of forming new *central banks* (of which societies and a few non-borrowing individuals are members) depends on the presence on the spot of persons genuinely interested in the success of the society." These principles have been followed during the year under report. The need of some intermediate link between the large and somewhat impersonal district bank and the remote and humble village society is felt by all co-operators. The exact form and type to suit the condition of different tracts can only be gradually evolved. Public-spirited and capable persons genuinely interested in co-operation and willing to work for a central bank are not easy to find in the interior of districts. On the other hand the *sarpanch* or *panches* of rural societies have as yet very seldom the capacity to manage a union for the purposes of audit, finance and education. The foundation of central societies of either type away from the district town has therefore to proceed slowly and on tentative lines. With one or two exceptions those established so far have been doing well and are full of promise. The central banks in Bulandshahr are looked after by very able landholders like Chaudhri Khushal Singh of Jewar and Rao Girraj Singh of Kuchesar. The one at Sahawar is under the guidance of the local *zamindar*, Chaudhri Aziz-ullah. The Ranipur bank in Jaunpur is being managed by Lala Brijkishor. Mir Imtiyaz Ahmad, a leading *rais* of Safipur, is devoting much time and labour to the affairs of the Safipur central bank. The Itifat bank in Unao owes its foundation to the exertions of Sayyid Itifat Rasul (talugdard of Sandila). Ten societies are affiliated to it. They are all in a compact block in the *taluka* of the founder, who has so far advanced all the necessary capital and has also paid for the local supervisor. Sayyid Itifat Rasul however very properly does not look on his connexion with the bank as purely philanthropic. He does not interfere in the details of management and all loans given are on business terms. The success of the bank cannot but conduce to the prosperity of the estate of the founder. I have given particulars regarding only some of the banks recently founded. A full account of all will make this report too long. The working capital of all banks of more than a year's standing has increased considerably. Reserves are being attended to and in most cases they have been invested separately, generally in a district bank. All central banks (with the sole exception of Kara in Allahabad) have worked at a profit. In Kara the loss of Rs. 276 is due to the utilisation of a part of the working capital in erecting a building for the bank. This was a premature step. The financial position of the Kara bank is otherwise sound and I trust that from the current year it will work at a profit.

B.—Urban Societies.

11. As has been explained above, six large societies that were formerly District banks—reorganisation. classed as district banks have in this report been counted amongst central societies which lend money to other societies only. Two other district banks, viz. Gorakhpur and Kasia, do not lend to

individuals. Their dealings hitherto were entirely with affiliated societies. As the latter have no independent entity, i. e., have no separate capital, reserve, profits or accounts and are corporate only for the purposes of joint responsibility for loans, Gorakhpur and Kasia cannot yet be brought into the list of true central societies. In accordance with the policy approved by Government, affiliated societies wherever they exist are being gradually reorganised into independent village societies. The process takes time as independent societies can be established only where a strong and reliable *panchayat* is available and is willing to undertake the work of distributing loans and collecting dues from the members. Good progress has however been made during the year in this direction by the staff of the banks, aided and supervised by Government Inspectors. Reorganisation in this sense is going on in other district banks also, e. g., Jahangirabad, Moradabad and Rai Bareli. In Jalaun the old "groups" are being formed into societies and new societies are being established in likely villages. In Unao the unwieldy *patti* societies which embraced many villages are being gradually closed, their place being taken by true co-operative societies operating in one village only. In Jaunpur, where also *patti* and affiliated societies prevailed, reorganisation is all but complete. All old district banks are steadily though gradually contracting their transactions with individuals. It is now realised that such loans cannot be granted on co-operative principles because the directors have not sufficiently intimate knowledge of all borrowing shareholders and cannot therefore form any definite views regarding the real needs of members or the proper utilisation of loans received by them. Consequently loans to individuals by a district bank are not as safe as co-operative business ought to be. These two concurrent processes, viz. the reorganisation of affiliated and *patti* societies into true village societies, and the discontinuance of individual loans, will in the course of the next few years convert all district banks into central co-operative societies of an approved type.

12. Following the example of last year's report I give below a table of statistics of the work in district banks.

District banks—their financial position and business done.

Bank.	Year of institution.	Share capital paid up at end of year.	Working capital at end of year.	Reserve fund after disposal of profits of year.	Loans outstanding on 30th June 1912.	Arrears of 1911-12.	Arrears of previous years.	Total arrears.
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1. Jahangirabad (Bulandshahr).	1906	10,500	95,800	4,200	70,587	1,129	1,405	2,624
2. Moradabad ...	1906	34,900	4,35,000	40,000	2,84,379	10,000	20,500	30,500
3. Jalaun ...	1907	22,400	1,44,700	12,635	1,15,247	7,071	5,179	12,250
4. Jaunpur ...	1907	16,300	1,59,000	4,500	1,24,625	10,864	6,110	16,974
5. Gorakhpur ...	1906	55,900	2,57,000	13,000	1,73,321	22,011	13,833	35,844
6. Kasia (Gorakhpur).	1906	26,400	1,34,800	18,000	1,07,786	450	44	494
7. Unao ...	1906	25,100	6,40,400	41,980	3,41,804	78,635	35,036	1,13,671
8. Rai Bareli ...	1906	35,300	2,04,800	24,500	1,54,076	2,034	9,268	11,302
Total ...	...	2,26,800	2,071,500	1,58,815	13,71,885	1,32,104	91,471	2,23,665

The working capital has increased in every instance as compared with last year, but the proportion of increase is generally not as large as in the case of central societies discussed in paragraph 9. This is because reorganisation is in progress in all district banks and consequently expansion cannot be taken in hand. All district banks have made very substantial profits (as will appear from the appendix) and have declared satisfactory dividends since the close of the year. The reserve fund has been materially strengthened and in several instances appropriations have been made to building funds and against any prospective bad debts. The only unpleasant feature is the large arrears in several cases. Jahangirabad has effected considerable improvement as compared with the previous year. In Moradabad also the arrears have been reduced. They are due mostly from some affiliated societies and two groups of independent societies. The former will be closed sooner or

later while the latter require more careful education and supervision. The management in Moradabad is efficient and there are several non-official helpers of position and ability. I have therefore every confidence that these arrears will be wiped off very soon. In Jalaun the arrears are much smaller than in the previous year. Practically the whole amount is due from individuals. The bank holds good security from its debtors. In Jaunpur also the bulk of the arrears are due from individual borrowers, a legacy of former years. Suitable steps are being taken for realisation. The arrears in Gorakhpur are due partly from affiliated societies and partly from individuals. Severe plague and floods in certain tracts of the district retarded collections, but I am inclined to think the management was not as energetic as it might have been. Steps are being taken to secure greater efficiency in the current year. In Rai Bareli less than a thousand rupees are due from independent societies. Bad affiliated societies are responsible for the bulk of the arrears. The amount is all reported to be recoverable. In the case of Unao, less than three thousand rupees are due from small societies of the new type, over fifty-six thousand rupees from old-type societies under liquidation, and the balance from old-type societies still in existence. The causes of the default of existing societies will be explained below, while I have already adverted to the circumstances which have been protracting the liquidation proceedings. It is believed that all dues from existing societies are fully recoverable. With regard to the liquidated societies, I think when all the accounts are closed the district bank of Unao will stand to lose only a comparatively small sum which will be well covered by its floating reserve. From what has been said above, it will be abundantly clear that independent village societies if properly organised and supervised pay their dues with far greater punctuality than either *patti* or affiliated societies, or individual borrowers dealing directly with district banks. The policy adopted by the department is therefore fully justified.

13. Six societies of this class are at present registered, two at Mainpuri, two at Rai Bareli, one at Fyzabad and one at the Railway Audit office in Lucknow. Of these the two Mainpuri societies and one Rai Bareli society are doing fairly well. The others are suffering from either arrears or under-capitalisation. Clerks are as a rule very reluctant to disclose their exact financial needs and position and the directors also do not like to be thought inquisitive. Under the circumstances true co-operation is very difficult. The rules for a suitable provident fund on co-operative lines for the special benefit of clerks that were drafted last year by Mr. Fremantle have been given wide circulation but no society on these lines has yet been formed.

14. The weavers' societies at Tanda (Fyzabad) are in a flourishing condition. There are now 20 societies with 541 members against 17 societies and 385 members last year. The capital has also increased. Loans have been advanced for all necessary objects, but the bulk of it is devoted to the purchase of yarn and trade in cloth. Nineteen members have purchased Serampur looms and work them. Credit for the success of the organisation at Tanda is due to the honorary manager of the central bank, Hafiz Din Muhammad, a local weaver of enlightened views and considerable influence. The small credit societies for silk weavers in Benares are also progressing very satisfactorily. The members are no longer obliged to sell their products in a dull market or to *mahajans*. Some of them have increased the number of looms. Some have started a joint shop for the purchase and sale of raw materials. The Sandila weavers' yarn and cash society will be dealt with below. Weavers' credit societies in other places are also doing well. Co-operative ideas are taking a firm root and there is every hope that in time the credit societies will develop into societies for the joint purchase of raw materials and the joint sale of finished products. But productive and distributive co-operation requires much capacity and a strong feeling of cohesion amongst the members; so it is best to go slow in this respect.

15. As will appear from the statements, there has been good progress in all societies of this class. Benares still leads the way with 41 societies and 941 members. Co-operative education in these societies is excellent; there has been a very marked improvement in the economic condition of the members. The number of

members in the Rai Bareli societies has increased and repayments have been very good. In Fyzabad there has been very good progress. Besides the weavers' societies in Tanda mentioned above, there are now 14 societies amongst the industrial classes in the towns of Fyzabad and Tanda. In Hardoi, Sandila and Jaunpur the movement is spreading on sound lines. Work in Allahabad and Lucknow has been considerably developed during the year. Seven very promising urban societies are now working in Allahabad town under the guidance of Mr. A. H. C. Hamilton. In Lucknow also seven societies have been started during the year amongst the milk-men, tanners, shoe-makers, butchers and *chikan* embroiderers. They are being very carefully looked after by Munshi Azahar Ali, B.A. I am much indebted to these two gentlemen for their unselfish labours and I have little doubt that work in the two premier cities in the province will soon expand considerably. The urban societies in outlying districts are also doing well. There is an excellent society amongst the blanket weavers of Najibabad (Bijnor) and another amongst the shoe-makers of Bulandshahr. Now that a district bank has been established at Bareilly and the Moradabad bank has surplus capital, work amongst the numerous artisans in these two cities will probably be developed. The chief difficulty in societies of this type lies in the fixing of a normal credit for the members. Fairly uniform criteria are not available as in the case of the rural societies. Experience is however being gained by working on different lines in different places and no society has yet suffered any serious loss.

C.—Rural Societies.

16. The type of village society now favoured in the province was described by Mr. Fremantle in paragraphs 20 and 21 of the report for 1909-10. His policy was approved of by the Government. I have nothing new to say on the subject except that from the experience gained since I have been Registrar I am in entire accord with the views of Mr. Fremantle. True Raiffeisen societies exist in the Fatehpur district, but the movement is in a stagnant condition there. Everywhere else all new societies are of the type adopted by Mr. Fremantle, and the old affiliated or *patti* societies are being gradually reorganised into true village societies.

In the new type of society a great deal depends on the secretary and the *panches*. In theory the secretary is a mere scribe and a paid servant of the society. But he is a literate man of a good caste and naturally acquires a high status amongst the illiterate members of whom societies are composed. If he is a local man, he often has his own friends and relations to favour. It is therefore necessary to select secretaries of a good type, to train them properly, and then to place them under the strict control and supervision of the peripatetic staff of the district bank. All these points have been steadily kept in view and although bad secretaries are by no means altogether unknown, they are being gradually weeded out. With the spread of education amongst the members the account-keeping difficulty will disappear; meanwhile district banks must not neglect to look after the village secretaries.

The position of the *panches* is one of great power and responsibility. As the work of distribution and collection is vested in them they naturally acquire a predominance in the counsels of the society. The post of a *sarpanch* is not without its trials. The district reports mention cases of *sarpanches* having been assaulted for demanding the dues of the society from recalcitrant members. In other instances *sarpanches* have been harassed with false cases because they refused to admit undesirable candidates for election. The *sarpanch* has also the custody of the cash balance and this is not always a safe or pleasant duty. It is not therefore strange that sometimes the best man in a village does not aspire to the position of a *sarpanch* and the society is saddled with an inefficient or dishonest man. It then becomes the business of the district bank staff to help to remove him and secure a good man. Instances have come to light during the year of the misbehaviour of *sarpanches* and secretaries. The number of such reports is however very small compared with the vast expansion of the work, nor has any serious loss resulted anywhere. I have very great faith in the honesty and the truthfulness of the villager in his dealings with his fellows in the village. The lesson to be drawn from these incidents is that the district and central banks must have an adequate and efficient staff. Village societies should for many years yet be subject to frequent

inspection and thorough audit. The *panchayat* and the secretaries should be educated and supervised with tact and firmness. Securities should be taken from all employes who have charge of money. It is necessary to emphasise all this because the directors of a district bank sometimes forget that the committee of a village society is not composed of men of the same calibre as themselves.

17. In the summary of general progress at the beginning of this report attention has been drawn to the very great increase in the number and members of rural societies.

Societies and members. Perhaps an even more satisfactory feature of progress is that the capital available per member has now reached forty rupees. The share capital of members is nearly twice as large as in the previous year. This is creditable as societies of less than a year's standing have as yet contributed very little. Deposits by members do not show any great increase because in many cases old deposits have been transferred to newly established central banks. I have ascertained during my inspections and instances are also mentioned in the district reports that the advantages of deposits are being realised by members. At present however members rightly devote all savings to the liquidation of their old debts or in lessening their borrowings from the society.

18. The rates of interest have remained much the same as in previous years. No substantial reduction can be effected until the amount raised by share capital and members' deposits added to the reserve fund of the societies bears an adequate proportion to the working capital. The present rates are by no means too high for the average tenant in the province and it is desirable that the reserve (to which all profits are now devoted) should be rapidly developed. The total amount of loans issued to members during the year exceeded 29 lakhs; over 20.56 lakhs were repaid. The amount outstanding at the end of the year was a little below 24 lakhs, 2.13 lakhs or about 9 per cent. being arrears. Unao is responsible for over half the arrears. If the Unao figures be excluded the results are entirely satisfactory. Although a very good spring crop was harvested, it was a difficult year in many respects. In many of our important districts two successive *kharrifs* had been failures and the cotton crop was a total loss in 1911. Instalments falling due in those seasons had been postponed and through the inexperience of societies a very heavy burden had been imposed on the *rabi* of 1912. Landlords also took the opportunity of a good harvest to realise all arrears in the spring of 1912. In most districts co-operative institutions adopted the policy of letting the peasant clear off the dues of landlords before collecting their own money. This is the explanation for comparatively large arrears in Mainpuri, Budaun and Moradabad. In Unao the arrears are mostly due in societies of the old type. There also seasonal difficulties prevailed; moreover the members not having the same loyalty to their societies as in true village societies liquidated the old debts of *mahajans* before paying the society. The case of Fatehpur has been referred to in paragraph 9. In Fyzabad and Moradabad there are some badly organised societies which will have to be reformed. In most districts however collections were very good. Eight districts show an absolutely clean sheet and in eight others the arrears in rural societies are less than two per cent. of the outstandings. In all districts the arrears are practically fully recoverable and not many bad debts are anticipated.

19. Advances are given for all necessary purposes, although the *panchayat* decides what amount is really required by the borrower. The *haisiyat* or status registers are of much assistance in this respect. Members now in most cases declare the true object of a loan. Inquiries are made regarding the proper utilisation of loans and cases frequently occur where a member desiring to misuse the advance received by him is compelled to return it. This system is having a very good educative effect. The objects of loans are much the same as in former years. Payments of old debts and purchase of cattle are the two principal items everywhere.

20. No work has yet been attempted in Dehra Dun. In Saharanpur the old society at Landhaura which is financed by the estate is in a flourishing condition. Two new societies financed through outside depositors were started in the neighbourhood during the spring and promise well. Their example has impelled the residents of many adjacent villages to apply for societies, and a steady development

Distribution of rural societies: Meerut division.

in the future is expected. There is no society now in Muzaffarnagar, but a sum of Rs. 581 (profits of dissolved societies) is held in deposit as the nucleus of an organisation fund.

In Meerut the isolated society at Dhanaura is continuing to prosper. There are now five societies in the Tatina group on the estate of Khan Bahadur Shaikh Wahid-ud-din. Measures are being taken by the Khan Bahadur for an expansion of the work. Co-operative ideas have spread in the south of the district from contact with the very successful societies in Bulandshahr, and since the close of the year a promising group of societies has been registered in the neighbourhood of Hapur.

Bulandshahr continues to lead the way in the *doab* districts. The old society at Jewar has been converted into a central bank with independent village societies working under it. Chaudhri Khushal Singh supervises the work with his usual sagacity and enthusiasm. Rao Girraj Singh of Kuchesar is the chairman of the central bank on his estate and Thakur Manbir Singh looks after the affairs of the central bank at Chandok. The Jahangirabad bank under the experienced management of Lala Parbhu Lal is also falling into line and has begun the organisation of village societies. There are now 126 societies in the district with 4,259 members. Forty-nine societies are under the direct control of the district bank. Plenty of capital is forthcoming and it is practically all local. The societies are in excellent condition. As the leading landholders of the district are in active and intelligent sympathy with the movement, a steady organic growth is to be anticipated.

21. In Aligarh, thanks to the efforts of Kunwar Man Singh of Lakhnau, the two societies on his estate are doing well. Applications have been received from several villages in the Hathras and Atrauli tahsils, but the work of organisation cannot be undertaken until effective non-official help is forthcoming.

In Agra the old society at Jarauli continues to do very good work. It has opened an account with the Mainpuri district bank and there is now no difficulty about capital. Three new promising centres were started in the Agra district during the year. On the Kotla estate the Hon'ble Raja Kushalpal Singh is financing two societies. The court of wards have allotted funds for co-operative work in the Bhadawar estate. A trained organiser is now on duty and three societies were registered in June. Diwan Chet Singh has started a society on the Parna estate. The association of large landholders with the new work in this district is a very gratifying feature.

In Etah there are ten societies now in the Sahawar tahsil; a central bank has been formed with the support of Chaudhri Aziz-ullah Khan. A paid manager has been appointed and a steady development may now be looked forward to.

In Mainpuri there are 120 societies and 3,569 members against 61 societies and 2,302 members at the beginning of the year. They are all under the direct control of the district bank, which continues to be very efficiently managed by Rai Ganga Prasad Sahib. The necessity of decentralisation is however obvious. Central banks will probably be required in Jasrana and Kuraoli. Although there are many disinterested honorary workers in the district, a strengthening of the paid staff is also needed. Until these reforms in organisation are effected, a further rapid extension of the business should not be attempted.

22. Good progress has been made in the Bareilly district. A district bank under the capable guidance of several public-spirited lawyers started business in the spring. The Dalelnagar central banking union is also working well with Lala Gur Bakhsh as chairman. There are now twenty-eight societies in the district, about half being under the direct control of the district bank. Paid supervisors have been employed by both institutions. As the district bank can command sufficient capital and is being run on very careful lines, the work in the district is likely to be sound and progressive. It is desirable that the landholding classes should, as in the neighbouring district of Moradabad, identify themselves with the movement.

In Bijnor also a very satisfactory development has to be recorded. The number of rural societies has increased from 12 to 28, and the number of members from 288 to 872. The societies continue to be financed by the Udyog Sahayak Company, which is registered under the Companies Act, but a portion of the

profits is set apart for an inspection fund presided over by Soti Harbans Lal. The credit for the good work in the district is mainly due to the organiser, Chaudhri Jawahir Singh. The co-operative education of the members is very good and a knowledge of the benefits of co-operation is fast spreading over the district.

In Budaun the work during the year has been more of consolidation and internal organisation than of expansion. Some societies had grown a trifle too fast and their *panchayets* were weak. These defects are being removed. An efficient paid staff has now been employed by the district bank; after they have got into thorough touch with the societies a further extension of the business will be feasible. For the outlying societies of Ohiya a central bank is contemplated.

In Moradabad appreciable progress has been made in the reorganisation of the old affiliated societies. The number of independent societies and members has increased from 84 and 2,017 respectively to 111 and 3,019. As the bank now maintains a large and well-paid staff all societies ought soon to be placed on a sound and efficient footing. The district is fortunate in having enlisted the active help of public-spirited landlords like Chaudhri Dharam Singh of Kanth, Kunwar Raj Kumar of Bilari, Munshi Har Narain of Amroha, and Chaudhri Sundar Singh of Seondara.

In Pilibhit there are still only two societies on the estate of Raja Lalta Prasad. It is proposed to utilise the profits of the liquidated societies in Bisalpur as the nucleus of a new organisation fund for the district. As the Raja takes much interest in co-operative work, better progress is hoped for in coming years.

23. In Fatehpur the work is unprogressive, chiefly because Rai Bahadur Lala Ishwar Sahai has not been able to give much time to it. An interesting feature in the district is the large amount of deposits of members. The societies are fairly sound and there is much co-operative education, but they require more capital and careful supervision. The Rai Bahadur has now agreed to our suggestions for improvement.

In Allahabad the Baraon society is not doing well and will probably soon be closed. The societies in Ramnagar under the control of Babu Kashi Prasad Singh continue to flourish and the Meja society is also doing well now. One of the societies under the Kara central bank has been dissolved on account of internal dissensions.

24. The three societies in Lalitpur (Jhansi) were closed during the year because suitable arrangements could not be made for their supervision and the members did not wish to cease connection with moneylenders.

In Jalaun good progress has been made in the organisation of village societies. The number of societies and members has risen from 14 and 331 to 34 and 1,165 respectively. Collections have been excellent and there are indications that the peasants appreciate the value of a true village society.

In Hamirpur the initiative in co-operative work has been taken by Sayyid Muhammad Ismail, wakil and honorary secretary, district board. An organiser was trained at his expense. With the approval of the Collector, a society has been registered at Para Raipur. It is financed with local capital and promises well.

The old central society at Bargarh in Banda has been split up into thirteen village societies, including one at Bargarh itself. Efficient *panchayets* have been appointed and a paid manager is now employed for the group. The arrears have been considerably reduced and are now confined to Bargarh society only. Prospects are much improved. A central bank for the group will soon be organised. Twelve new societies have been formed in the Girwan tahsil, making 17 in all. These societies have contributed to the employment of a trained supervisor for the work of inspection and organisation. The societies are on the whole doing well. They have been so far financed mainly by outside depositors. To provide a local agency for financing and supervision of the societies and for further propaganda a district bank has been registered at Banda since the close of the year.

25. In Benares there has been a very great development of work in rural tracts. The number of societies has increased from 24 to 78 and the number of members from 461 to 1,643. The Kashi bank has a strong directorate, and the societies are run on very sound lines. The society at Shahpur under Babu Mangla Prasad in its many-sided social work continues to be a model for all village organisations. Co-operation in the district has suffered a severe loss in the death of Babu Mahadeo Prasad of Sayyidraja.

Benares division.
An organiser is at work on the Kantit (court of wards) estate in the Mirzapur district. A beginning has been made with three societies (one of them registered after the close of the year). Care has to be taken in this district in choosing non-precarious villages.

Satisfactory progress has been made in rural work in the Jaunpur district. There are now 131 societies with 3,704 members. With financial aid from the Dube estate (court of wards) a central banking union has been formed at Badlapur, which also proposes to take over a seed store from the court of wards. Other central banks have been established at Ranipur and Machhlishahr under the respective guidance of Lala Brij Kishor and Maulvi Muhammad Hasan. The societies are with one or two exceptions in very good condition and some, like Kuddupur under Thakur Lachman Singh, have begun to attract large local deposits. A number of prominent local men like Saiyid Ahmad Husain, Munshi Saheb Lal, Pandit Mahadeo Malaviya, Babu Har Shankar Das and Munshi Abdullah Khan take an active interest in co-operation.

In Ghazipur much needed reorganisation has begun. The two over-grown societies of Tajpur and Saidpur have ceased issuing loans: outstandings are being collected with help generously given by Mr. Fox and Babu Hardwar Rai. An organisation fund has been started with a salaried supervisor. Seven new societies were registered during the year. Work is likely to develop on sound and progressive lines.

26. In Gorakhpur and Kasia the work of reorganising affiliated societies into village societies has now been taken in hand. Seventeen societies were registered and many others are likely to be formed during the current year. In Kasia an efficient staff is now employed and I look forward to work there without misgivings. Khan Sahib Maulvi Abdul Aziz and Babu Janki Prasad continue to do very good work as directors of the Kasia bank. Rai Bahadur Munshi Ramgarib and Rai Sahib Lala Ganga Sahai take much interest in the affairs of the Gorakhpur bank.

Gorakhpur division.
In Basti fair progress has been achieved in rural work. There are now 91 societies with 1,445 members. The district bank staff requires to get into better touch with the societies.

The Mau society in Azamgarh under the able control of Babu Baldeo Prasad will be a model organisation when separate societies are formed as is contemplated in the different villages now in its area. The society on the court of wards estate at Khalifatpur is doing well.

27. The *Tharu* bank at Khatima in the Naini Tal *tarai* continues to be the only society. It is both a success and a failure. It has undoubtedly improved the economic condition of the *Tharus* and has attracted a large number of *Tharus* from Nepal to its area of operations. The society has however all the disadvantages of one working in a large number of villages, and with a particularly backward clientele it has not yet succeeded in instilling co-operative principles or business habits amongst the members. The difficulties are accentuated by the unhealthy climate of Khatima where no capable outsider likes to serve as a paid manager. After the close of the year it has been discovered that the *muharrir* to whom the *panchayat* had contrary to advice allowed a free hand regarding the charge of money committed an embezzlement. Fortunately his sureties have made good the loss. I am in consultation with the district authorities regarding the reconstitution of this bank.

28. In Lucknow reorganisation has now been completed at Mohanlalganj, and as the directors have converted the bank into a true central society much progress in rural work is anticipated. A beginning has also been made in forming rural societies in the sadar tahsil under the organisation fund.

Lucknow division.

Rai Bareli has now 92 rural societies with 3,416 members. Central banks are working at Jais and Silon. A very large number of affiliated societies still exist under the Rai Bareli bank. As the staff acquires more experience these should be reorganised or closed. There will then be a possibility of further extension of the work. The Hon'ble Raja Rampal Singh, C.I.E., of Kurri Sidhauri is now having the old society on his estate split up into self-managing village societies. A trained organiser has been appointed by him.

In Sitapur three new societies have been registered in court of wards estates. There is a good field in the district and I hope work will prosper.

In Hardoi rural co-operation flourishes exceedingly. The figures are 160 societies with 5,679 members as compared with 124 societies and 3,778 members in the previous year. The expansion has been most noticeable in the areas of the Sandila and Bilgram banks, but the Hardoi district bank has also done useful work. The two societies on the estate of Rai Kedarnath of Thamarwan continue to do well. All societies in the district are very punctual in their payments.

Unao has now the largest number of village societies, viz., 170. The number of members has decreased from 25,420 to 17,700, partly because some of the old *patti* societies have been closed and partly because the existing *patti* societies have rightly removed the names of so-called members who had for some time past ceased either to take loans or to make periodical deposits. Reorganisation of the old societies is being carried out by an efficient staff of three local inspectors under the guidance of a departmental inspector. Owing to the peculiar co-operative history of the district, the work is difficult and has to be conducted with great care. The directors of the district bank are now cordially co-operating in the reorganisation work.

29. The development in the rural tracts of Fyzabad is not as marked as amongst the industrial classes. Some progress has however been made. The staff of the district bank will be strengthened in the current year by the appointment of a salaried manager. More capital has also been secured and progress is likely to be good.

In Gonda the society at Rehra Adhinpur has been dissolved. The remaining six societies are doing good work, but no demand for an extension of the work has yet arisen. In Bahraich the only society (Athaisa) does not show much sign of vitality.

Considerable progress has been made in the district of Sultanpur. The central banks at Kurwar and Jagdishpur have done excellent work. Raja Partab Bahadur Singh of Kurwar has evinced much practical sympathy with the movement on his estate. The central banking union at Amethi has also proved successful. The district has now 79 societies with 2,728 members besides 30 seed societies with 486 members. A district bank was needed to co-ordinate the work and also to attract local capital. One has been formed and started business towards the end of the year.

In Partabgarh there are now two very active centres on the Kalakankar estate. The court of wards is financing the societies on this estate. The work on the estate of the Hon'ble Raja Partab Bahadur Singh of Partabgarh is also expanding. The society at Suwansa under Lala Ramratan suffers from isolation. There are now 39 societies in the district with 1,768 members. The establishment of a central organisation is in contemplation.

D.—Other forms of co-operation.

30. No improvement can be reported in the affairs of the Benares Silk Weavers' Association. Last autumn the directors resolved to close the society but afterwards changed their mind and some of the Muhammadan leaders of Benares promised assistance in the management. No definite steps have however been taken yet. The sales went down from Rs. 33,000 to Rs. 22,000 and very little progress was made in the recovery of old debts. The directors have now wisely decided to write off a substantial portion of the old debts. Practically the whole of the capital of the association is locked up in unrealised debts and accumulated stock. During the year goods to the value of Rs. 14,500 only were sold by weaver members through the society. As there are nearly 500 members, it is clear that the Association under present conditions does not serve any useful purpose. There will be improvement only when (a) the wealthier members who also deal in

silk cloth are excluded, (b) the capital is increased and members are fully financed, i. e. they are given cash advances for the purchase of raw materials and all cloth woven by them is taken over, and (c) up-to-date methods of business and account-keeping are adopted. As some of the members have scruples regarding the payment of interest, there may be difficulties in raising capital. The directors have asked for further time to set their house in order.

The Co-operative Dairy in Benares is working well. Five shops have been opened in the city and the building of permanent cattle sheds has been taken in hand at a cost of Rs. 2,500. The output at present is eight maunds of milk per day. The quality of the milk is much appreciated and it is in great demand. Profits during the year have not been large, mainly because the cost of transport from the dairy to the shops has been heavy. Occasional surpluses of milk have also caused trouble. These two difficulties are now being studied. There can be no doubt that the dairy has been beneficial to the cause of pure milk supply in the town and also to the Ahirs who own the cattle.

The promoters of a sugar factory at Kerakat in Jaunpur working the Hadi process desired to organise their business on co-operative lines. A society was registered by my predecessor. Owing to technical difficulties the business has suffered a heavy loss. After consulting the Director of Agriculture and at the desire of the members I have dissolved the society in the current year.

Distributive societies. 31. The Cawnpore Co-operatives Stores continues to do well in the limited sphere of its work.

The Sandila weavers' society is in a flourishing condition. There are now 154 members. Nearly forty-six thousand rupees worth of yarn was sold. Taking into account the transactions of the cash branch, the total profits of the year amounted to Rs. 552. A bonus of two pias per rupee has been paid on the purchases of members. The profits on the sale of yarn are small, but the members have now the great advantage of getting good reliable yarn and do not have to pay a heavy interest on credit purchases from the dealer. The benefits of the society are much appreciated by the weavers. It is however clear that in this province a mere yarn store without a cash branch is not likely to be a financial success.

During the year a general co-operative store was organised at Sandila. The objects were (a) to encourage cash purchases and thus promote thrift among the members and (b) to help local industries by purchasing locally produced articles. Capital was raised by selling limited liability shares of rupees ten each, some of which were fully paid up and some were partly paid up, the balance in the latter case to be made up by bonus on purchases. Dividend is limited to seven per cent., but a suitable bonus to members on cash purchases will be allowed. One quarter of the profit is to go to the reserve fund and one-sixteenth has to be devoted to charitable purposes. The store has been allowed at the start to sell goods to non-members also. It is hoped that the bonus will attract all purchasers eventually to become members. Ninety-eight members have joined with a paid-up share capital of Rs. 7,665. Further capital has been raised by loans. Goods worth Rs. 24,100 were bought during the year. The sales amounted to Rs. 9,395 to members and Rs. 6,841 to outsiders, or Rs. 16,237 in all. The members evince much interest in the business, but it is too early yet to pronounce any opinion on the results.

32. A full account of the growth and organisation of these societies in the Sultanpur district was furnished in last year's report.

Seed societies. This year 12 new societies were registered. Nine societies of previous years are in abeyance. Business is transacted smoothly and a profit of Rs. 312 has been made. The policy of combining cash transactions with seed business has proved successful. The supervision of the central bank is effective.

IV.—RESERVE FUNDS.

33. The reserve funds of central and district banks stood at Rs. 1,20,592 at the end of June 1911. The corresponding figure for the year under report is Rs. 1,79,909. Further large additions have of course been made since from the profits earned during the year. Practically the whole of this amount is invested in approved joint stock banks. The reserve funds to the credit of small urban societies and rural societies are Rs. 5,526 and Rs. 1,18,702 respectively. The latter sum would have been much larger had not a few of the large old-type societies

been converted into central banks. Moreover most societies have now to pay for their secretaries and their savings are consequently not large. The reserve funds of small societies are partly invested in the shares of central societies and partly used as working capital. The profits of the year amounted to Rs. 47,983 in central societies, Rs. 56,915 in district banks, Rs. 6,997 in small urban societies and Rs. 57,495 in rural societies.

V.—RESOURCES.

34. The following table gives the different sources of the total working capital of small societies (urban and rural) during the last three years:—

Resources of small societies.	1909-10.	1910-11.	1911-12.
	Thousand. Rs.	Thousand. Rs.	Thousand. Rs.
District and central banks ...	9,06	14,28	21,82
Loans and deposits of non-members ...	1,71	1,97	2,41
Loans from Government ...	50	39	24
Shares and deposits of members ...	2,34	3,20	4,35
Profits &c. ...	1,32	1,78	2,07
Total ...	14,93	21,62	30,89

The capital owned by members is steadily increasing, but as I have mentioned before these figures do not afford a true index of the thrift of members, for much of their saving is now devoted to the liquidation of old debts or to investment in agricultural or business stock. Besides the thirty-one lakhs spread out amongst members of small societies, district banks lent nearly five and a half lakhs to individual constituents. So the total capital invested among members was over thirty-six lakhs. These are the figures of the end of June when rural business in these provinces is most contracted. Statistics taken in the month of March would indicate a much larger sum in the use of individual members.

35. The banks at district headquarters as well as the larger central banks. Most of these institutions have now a cash credit account with good joint stock banks. This solves for co-operative banks the question of idle money in the slack season. The connexion with co-operative banks I venture to think cannot but be beneficial to the large joint stock concerns in the province because only in this way can the latter with safety finance agriculture, the main industry of the country. Some of the district banks are in a position to raise locally all capital required at present and although rates of interest have been reduced all round, deposits have had to be refused. Such a signal mark of the confidence of the local public must be very gratifying to the management of these banks. The smaller central banks have generally been financed by the district banks at reasonable rates of interest. They are also now attracting local deposits.

36. At the end of the year central and urban societies owed Rs. 53,439 and rural societies Rs. 20,034 or Rs. 73,493 in all (excluding interest) to Government. This is about sixteen thousand rupees less than last year. The amount includes the special grants to Budaun and Fatehpur and also to the weavers of Tanda and Sandila. No loan was issued by Government during the year.

VI.—DISPUTES AND LITIGATION.

37. In one case during the year the Registrar appointed arbitrators to settle a dispute amongst the members of a society. The Fyzabad district bank sued three recalcitrant societies and obtained decrees. The societies will be dissolved after all dues have been got in. Otherwise litigation has been confined to suits by district banks against affiliated societies or defaulting members and to cases against *pattis* and members in the old-type big societies of Unao. The fault in these instances lay in the unco-operative nature of the business. When a society is dissolved, the liquidator has usually to resort to the courts. The position of a liquidator is therefore not eagerly sought after either by officials or by non-officials. In several instances societies have with success claimed priority to ordinary creditors under section 19 of the new Act. In one such case in Oudh the law

appears to have been misunderstood by the court, and a regular suit has now been filed by the society. Proposals were submitted by Mr. Fremantle in the early part of the year for the simplification of civil court procedure in cases in which co-operative societies are interested. As a result some concessions have been obtained regarding the withdrawal of money held in deposit in courts. The crux of the difficulty lies in the character of some of the underlings of civil courts, and a corporate body like a co-operative society cannot in such cases adopt the expedients customary amongst petty litigants.

VII.—AUDIT AND INSPECTION.

38. With the growth in number as well as extent of business of the large central societies, it is becoming impossible for the few Inspectors of the department to carry out a thorough audit of their accounts, specially within the short period between the close of the year and the submission of statements. Many banks have this year employed qualified outside auditors with my approval. The supply of such auditors is now very limited, but the difficulty will be removed when the new Companies Bill is passed and a regular profession of auditors is developed in the country. It has now been made the duty of the superior staff of central societies to audit the accounts of small societies under them. The work is carefully checked and supervised by departmental Inspectors, who carry out test audits locally in a fair proportion of cases. The accounts of all isolated societies are also audited by them.

The district and central banks are now employing a suitable staff for the inspection and co-operative education of small societies. The work of the departmental Inspectors does not however get any easier or lighter, for the training and control of the large local staff is a laborious and responsible task. Moreover for many years to come, departmental officers and Inspectors must continue to make local inspections of rural and urban societies to see how the work is progressing and also as an example to the local staff. The central societies also require very constant and careful attention. The maintenance of harmonious relations with the directorates of these bodies demands considerable tact and ability on the part of the inspecting staff.

VIII.—ACT, RULES AND BY-LAWS.

39. Act II of 1912 came into force early in the spring. Draft rules under the new law were submitted to Government in May. When they are notified, the model by-laws for different classes of societies will be revised. On account of the recent legislation, by-laws of most of the older district and central banks require amendment; this will be undertaken after the passing of the provincial rules.

IX.—MISCELLANEOUS.

40. The progress made in the year in the liquidation of old debts due by members will be indicated by the following round figures supplied by some of the central societies :—

Economic effects.		Ra.			Ra.
Bulandshahr	...	15,000	Basti	...	2,000
Jewar	...	7,000	Sandila	...	21,000
Kuchesar	...	15,000	Hardoi	...	10,000
Moradabad	...	19,000	Bilgram	...	1,000
Bareilly	...	13,000	Monanlalganj	...	6,000
Mainpuri	...	17,000	Kurwar	...	20,000
Budaun	...	21,000	Jagdishpur	...	20,000
Jaunpur	...	33,000	Fyzabad	...	9,000

These figures are not exhaustive, for all societies have not given definite statistics. Moreover in many cases members discharged old debts from the savings effected by them in a year of a bumper harvest and good prices. As mentioned in last year's report, debts secured by mortgage or hypothecation and carrying low rates of interest are best paid by gradual savings. The information regarding economic improvement from most districts is very interesting reading. In Rohilkhand cane cultivators are gradually giving up the *bel* system and shaking off the bond of the *khandsari*. Everywhere rural members have now got better cattle and are cultivating a larger area. In some of the eastern districts members of societies are finding it difficult to secure enough land for cultivation. In the

village of Suarbarwa in Benares, inhabited entirely by Chamars, one man has built a *pucca* house, others have sunk two wells and one has taken up the varnishing of leather. Two Chamar co-operators in Benares have taken out endowment policies in a respectable insurance company. Instances of this nature can be multiplied. Above all the feeling that in times of stress and trouble loans on easy terms and self-respecting conditions will be available is a great incentive to the productive capacity of the community.

41. The importance of this aspect of our work was dealt with by Mr. Fremantle in his last report. The subject was also discussed at the meeting of the Board of Agriculture at Pusa last November and a resolution was passed advocating a closer touch between the Agricultural Department and the co-operative movement, the object of both being the improvement of the rural economy of the country. In this province this principle has been acted upon from the very inception of the co-operative movement. Officers and subordinates of the two departments are in frequent communication and every effort is made to establish direct relations between the central and rural societies and agricultural officers. Joint exhibitions are organised to further agriculture and co-operation. Some of the central banks now stock improved agricultural implements. One society in Unao has been manufacturing and hiring out sugarcane presses. Improved ploughs are presented by central banks to societies and *sarpanches* as reward for good work. In Moradabad Chaudhri Dharam Singh is demonstrating a bullock power reaper. Chain pumps have been bought by some societies. Several banks have purchased pure seed in bulk from the agricultural department and given it out to members. Superior strains of wheat and cotton and new crops like ground-nut have been popularised in many localities. Efforts are also being made to encourage the use of suitable manures, specially for the intensive cultivation of potatoes and garden produce. The central bank at Badlapur in Jaunpur is arranging to take over a seed dépôt now run by the agricultural department. Stores to improve the supply of pure seed in the locality are contemplated by other banks. Mr. Burt, Deputy Director of Agriculture, has kindly agreed to furnish me with a working scheme. The question of an increase in the indigenous supply of plough and milch cattle is also receiving attention in many districts. Some societies have set apart small plots of land for the demonstration by agricultural officers of new processes of cultivation. The co-operative dairy in Benares has been a great success and similar institutions are likely to be started in other large towns. The chief difficulty is in securing suitable land and buildings. As the supply of pure milk is so essential for the well-being of populous cities, specially in order to check infantile mortality, one hopes that local bodies will come forward to remove initial obstacles. Arrangements are in progress for the co-operative supply of pure *ghi* and oil in Benares and other towns. Agricultural publications and leaflets are now regularly read at the monthly meetings of village societies. A scheme for the insurance of plough cattle has been framed and has been discussed in many villages and societies. The subject is a novel one and is not free from some initial risk, specially in rural tracts where veterinary aid is not easily available. Banks are therefore taking time to mature their proposals. The complete co-operative organisation of the agriculture of the province is a dream of the future, but a good beginning is being attempted.

42. The growth and success of our small urban societies have already been described. Co-operation for credit is the first and the most difficult step amongst traders and small artisans, for there is not among them the same strength of communal feeling as exists among the peasants of a village. On the other hand in many localities each member of a trade looks on another as a rival and competitor. Once they learn to combine to secure easy credit, they will soon co-operate for the adoption of improved processes and for marketing facilities. Indications of this nature are already evident in many societies. The blanket weavers of Najibabad are on the look-out for machinery which will card and tease the wool of all members. Many shoemakers' societies have purchased sewing machines for use of the members in rotation. I have already mentioned the adoption of a flyshuttle loom by the Tanda weavers. The Khatiks of Benares have combined to export mango and other fruit to Calcutta. A co-operative store has been established at Sandila and another is now in course of formation for

the members of the Benares Hindu College. Co-operation for production and distribution is far more difficult than is ordinarily imagined. We are likely to have failures as in the case of the Jaunpur sugar factory. Progress is impossible without a corresponding elevation of the business capacity of the members. It is therefore desirable that development in this respect should be steady and well thought out.

43. The example of western countries shows that co-operation is bound sooner or later to raise the moral character not only of the members but of their neighbours. Cases are now numerous in our societies where in a village whole castes as well as individuals have given up drinking, gambling and other vices that rendered them ineligible for election. The society at Shahpur in Benares which has been favourably noticed in successive annual reports is composed mostly of Bhars, a tribe locally noted for its criminal propensities. Other villages reputed for the bad livelihood of the residents are making strenuous efforts for the establishment of societies. In many localities elementary schools are maintained by a grant from the profits of the society or by a special levy amongst the members. Sanitation and medical relief have also been taken up in some cases. Many *panchayets* stock a supply of quinine for the use of the members and their families. Petty disputes amongst members, of a civil or criminal nature, are now usually referred to the *panchayat*. Extravagant expenditure at marriages, funerals or festivities has been much curtailed. Many villagers have told me that formerly they spent more than they could afford on such occasions to avoid local odium. Now they can safely say that they are not permitted by the *panch* to indulge in ruinous hospitality. The policy followed of discouraging caste or sectional societies in villages has borne very good fruit. In the *panchayat* all castes and interests are represented and hostility between caste and caste is disappearing. As a local inspector has reported, a Brahman *sarpanch* has no longer the slightest hesitation in catching hold of the hand of a Chamar member and securing his thumb impression on the promissory note executed by the latter for a loan.

44. What has been said above will show how a solidarity of feeling is developing amongst members. They are also learning to help each other in times of distress and calamity. Numerous instances are quoted in district reports where the goods and chattels of a man who has suddenly died of plague or other disease have been guarded by his fellow members. Necessary help is given to the widow or minor children of members. Recusant or indifferent *panches* and members are expelled or otherwise suitably dealt with. Many societies have built *chaupals* for the holding of meetings. Songs and *bhajans* are sung in praise of co-operation. Plays have been staged in the western districts depicting the respective ways of the *mahujan* and the society and pointing the moral. Through the organisation of our societies in groups and central banking unions, neighbouring villages are learning to co-operate with each other. This is likely to be of much service in promoting rural economy. The signs are all favourable for the revival of a corporate village life in the province. India is a country of villages and will remain so for many centuries. The importance of the growth of a rural culture and civilisation cannot therefore be over estimated.

45. Mr. Fremantle presided over a very successful provincial conference at Lucknow early in January. There was a good attendance of honorary and paid workers from all parts of the province. Many subjects of practical interest were discussed. The exchange of views and experiences was of great benefit to all. District conferences have been held in many places during the year; advantage is usually taken of a local fair or exhibition or of the annual general meetings of district banks. At such conferences there assembles a large gathering of the representatives of village societies. Both official and non-official workers find it a good opportunity for explaining true co-operative ideas and principles and solving the doubts and difficulties of rural members. Prizes are distributed and light refreshments are provided. The proceedings always excite much interest and are valuable for purposes of propaganda.

X.—ATTITUDE OF THE PUBLIC, ASSISTANCE RECEIVED, OFFICIAL AND NON-OFFICIAL.

46. There has been a perceptible improvement in the interest taken in the movement by the general public of the province. *Attitude of the public.* The press has always been sympathetic. The attitude of the middle classes has now changed from one of indifference to a sort of benevolent neutrality. The number of honorary workers has not increased as much as is necessary or desirable for an organic development in all parts of the province. The educated classes should realise that the co-operative movement has come to stay. It is for them to determine whether they should identify themselves with the growth of a true rural and urban life which it connotes or be altogether excluded from it.

47. In view of what I have just said, it gives me all the more pleasure to *Assistance from non-officials.* acknowledge the very generous and disinterested labours of the many gentlemen who have helped the movement during this as in previous years. The names of several of them have occurred in the body of the report. I wish particularly to express my obligations to the managing directors who have devoted much of their valuable time to the business of their banks, viz. Rai Rasti Singh Sahib of Bulandshahr, Chaudhri Khushal Singh of Jewar, Rai Ganga Prasad Sahib of Mainpuri, Mr. N. K. Kacker of Bareilly, Babu Madan Mohan Lal of Budaun, Rai Ishwar Sahai Bahadur of Fatehpur, Pandit Gopal Das of Jalaun, Rev. W. Cutting of Benares, Babu Radha Mohan of Jaunpur, Mir Imtiyaz Ahmad of Safipur, Khan Kabul Ahmad Sahib of Sandila, Saiyid Ali Bahadur of Bilgram, Maulvi Muhammad Ismail of Fyzabad, Hafiz Din Muhammad of Tanda, Lala Haricharan Lal of Kurwar and Pandit Kalidin Tiwari of Jagdishpur. I ought also to add the names of Khan Bahadur Shaikh Wahid-ud-din of Meerut, Chaudhri Dharam Singh of Kanth (Moradabad), Lala Dodraj of Mainpuri, Mr. A. H. C. Hamilton of Allahabad, Babu Moti Chand of Benares, Saiyid Iltifat Rasul of Sandila and Munshi Azahar Ali of Lucknow, who have been of great assistance in different phases of the work.

Amongst the staff of the banks, specially good work has been done by Babu Ram Narain of Moradabad, Thakur Shiva Shankar Singh of Budaun and Pandit Ramnath Shukul of Unao.

48. In the present stage of the co-operative movement the countenance *Assistance of officials.* and guidance of district officers are indispensable. In all parts where we have work district officers have been invariably helpful and sympathetic. Perhaps the hardest task during the year has fallen on the following officers: Messrs. Humphries, Stubbs, Harrison, F. B. Sherring, Nanavutty, Lupton, Swann, Morris, Hope Simpson, Bennet, Turner, Pert, Whittle and Hadi. Amongst Deputy Collectors Babu Sukhdeo Singh in Basti and Pandit Brijchand Sharma in Bijnor have taken interest. Amongst Court of Wards managers, Messrs. Moreton, Dunne and Chaudhri Wajid Husain have done much to forward the movement in the estates under their charge.

Regarding the work of Thakur Thamman Singh, Assistant Registrar, I would endorse the opinion expressed by my predecessor. He is an officer of great ability, energy and resource, and I have much confidence in his tact and judgment. The department is fortunate in having a good staff of Inspectors and they have all maintained their reputation. The best work has been done by Babu Shiva Mohan Lal, Munshi Yusuf Ali, Thakur Indar Singh and Babu Harish Chandra. Thakur Tilakdhari Singh has done well in Jaunpur and Ghazipur and Munshi Mazhar-ud-din Ahmad in Partabgarh.

I cannot conclude this report without expressing my gratitude to Mr. Fremantle for unreservedly placing at my disposal his ripe experience and unique knowledge of the needs of co-operation in the province. I have consistently followed the principles that he laid down and the credit for the year's work is entirely due to him.

A. C. CHATTERJEE,
Registrar, Co-operative Societies,
United Provinces.

APPENDICES.

		<i>Statements.</i>	<i>Pages.</i>
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(1A)

STATEMENT I.
General Progress.

Kind of Society.	Cash.		Others.		Number of Societies.		Number of members.		Working Capital.		Remarks.
	Limited liability.	Unlimited liability.	Limited liability.	Unlimited liability.	At the beginning of the year, 1st July 1911.	At the end of the year, 30th June 1912.	At the beginning of the year, 1st July 1911.	At the end of the year, 30th June 1912.	At the beginning of the year, 1st July 1911.	At the end of the year, 30th June 1912.	
1	2	3	4	5	6	7	8	9	10	11	12
1. Central Societies ...	31	...	...	...	12	31	584	2,329	6,02,011	20,22,035	
2. Urban Societies { District Banks	8	...	...	...	14	8	30,412	22,736	21,96,563	20,71,612	
{ Others ...	10	150	6*	...	124	166	3,396	5,723	2,16,960	3,56,807	
3. Rural Societies ...	...	1,711	...	30†	1,108	1,741	59,639	68,981	19,44,695	27,32,301	Figures for 1931 societies only.
Total ...	49	1,861	6	80	1,258	1,946	94,031	99,769	49,60,229	71,82,755	

* { Productive 3
 { Distributive 3
† Seed

II-A.

DISBURSEMENTS.

(Dealing with other societies only).

Total Rs.	Disbursements.																Remarks.
	Share capital withdrawn.	Deposits withdrawn.	Loans repaid to—			Loans to members.	Loans to other societies.	Interest paid on loans and deposits.	Dividend paid.	Stock bought.	Establishment and contin- gencios.	Other items.	Invested as reserve.	Total expendi- ture.	Closing balance.	Grand total expenditure including closing balance.	
			Government.	Other societies.	Non-members.												
16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
57,009	...	6,579	...	...	13,773	900	2,21,214	7,493	1,763	167	2,610	1,924	4,353	2,60,776	6,233	2,67,009	1
18,311	650	8,553	...	...	4,034	30	1,45,450	4,218	1,080	28	2,377	1,805	3,261	1,71,486	46,825	2,18,311	2
57,644	...	...	...	2,228	16,200	...	34,040	31	...	84	319	855	29	53,816	3,828	57,644	3
19,227	20	...	4,221	9,000	1,21,964	...	2,81,650	20,783	3,676	407	7,575	13,107	5,390	4,67,793	1,51,434	6,19,227	4
51,211	...	2,460	531	...	10,752	...	32,350	1,458	...	5	495	1,500	...	49,551	1,660	51,211	5
55,690	1,245	5,003	...	...	2,45,355	4,248	2,37,815	5,892	1,536	198	1,802	441	2,050	5,05,585	105	5,05,690	6
87,217	1,345	1,814	...	...	4,160	5,245	65,050	2,440	978	...	1,478	786	1,300	34,596	2,621	87,217	7
66,074	2,210	3,329	200	2,000	3,183	6,225	45,595	280	1,022	86	667	206	300	65,303	771	66,074	8
87,279	...	1,850	...	...	24,435	...	1,22,238	4,595	1,007	...	1,238	9	800	1,56,172	31,107	1,87,279	9
44,512	...	6,923	140	15,395	1,18,105	2,430	1,88,370	6,948	355	169	1,329	1,529	1,015	3,42,708	1,804	3,44,512	10
80,917	...	...	...	...	10,750	...	61,363	3,166	412	...	1,637	60	900	78,288	2,629	80,917	11
5,255	...	...	...	...	...	...	5,000	...	...	...	...	...	...	5,000	255	5,255	12
49,836	...	7,846	200	2,682	22,883	...	88,266	6,487	...	...	1,580	104	...	1,30,048	19,788	1,49,836	13
61,669	...	...	...	...	300	...	47,764	...	...	...	303	930	...	49,297	12,372	61,669	14
68,311	...	...	...	...	...	...	65,083	...	...	...	428	792	...	66,303	2,008	68,311	15
16,701	...	...	...	...	...	...	4,855	...	...	...	...	...	...	4,855	11,846	16,701	16
17,449	10	...	...	2,200	...	...	13,598	791	...	12	229	542	...	17,382	67	17,449	17
37,172	10	1,936	95	...	...	...	30,267	1,450	...	76	711	770	...	35,315	1,857	37,172	18
13,832	...	...	...	...	...	...	13,359	...	...	30	135	250	...	13,774	58	13,832	19
8,005	...	...	...	9	26	...	7,673	...	...	5	4	267	...	7,984	21	8,005	20
20,794	...	4,604	...	528	1,116	...	14,089	76	...	70	1	86	...	20,570	224	20,794	21
69,885	...	...	...	17,253	...	...	49,625	1,307	...	...	88	72	...	68,345	1,540	69,885	22
8,003	...	...	...	...	...	...	7,991	...	...	...	...	4	...	7,995	8	8,003	23
10,840	...	1,129	...	...	...	...	9,708	2	...	...	1	...	...	10,840	...	10,840	24
12,726	...	...	...	635	...	...	11,763	...	202	...	16	103	...	12,719	7	12,726	25
32,611	3	1,102	...	2,500	...	...	26,510	1,218	3	...	42	9	15	31,702	909	32,611	26
37,072	...	...	...	...	...	...	34,856	1,291	121	...	140	56	375	36,839	233	37,072	27
20,504	...	...	...	...	250	...	19,086	648	...	67	92	13	...	20,156	348	20,504	28
1,03,253	...	4,225	...	900	200	...	83,134	2,549	...	222	1,350	25	...	97,605	5,648	1,03,253	29
47,957	200	500	...	1,850	...	...	40,221	1,760	...	...	753	75	...	45,359	2,598	47,957	30
29,744	...	...	...	2,500	...	...	23,428	901	...	44	276	1,059	...	28,208	1,536	29,744	31
6,710	5,693	57,853	5,387	59,980	5,97,486	19,078	20,36,411	75,784	12,155	1,670	27,706	27,379	19,788	29,46,370	3,10,340	32,56,710	

Name of society.	Kind of society.	Receipts.												
		Share payments.	Entrance fees.	Deposits by members.	Loans from other sources.			Loans repaid by members.	Loans repaid by other societies.	Interest received.	Sale proceeds of stock.	Other income.	Total income of year.	Opening balance.
					Government.	Other societies.	Non-members.							
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1. Bulandshahr District ...	Cash ..	4,645	..	6,974	...	2,744	77,899	1,803	1,52,732	14,500	10	2,949	2,61,256	2,753
2. Mainpuri " ...	" ...	4,170	...	31,383	...	...	46,871	...	1,06,099	12,542	14	2,398	2,03,477	14,834
3. Bareilly " ...	" ...	9,240	...	11,000	...	2,228	22,625	...	11,194	476	33	848	57,644	...
4. Budaun " ...	" ...	920	...	13,000	...	23,261	1,58,419	...	2,94,352	39,975	...	13,763	5,43,690	75,537
5. Fatehpur " ...	" ...	...	...	2,666	...	...	15,322	...	28,033	2,216	..	1,500	49,737	1,474
6. Kashi Co-operative Society (Benares).	" ...	1,585	...	9,972	...	...	2,86,439	6,509	1,86,614	13,683	...	54	5,04,861	829
7. Basti district ...	" ...	920	...	3,937	...	...	6,930	8,153	42,259	6,211	...	901	69,311	17,906
8. Mohanlalganj Bank (Lucknow).	" ...	2,855	...	6,687	..	...	20,315	9,980	22,035	2,820	...	150	64,842	1,232
9. Hardoi district ...	" ...	1,755	...	1,600	...	...	69,855	2,016	1,01,832	8,155	...	6	1,85,219	2,060
10. Sandila Bank (Hardoi) ...	" ...	3,355	...	6,515	...	900	1,87,863	3,363	1,28,527	11,185	...	2,582	3,44,290	222
11. Fyzabad district ...	" ...	3,755	...	...	...	...	37,047	...	33,669	5,282	466	15	80,234	683
12. Sultanpur " ...	" ...	4,445	...	810	...	...	...	...	...	...	...	...	5,255	...
13. Jewar Central (Bulandshahr)	" ...	9,510	...	...	...	15,000	44,492	13,769	52,122	9,961	...	824	1,45,678	4,158
14. Chandok " " ...	" ...	2,050	...	...	...	41,932	300	...	16,792	469	...	126	61,669	...
15. Kuchesar " " ...	" ...	4,520	...	...	...	31,822	13,800	...	15,782	2,029	...	358	68,311	...
16. Sahawar " (Etah) ...	" ...	665	...	950	...	6,000	9,086	...	...	...	...	...	16,701	...
17. Dalelnagar Central (Bareilly)	" ...	823	...	275	...	6,000	...	...	5,826	948	...	327	14,199	3,250
18. Kara Central (Allahabad)...	" ...	1,367	...	1,777	...	...	9,821	...	20,206	2,342	...	452	35,965	1,207
19. Badlapur Central (Jaunpur)	" ...	1,350	...	...	...	6,060	1,831	...	3,115	230	8	1,238	13,832	...
20. Machhlishahr " " ...	" ...	1,025	...	55	...	5,925	564	...	84	...	5	347	8,005	...
21. Ranipur " " ...	" ...	1,600	...	4,611	...	3,805	8,715	...	1,700	335	28	...	20,794	...
22. Safipur " (Unao) ...	" ...	437	...	...	...	38,144	12,000	...	17,735	1,504	...	65	69,885	...
23. Kusambhi " " ...	" ...	248	...	...	...	7,755	...	...	...	...	...	...	8,003	...
24. Iltifat (Rampur Garhwan) Central (Unao).	" ...	1,120	...	9,588	...	...	...	...	129	2	...	1	10,840	...
25. Jais Central (Rai Bareli)	" ...	155	...	...	...	8,835	...	...	3,440	128	...	168	12,726	...
26. Salon " " ...	" ...	1,015	...	1,244	...	9,332	2,000	...	17,389	1,274	...	8	32,262	349
27. Bilgram " (Hardoi) ...	" ...	455	...	3,115	...	...	8,700	...	19,798	2,113	...	500	34,681	2,391
28. Tanda Weavers' Central (Fyzabad).	" ...	420	...	...	3,000	2,000	2,450	...	11,524	1,101	...	...	20,495	9
29. Kurwar Central (Sultanpur)	" ...	4,360	...	5,825	...	1,900	33,937	...	46,282	5,093	...	495	1,02,892	361
30. Jagdishpur " " ...	" ...	2,740	...	1,320	...	15,500	10,675	...	14,532	2,129	...	296	47,192	765
31. Amethi " " ...	" ...	1,400	...	...	...	12,409	5,950	...	8,797	1,174	...	14	29,744	...
Total ...	...	72,905	...	1,23,304	3,000	2,41,552	10,98,906	45,593	13,62,599	1,47,882	564	30,385	31,26,690	1,30,020

STATEMENT II-B.

RECEIPTS AND DISBURSEMENTS.

Urban Societies.

District.	Kind of society.	Receipts.													Disbursements.													Remarks.					
		Share payments.	Entrance fees.	Deposits by members.	Loans from other sources.			Loans repaid by members.	Loans repaid by other societies.	Interest received.	Sale proceeds of stock.	Other income.	Total income of year.	Opening balance.	Grand total receipts including the opening balance.	Share capital withdrawn.	Deposits withdrawn.	Loans repaid to			Loans to members.	Loans to other societies.	Interest paid on loans and deposits.	Dividend paid.	Stock bought.	Establishment and contingencies.	Other items.		Invested as reserve.	Total expenditure.	Closing balance.	Grand total expenditure including closing balance.	
					Government.	Other societies.	Non-members.											Government.	Other societies.	Non-members.													
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	
<i>District Banks.</i>																																	
1. Jabangirabad (Balandshahr) ...	Cash...	620	263	1,367	...	...	62,642	68,887	5,783	5,692	...	1,362	1,46,616	3,237	1,49,853	...	465	...	...	11,751	93,749	17,126	2,681	1,178	96	1,822	356	602	1,29,826	20,027	1,49,853	1
2. Moradabad ...	"	1,115	...	1,902	...	5,000	1,88,910	1,03,163	88,295	33,458	141	1,958	4,23,972	14,428	4,38,400	1,470	411	...	5,000	73,239	77,023	1,48,540	11,664	3,735	462	7,399	1,736	4,934	3,35,613	1,02,787	4,38,400	2	
3. Jalaun ...	"	103	...	58,004	...	...	17,000	63,833	37,688	15,428	...	44,010	2,36,066	33,913	2,69,979	3,866	57,994	...	...	17,000	68,411	72,020	5,733	2,360	120	1,903	35,831	2,700	2,67,938	2,041	2,69,979	3
4. Jaunpur ...	"	1,825	...	18,670	...	...	38,021	27,029	77,293	10,169	224	670	1,73,901	21,793	1,95,694	...	19,179	...	...	12,446	21,675	1,10,035	2,895	749	235	1,836	9,337	700	1,79,087	16,607	1,95,694	4
5. Gorakhpur ...	"	7,298	...	34,296	...	...	49,163	1,40,466	9,188	23,102	...	11,259	2,74,772	35,020	3,09,792	2,583	14,627	...	...	51,728	1,02,004	54,006	9,084	4,209	79	4,880	2,350	4,000	2,49,550	60,242	3,09,792	5
6. Kasia (Gorakhpur) ...	"	1,840	...	22,712	...	...	44,597	67,797	244	9,653	...	11,521	1,58,364	5,570	1,63,934	50	21,535	200	...	25,135	86,971	4,206	2,345	2,151	...	3,241	1,387	11,657	1,58,878	5,056	1,63,934	6
7. Unao ...	"	525	13	34,391	...	5,870	3,71,449	10,439	3,90,015	52,169	...	65,834	9,30,725	13,922	9,44,647	90	25,157	...	30	3,53,772	9,851	3,06,298	30,693	2,414	165	4,821	1,12,003	10,328	8,55,622	89,025	9,44,647	7	
8. Rae Bareilly ...	"	120	...	46,757	...	...	1,05,444	86,954	1,21,512	19,970	...	30,333	4,11,290	16,127	4,27,417	3,340	27,881	...	...	98,426	79,500	1,47,366	6,807	3,063	163	5,918	32,075	2,000	4,06,539	20,878	4,27,417	8
Total ...	...	13,646	276	2,18,099	...	10,870	8,77,256	5,68,568	7,30,018	1,69,641	365	1,66,967	27,55,706	1,44,010	28,99,716	11,399	1,67,249	200	5,030	6,43,497	5,39,181	8,59,597	71,902	19,859	1,320	31,820	1,95,075	36,921	25,83,053	3,16,663	28,99,716	
<i>Small Urban Societies.</i>																																	
1. Balandshahr ...	"	857	...	...	...	20,550	...	12,498	...	1,258	...	11	35,174	106	35,280	4	...	...	12,000	...	21,065	...	948	...	...	161	940	...	35,118	162	35,280	1
2. Mainpuri ...	"	353	...	636	...	...	846	4,509	...	447	...	...	6,791	144	6,935	122	211	...	...	739	5,051	...	111	69	...	128	13	6,520	415	6,935	2	
3. Bijnor ...	"	27	...	...	...	406	...	370	...	38	...	...	841	2	843	...	...	...	343	...	465	...	28	...	...	6	...	842	1	843	3	
4. Bundara ...	"	121	...	...	...	6,440	...	4,124	...	457	...	5	11,147	165	11,312	53	...	...	3,925	...	6,780	...	429	...	...	37	...	11,224	88	11,312	4	
5. Fatehpur ...	"	4	...	490	...	3,725	...	7,637	...	285	...	...	12,141	10	12,151	...	153	...	4,450	...	7,249	...	268	...	...	24	...	12,144	7	12,151	5	
6. Allahabad ...	"	782	...	259	...	1,472	14,852	7,874	...	1,353	...	15	26,607	81	26,688	117	304	...	1,206	4,325	19,677	...	545	30	...	249	65	26,618	70	26,688	6		
7. Jalaun ...	"	250	...	...	...	6,306	...	3,062	...	226	...	...	9,844	...	9,844	...	...	...	3,153	...	6,412	...	135	...	...	11	...	9,711	133	9,844	7	
8. Benares ...	"	3,785	...	302	...	1,46,665	...	1,19,306	...	12,495	...	299	2,83,672	597	2,84,269	241	268	...	1,16,882	1,580	1,51,980	...	8,053	...	...	2,618	1,046	2,82,668	1,601	2,84,269	8	
9. Jaunpur ...	"	218	...	41	...	8,692	820	7,464	...	746	...	5	17,166	31	17,197	23	48	...	7,659	...	8,547	...	525	...	1	17	165	16,985	212	17,197	9		
10. Basti ...	"	259	...	...	...	8,145	...	6,915	...	926	...	18	16,263	161	16,424	2	...	...	6,760	...	8,475	...	711	...	...	100	66	16,114	310	16,424	10	
11. Lucknow ...	"	657	...	218	...	...	20,190	8,864	...	846	...	3	30,778	265	31,043	50	265	...	...	8,518	21,793	...	11	38	...	20	29	30,756	287	31,043	11	
12. Unao ...	"	128	...	...	...	3,862	298	4,015	...	301	...	106	8,634	47	8,681	11	125	...	3,251	198	4,777	...	247	...	...	3	26	8,638	43	8,681	12	
13. Rae Bareilly ...	"	1,617	...	5	...	52,059	1,025	48,765	...	4,744	...	...	1,08,321	318	1,08,639	94	5	...	46,364	...	57,908	...	3,244	...	...	314	241	1,08,170	469	1,08,639	13	
14. Hardoi ...	"	825	...	362	...	30,638	18,243	1,556	...	1,556	...	9	51,633	71	51,704	48	...	...	18,805	...	30,747	...	1,281	...	...	93	605	51,579	125	51,704	14	
15. Fyzabad ...	"	1,997	3	2,228	...	35,758	2,343	26,886	...	2,614	...	1,490	72,419	1,315	73,734	405	2,559	3,000	20,366	2,227	38,397	...	2,195	...	...	180	2,226	71,555	2,179	73,734	15	
Total ...	...	10,980	3	4,541	...	3,24,718	40,374	2,80,562	...	28,292	...	1,961	6,91,431	3,313	6,94,744	1,170	3,938	3,000	2,45,164	17,587	3,89,323	...	18,731	137	1	3,961	5,422	208	6,88,642	6,102	6,94,744	
GRAND TOTAL ...	...	24,626	279	2,22,640	...	3,35,583	9,17,630	8,49,130	7,30,018	1,97,933	365	1,68,928	34,47,137	1,47,323	35,94,460	12,569	1,71,187	3,200	2,50,194	6,61,084	9,28,507	8,59,597	90,633	19,996	1,321	35,781	2,00,497	37,129	32,71,695	37,765	35,94,460	
<i>Productive Societies.</i>																																	
1. Vishweshwar Co-operative Dairy Society (Benares) ...	Productive.	131	...	735	9,863	12,638	1,264	24,631	126	24,757	...	711	9,952	10,601	756	2,666	...	24,686	71	24,757	1
2. Benares Silk Weavers' Association ...	"	112	...	3,742	...	...	7,971	1,291	...	...	22,353	480	35,949	940	36,889	31	4,974	...	...	7,252	1,131	...	...	1,783	17,122	2,535	1,815	...	36,643	246	36,889	2
3. Kerakat Sugar Factory (Jaunpur) ...	"	65	...	...	...	...	...	...	...	...	...	2,764	2,829	377	3,206	...	...	...	551	...	5	...	394	...	...	...	1,999	...	2,949	257	3,206	3
Total ...	...	308	...	4,477	...	...	17,834	1,291	...	...	34,991	4,508	63,409	1,443	64,852	31	5,685	...	551	17,204	1,136	...	394	1,783	27,723	3,291	6,480	...	64,278	574	64,852	
<i>Distributive Societies.</i>																																	
1. Cawnpore Swadeshi Co-operative Society ...	Distributive.	2,165	...	2,11,187	...	...	5,360	28,461	...	1,693	1,792	6,345	2,57,003	3,557	2,60,560	6	2,01,470	...	...	4,865	38,912	...	968	366	1,916	282	8,271	...	2,57,066	3,504	2,60,560	1
2. Sandila Weavers' Society (Hardoi) ...	"	424	...	...	...	5,400	...	12,160	...	827	...	45,914	64,725	644	65,369	134	...	...	5,200	...	13,380	...	632	...	41	309	44,853	...	64,549	820	65,369	2
3. Sandila Co-operative Store (Hardoi) ...	"	7,665	...	...	...	6,000	...	2,067	...	...	...	16,239	31,971	...	31,971	...	...	...	850	...	4,762	...	38	...	113	332	25,339	...	31,434	537	31,971	3
Total ...	...	10,254	...	2,11,187	...	11,400	5,360	42,638	...	2,520	1,792	68,498	3,53,699	4,201	3,57,900	140	2,01,470	...	6,050	4,865	57,054	...	1,638	366	2,070	923	78,463	...	3,53,039	4,861	3,57,900	

STATEMENT II-C.

RECEIPTS AND DISBURSEMENTS.

Rural Societies.

District.	Kind of society.	Receipts.														Disbursements.														Remarks.		
		Share payments.	Entrance fees.	Deposits by members.	Loans from other sources.			Loans repaid by members.	Loans repaid by other societies.	Interest received.	Sale proceeds of stock.	Other income.	Total income of year.	Opening balance.	Grand total receipts including the opening balance.	Share capital withdrawn.	Deposits withdrawn.	Loans repaid to—			Loans to members.	Loans to other societies.	Interest paid on loans and deposits.	Dividend paid.	Stock bought.	Establishment and contingencies.	Other items.	Invested as reserve.	Total expenditure.		Closing balance.	Grand total expenditure including closing balance.
					Government.	Other societies.	Non-members.											Government.	Other societies.	Non-members.												
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1. Saharanpur	Cash	276	...	...	...	7,000	6,749	...	583	...	102	14,710	2,053	16,763	21	...	...	...	15,787	...	380	...	...	128	3	...	16,319	444	16,763	1	
2. Meerut	"	340	...	...	...	600	4,460	...	8,355	...	19	14,509	1,478	15,987	9	...	...	450	688	12,050	...	266	...	35	18	...	13,539	2,448	15,987	2	
3. Bulandshahr	"	14,936	9	2,585	...	3,40,498	1,952	2,05,252	...	32,962	...	225	5,98,419	3,075	6,01,494	553	465	200	1,88,450	650	3,63,260	...	23,305	...	4	3,698	12,155	...	5,92,740	3,754	6,01,494	3
4. Aligarh	"	157	...	138	...	99	3,822	4,349	14	335	...	...	8,914	8	8,922	72	181	...	14	1,767	3,967	99	34	...	...	...	6,134	2,788	8,922	4	
5. Agra	"	268	...	...	...	1,400	5,467	4,683	...	314	...	...	12,132	19	12,151	19	...	800	661	10,483	...	163	...	...	7	...	12,141	10	12,151	5	
6. Mainpuri	"	9,606	2	4,901	...	1,77,948	3,465	1,31,750	21,592	23,163	...	664	3,73,091	11,087	3,84,178	1,131	3,186	585	1,26,891	1,690	1,82,742	33,740	14,307	...	...	2,330	4,904	3,71,456	12,722	3,84,178	6
7. Etah	"	507	...	154	...	15,231	6,050	13,500	13,051	2,774	...	137	51,404	9,060	60,464	1	1,576	80	19,051	8,550	15,335	10,376	2,378	...	...	601	590	58,538	1,926	60,464	7
8. Bareilly	"	2,688	...	71	...	38,893	...	26,033	1,744	4,009	...	262	73,700	825	74,525	331	111	125	16,819	1,450	49,482	...	3,342	...	...	830	1,686	74,176	349	74,525	8
9. Bijnor	"	3,177	...	120	...	53,563	535	28,621	...	2,650	...	15	88,681	154	88,835	114	...	...	26,312	265	58,628	...	2,214	...	2	340	29	87,904	932	88,836	9
10. Budann	"	12,563	...	16	...	2,79,963	...	2,91,103	730	48,531	...	3,374	6,36,280	10,660	6,46,940	4,033	...	215	2,90,695	500	2,91,688	724	39,535	...	2	5,808	1,297	6,35,175	11,765	6,46,940	10	
11. Moradabad	"	4,390	...	1,040	...	1,39,005	...	89,978	...	19,040	...	2,706	2,59,640	1,675	2,61,315	89	101	...	...	87,673	...	14,329	...	...	...	2,499	3,654	2,59,201	2,103	2,61,304	11
12. Pilibhit	"	129	...	...	...	1,239	...	1,239	...	277	...	...	2,773	456	3,229	11	...	...	...	888	1,583	...	78	...	...	44	2	2,606	623	3,229	12
13. Fatehpur	"	...	43	4,206	...	22,275	5	43,365	...	4,228	...	38	74,160	495	74,655	...	1,360	100	20,308	160	43,304	...	2,970	...	10	656	...	73,808	848	74,656	13	
14. Allahabad	"	1,259	3	1,601	...	27,613	733	26,268	1,659	3,818	...	18	62,972	593	63,565	103	106	72	18,757	33	38,576	2,036	2,476	26	749	62,934	631	63,565	14
15. Jalaun	"	2,685	...	...	...	65,714	...	31,804	...	2,737	...	...	1,02,940	449	1,03,389	34	...	...	30,839	...	69,784	...	1,985	...	...	245	...	1,02,888	501	1,03,389	15
16. Hamirpur	"	144	...	360	...	...	20	...	...	...	...	...	524	524	...	...	...	...	...	515	...	...	...	...	...	...	515	9	524	16	
17. Banda	"	1,890	8	1,501	...	9,284	20,875	34,395	50	3,005	37	83	71,128	5,947	77,075	123	452	2,262	2,476	238	64,311	50	1,955	...	67	1,196	218	73,348	3,737	77,085	17	
18. Benares	"	3,868	1	305	...	1,18,457	32	70,781	...	7,422	...	319	2,01,185	675	2,01,860	276	171	...	69,273	200	1,23,122	...	4,834	1,272	1,506	2,00,654	1,205	2,01,859	18
19. Mirzapur	"	40	...	2	...	802	115	10	969	969	968	1	...	969	...	969	19
20. Jaunpur	"	6,204	...	4,709	...	1,21,102	6,427	99,260	...	14,456	...	3,433	2,55,591	6,328	2,61,919	1,256	4,723	...	75,155	4,269	1,50,199	...	8,021	...	95	1,069	8,931	2,53,718	8,201	2,61,919	20	
21. Ghazipur	"	424	...	105	...	7,012	1,011	1,540	...	126	...	...	10,218	...	10,218	2	150	...	915	...	8,920	...	72	...	...	10	...	10,070	148	10,218	21
22. Gorakhpur	"	1,554	...	100	...	38,211	...	432	...	10	...	...	40,307	...	40,307	...	...	...	432	...	39,665	...	...	...	...	...	140	40,244	63	40,307	22
23. Basti	"	2,797	...	...	...	56,905	...	36,168	...	5,520	...	869	1,02,259	1,287	1,03,546	127	...	...	35,499	...	59,293	...	4,565	...	...	347	1,702	1,01,533	2,013	1,03,546	23
24. Azamgarh	"	311	8	2,682	...	16,936	...	1,488	...	15	...	...	21,540	1,336	22,876	3	1,681	140	...	279	16,145	...	590	...	19	87	...	19,021	3,855	22,876	24
25. Naini Tal	"	...	...	386	...	8,338	...	1,434	...	...	...	...	10,208	3,194	13,402	...	100	200	...	2,000	7,344	...	1,203	...	...	...	653	11,500	1,902	13,402	25
26. Lucknow	"	1,985	...	...	...	45,249	1,849	23,870	...	2,299	...	227	75,479	22	75,501	71	...	...	21,948	1,170	49,114	...	1,664	...	...	201	1,220	75,388	113	75,501	26
27. Unao	"	5,462	391	37,157	...	2,90,212	70,362	3,88,428	2,190	58,215	11,628	3,753	8,67,798	36,970	9,04,768	4,475	21,964	185	2,95,291	51,637	4,28,795	2,711	39,712	...	1,904	11,114	13,304	5,870	8,76,962	27,806	9,04,768	27
28. Rae Bareilly	"	7,896	...	61	...	98,589	2,885	77,929	...	6,995	...	563	1,94,918	774	1,95,692	483	53	...	73,451	...	1,11,037	...	5,103	921	3,150	1,94,198	1,494	1,95,692	28
29. Sitapur	"	378	...	...	...	2,847	1,798	...	...	354	...	6	5,383	20	5,403	...	...	...	1,820	...	3,077	...	219	...	...	...	...	5,117	286	5,403	29
30. Hardoi	"	12,593	...	2,322	...	3,11,232	650	2,39,194	1,325	23,843	...	355	5,91,514	1,763	5,93,277	1,350	2	...	2,30,566	300	3,32,009	...	18,963	...	...	1,766	4,552	5,89,508	3,769	5,93,277	30
31. Fyzabad	"	1,793	41	210	...	42,220	650	27,122	400	5,565	...	90	78,091	1,872	79,963	120	...	...	22,691	30	46,048	800	4,378	...	35	146	1,726	76,019	3,944	79,963	31
32. Gonda	"	250	8	20	700	13,417	...	1,152	15,547	1,349	16,896	13	84	300	14,531	20	342	92	12	15,394	1,502	16,896	32
33. Babraich	"	...	4	...	...	...	...	2,631	...	500	...	...	3,135	1,176	4,311	...	...	...	1,250	...	1,464	...	132	...	...	...	29	2,875	1,436	4,311	33
34. Sultanpur	"	3,304	...	36	...	1,32,330	...	64,038	...	9,233	...	376	2,09,317	800	2,10,117	377	24	...	61,494	400	1,30,137	...	7,663	...	84	397	7,213	1,883	2,10,117	34		
35. Partabgarh	"	1,585	35	1,115	...	6,480	12,275	37,162	425	3,570	62,647	1,312	63,959	155	1,062	...	625	4,322	49,076	5,580	834	874	6	62,534	1,425	63,959	35
Total, United Provinces...	...	1,05,459	553	65,833	...	24,40,105	1,59,513	20,56,723	43,180	2,91,353	11,665	17,649	51,92,083	1,06,912	52,98,995	15,352	37,579	4,459	17,18,125	83,907	29,48,295	56,136	2,08,019	...	2,257	37,376	68,889	6,966	51,87,360	1,11,635	52,98,995	
Sultanpur ...	Seed	343	...	...	...	24,469	...	9,046	...	908	...	108	34,874	188	35,062	18	...	...	12,429	...	18,058	...	1,172	...	...	...	3,348	35,025	37	35,062	

STATEMENT
PROFIT AND LOSS
Central Societies (lending to or

Name of society.	No. of share-holding societies.	No. of share-holding members.	Kind of society.	Profit.			
				Interest earned.	Gross profit on sales of stock.	Other items.	Total.
				1(a)	1(b)	2	3	4	5	6
				Rs.	Rs.	Rs.	Rs.
1. Bulandshahr district ...	49	93	Cash.	16,608	...	316	16,924
2. Mainpuri " ...	81	66	"	13,425	...	837	14,262
3. Bareilly " ...	13	54	"	775	5	2	782
4. Budaun " ...	129	146	"	42,924	...	6,722	49,646
5. Fatehpur " ...	27	55	"	2,216	...	...	2,216
6. Kashi Co-operative Society (Benares).	125	674	"	14,193	...	171	14,364
7. Basti district ...	97	383	"	6,906	...	...	6,906
8. Mohanlalganj (Lucknow) ...	26	181	"	3,271	...	11	3,282
9. Hardoi district ...	59	216	"	8,368	...	...	8,368
10. Sandila (Hardoi) ...	85	107	"	12,501	...	23	12,524
11. Fyzabad District ...	68	181	"	6,863	670	27	7,560
12. Sultanpur " ...	3	19	"	6	...	...	6
13. Jewar Central (Bulandshahr)...	31	5	"	10,184	...	100	10,284
14. Chandok " " ...	15	10	"	1,092	...	5	1,097
15. Kuchesar " " ...	19	5	"	2,597	...	...	2,597
16. Sahawar " (Etah) ...	8	3	"	6	...	...	6
17. Dalelnagar Central (Baroilly)	13	...	"	1,197	...	...	1,197
18. Kara " (Allahabad)	20	33	"	2,442	...	146	2,588
19. Badlapur " (Jaunpur)	11	...	"	378	...	75	448
20. Machhlishahr " "	13	3	"	94	...	...	94
21. Ranipur " "	12	...	"	377	...	...	377
22. Safipur " (Unao) ...	33	...	"	1,922	...	254	2,176
23. Kusambhi " "	15	...	"	43	...	...	43
24. Ittifak (Rampur Garhwan) Central (Unao).	10	1	"	63	...	...	63
25. Jais Central (Rae Bareli) ...	11	15	"	269	...	...	269
26. Salon " " ...	23	34	"	1,378	...	8	1,386
27. Bilgram " (Hardoi) ...	22	36	"	2,347	...	12	2,359
28. Tanda Weavers' Central (Fyzabad).	20	3	"	1,181	...	...	1,181
29. Kurwar Central (Sultanpur) ...	43	5	"	5,491	852	445	6,788
30. Jagdishpur " " ...	31	1	"	2,590	...	276	2,866
31. Ametbi " " ...	21	...	"	1,441	...	...	1,441
Total ...	1,138	2,329	...	1,63,143	1,527	9,430	1,74,100

III-A.

ACCOUNT.

dealing with other societies only).

Loss.						Net profit + or loss -	Remarks.
Interest paid and due.	Establishment and contingent charges paid and due.	Debts written off.	Depreciation of stock.	Other items.	Total.		
7	8	9	10	11	12	13	14
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
9,117	1,181	...	...	1,663	11,961	+4,963	1
5,996	2,495	...	...	932	9,423	+4,839	2
374	349	...	...	...	723	+59	3
23,891	7,374	...	...	6,943	33,208	+11,433	4
1,460	495	...	...	...	1,955	+261	5
7,542	1,995	...	...	...	9,537	+4,827	6
2,703	1,519	...	10	...	4,232	+2,674	7
890	667	...	18	48	1,623	+1,659	8
4,350	1,254	...	...	3	5,607	+2,761	9
6,947	1,329	206	19	302	8,803	+3,721	10
3,562	1,610	...	...	30	5,202	+2,358	11
1	...	...	...	...	1	+5	12
5,151	1,002	...	...	104	6,257	+4,027	13
815	265	...	...	13	1,093	+4	14
1,583	308	...	...	42	1,933	+664	15
...	...	...	...	...	...	+6	16
848	229	...	...	11	1,088	+109	17
1,690	553	...	...	616	2,861	-276	18
199	202	...	...	...	401	+47	19
31	4	...	...	...	35	+59	20
252	16	...	...	...	268	+109	21
1,763	129	...	...	246	2,138	+33	22
35	...	...	...	3	38	+5	23
47	1	...	...	...	48	+15	24
203	15	...	...	...	218	+51	25
979	42	...	...	...	1,021	+365	26
1,271	160	...	...	56	1,487	+872	27
843	...	...	...	73	916	+205	23
3,817	1,340	...	...	...	5,157	+1,631	29
1,704	752	...	...	163	2,619	+217	30
901	276	...	...	84	1,261	+180	31
88,965	25,567	206	47	11,332	1,26,117	+47,933	

III-B.

ACCOUNT.

Societies.

Total.	Loss.						Total.	Net profit + or loss —	Remarks.
	Interest paid and due.	Establishment and conting- ent charges paid and due.	Debts written off.	Depreciation of stock.	Other items.	Total.			
6	7	8	9	10	11	12	13	14	
<i>District banks.</i>									
Rs.	Rs.	Rs.	Rs.				Rs.		
6,447	2,681	939	...	96	141	3,857	+2,590	1	
35,012	14,750	7,827	...	246	..	22,823	+12,189	2	
15,353	4,896	1,903	...	...	1,318	8,117	+7,236	3	
11,665	6,539	1,902	...	10	109	8,560	+3,105	4	
23,873	9,840	4,852	...	10	317	15,019	+8,851	5	
14,515	3,604	3,350	...	10	...	6,964	+7,551	6	
52,522	35,133	3,866	3	749	5,800	45,551	+6,971	7	
21,393	6,872	5,919	...	23	160	12,974	+8,419	8	
1,80,780	84,315	30,558	3	1,144	7,845	1,23,865	+56,915		
<i>Small urban societies.</i>									
1,562	1,215	148	...	...	2	1,365	+197	1	
404	112	67	...	47	4	230	+174	2	
42	31	6	...	...	...	37	+5	3	
601	480	60	...	...	...	540	+61	4	
359	268	24	...	...	...	292	+67	5	
1,461	612	263	...	...	34	909	+652	6	
425	341	17	...	...	...	358	+67	7	
14,202	8,297	2,829	...	...	319	11,445	+2,757	8	
820	578	109	...	...	...	687	+133	9	
991	767	116	...	...	19	902	+89	10	
1,090	860	20	...	...	...	880	+210	11	
396	303	15	...	...	5	323	+73	12	
5,898	3,405	273	...	...	...	3,678	+1,720	13	
1,745	1,424	101	...	...	...	1,525	+220	14	
3,587	2,506	246	...	...	163	2,915	+672	15	
33,083	21,199	4,294	...	47	546	26,086	+6,997		
2,13,863	1,05,514	34,852	3	1,191	8,391	1,49,951	63,912		
<i>Productive societies</i>									
2,294	...	756	...	177	1,258	2,189	+105	1	
4,290	...	2,523	3,391	...	553	6,472	-2,182	2	
871	393	...	...	...	2,925	3,323	-2,452	3	
7,455	393	3,279	3,391	177	4,739	11,931	-4,529		
<i>Distributive societies.</i>									
1,490	465	138	...	5	432	1,010	+450	1	
2,062	635	309	...	6	560	1,510	+552	2	
2,631	211	332	...	13	1,221	1,777	+551	3	
6,183	1,311	779	...	24	2,213	4,327	+1,856		

STATEMENT
PROFIT AND LOSS
Rural

District.	Kind of society.	Number of societies.	Number of members.	Profit.			
				Interest earned.	Gross profit on sales of stock.	Other items.	Total.
1	2	2(a)	2(b)	3	4	5	6
				Rs.	Rs.	Rs.	Rs.
1. Saharanpur ...	Cash...	3	143	698	...	...	698
2. Meerut ...	" ...	6	102	927	...	19	946
3. Bulandshahr ...	" ...	126	4,259	35,129	...	235	35,364
4. Aligarh ...	" ...	2	53	424	...	...	424
5. Agra ...	" ...	(a) 8	218	374	...	...	374
6. Mainpuri...	" ...	(b)120	3,569	24,796	...	373	25,169
7. Etah ...	" ...	10	423	3,033	...	243	3,276
8. Baroilly ...	" ...	28	805	5,495	...	262	5,757
9. Bijnor ...	" ...	28	872	3,553	...	17	3,570
10. Budaun ...	" ...	(c)135	7,660	59,554	...	1,232	60,786
11. Moradabad ...	" ...	111	3,019	19,800	...	906	20,706
12. Pilibhit ...	" ...	2	58	348	...	...	348
13. Fatehpur ...	" ...	24	1,149	4,459	...	81	4,540
14. Allahabad ...	" ...	26	718	4,178	...	21	4,199
15. Jalaun ...	" ...	34	1,165	3,117	...	...	3,117
16. Hamirpur ...	" ...	1	53	5	...	...	5
17. Banda ...	" ...	(d)30	1,175	3,866	...	350	4,216
18. Benares ...	" ...	78	1,643	8,952	...	17	8,969
19. Mirzapur ...	" ...	2	32	30	...	...	30
20. Jaunpur ...	" ...	(e)131	3,704	14,652	...	109	14,761
21. Ghazipur ...	" ...	8	210	311	...	...	311
22. Gorakhpur ...	" ...	67	1,122	524	...	...	524
23. Basti ...	" ...	(f)91	1,445	6,339	...	140	6,479
24. Azamgarh ...	" ...	2	189	1,684	...	23	1,707
25. Naini Tal... ..	" ...	1	472	1,975	...	...	1,975
26. Lucknow ...	" ...	27	1,013	2,821	...	23	2,844
27. Unao ...	" ...	(g)170	17,700	65,988	710	5,196	71,894
28. Rai Bareilly ...	" ...	92	3,416	8,202	...	467	8,669
29. Sitapur ...	" ...	6	181	361	...	6	367
30. Hardoi ...	" ...	(h)160	5,679	25,859	...	278	26,137
31. Fyzabad ...	" ..	(i) 57	1,150	7,659	...	87	7,746
32. Gonda ...	" ...	6	432	1,334	...	8	1,342
33. Bahraich ...	" ...	1	165	441	...	4	445
34. Sultanpur...	" ...	(j) 79	2,723	10,363	14	103	10,480
35. Partabgarh ...	" ...	39	1,768	4,049	...	35	4,084
Total, United Provinces...	...	1,711	68,495	3,31,300	724	10,235	3,42,259
Sultanpur ...	Seed...	(k) 39	486	1,031	520	2	1,553

Note.—Figures from column 2(b) to column 13 are only for working societies.

III-C.

ACCOUNT.

Societies.

Loss.						Not profit or loss—	Remarks.
Interest paid and due.	Establishment and contingent charges paid and due.	Debts writ- ten off.	Deprecia- tion of stock.	Other items.	Total.		
7	8	9	10	11	12	13	14
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
395	127	...	...	3	525	+173	
496	24	...	...	23	543	+403	
25,442	4,049	...	...	215	29,706	+5,658	
268	...	...	...	...	268	+156	(a) One society has not commenced work yet.
171	7	...	...	8	186	+188	
15,543	-3,242	...	...	906	19,691	+5,478	(b) 11 societies have not commen- ced work yet.
2,303	600	...	...	106	3,009	+267	
3,790	1,003	...	...	114	4,907	+850	
2,761	503	...	...	28	3,292	+278	
43,773	6,760	..	...	357	50,890	+9,890	(c) Six societies have not commen- ced work yet.
14,550	2,425	24	...	101	17,100	+3,600	
202	41	...	...	2	248	+100	
2,949	657	...	...	...	3,606	+931	
2,724	55	...	...	27	2,800	+1,393	
2,241	248	...	...	...	2,489	+628	
2	...	...	...	...	2	+3	
2,021	1,170	...	2	216	3,409	+807	(d) Two societies have not commen- ced work yet.
5,336	1,534	...	...	453	7,323	+1,610	
9	...	...	...	...	9	+21	
9,088	1,835	...	1	188	11,112	+3,619	(e) One society has not commen- ced work yet.
212	10	...	...	...	222	+89	
415	...	...	...	...	415	+109	
4,895	686	...	...	194	5,775	+701	(f) Three societies have not commen- ced work yet.
671	87	...	10	...	763	+999	
1,175	724	...	...	...	1,899	+76	
2,165	190	...	..	21	2,376	+468	
44,192	1,8079	...	...	6,993	61,264	+7,630	(g) 24 societies have not commen- ced work yet.
5,599	813	...	..	...	6,412	+2,257	
232	...	...	...	1	233	+131	
20,324	1,704	...	...	...	22,028	+4,109	(h) One society has not commenced work yet.
5,853	211	...	...	77	6,141	+1,005	(i) One society has not commenced work yet.
446	111	...	...	12	669	+773	
187	...	...	...	29	216	+229	
8,420	1,262	...	...	7	9,689	+791	(j) One society has not commenced work yet.
2,080	918	...	...	...	2,998	+1,129	
2,30,880	44,078	24	13	10,031	2,85,076	+57,183	
1,241	...	...	...	...	1,241	+312	(k) Five societies are not working.

STATEMENT IV-A.

BALANCE SHEET AS AT 30TH JUNE 1912.

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

Name of society.	Kind of society.	Assets.									Liabilities.														Profit + and loss—	Remarks.	
		Cash in hand and bank.	Value of investments.		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 & 12.	Loans from Government.	Interest due to Government.	Total of columns 11 to 15.	Share Capital.	Deposits by members.	Interest due on members' deposits.	Dividend due to members.	Total due to members (columns 17 to 20).	Establishment and contingent charges.	Other items.	Reserve fund.			Total liabilities.
			Rs.	Rs.																							
1	2	3	4	4(a)	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
1. Bulandshahr District ...	Cash.	6,233	4,353	...	1,129	1,91,641	4,118	244	8	2,07,726	1,38,962	...	2,730	...	...	1,41,692	30,825	24,125	621	179	55,750	533	233	4,463	2,02,671	+5,055	1
2. Mainpuri " ...	"	46,825	4,371	...	30	99,307	1,459	14	478	1,52,484	69,572	...	2,337	...	...	71,909	17,945	51,151	1,352	30	70,478	202	381	4,500	1,47,470	+5,014	2
3. Bareilly " ...	"	3,823	29	...	...	22,846	299	56	37	27,095	6,425	...	62	...	...	6,487	9,240	11,000	280	...	20,520	...	...	29	27,036	+59	3
4. Budaun " ...	"	1,51,434	11,266	...	...	2,54,723	7,157	900	1,537	4,27,017	2,35,516	55,371	10,261	38,079	1,190	3,40,417	42,322	16,700	802	370	60,194	546	3,047	11,266	4,15,470	11,547	4
5. Fatehpur " ...	"	1,660	...	...	...	25,392	...	147	...	27,199	22,573	...	...	...	35	25,248	...	306	...	...	306	...	...	1,384	26,938	+261	5
6. Kashi Co-Operative Society (Benares).	"	105	4,000	81	4,974	1,57,064	2,237	309	273	1,69,043	1,16,587	...	2,822	...	...	1,19,409	21,295	17,726	1,411	36	40,468	...	32	4,000	1,63,909	+5,134	6
7. Basti District ...	"	2,621	5,000	...	2,248	58,950	1,284	104	946	71,153	32,430	...	1,654	...	...	34,084	12,170	14,751	1,084	62	28,067	131	...	5,000	67,282	+3,871	7
8. Mohanlalganj (Lucknow) ...	"	771	1,625	...	4,705	32,793	600	120	19	40,638	18,315	...	450	1,800	...	20,583	11,655	4,776	165	...	16,596	...	...	1,625	38,804	+1,834	8
9. Hardoi District ...	"	31,107	1,800	...	979	69,042	1,203	...	...	1,03,731	80,150	...	884	...	...	81,034	14,200	3,701	45	4	17,950	97	...	1,800	1,00,881	+2,850	9
10. Sandila (Hardoi) ...	"	1,804	2,000	...	5,488	1,29,102	2,500	300	...	1,41,194	1,11,708	2,255	...	980	8	1,14,951	9,545	9,115	...	...	18,660	...	1,568	2,000	1,37,179	+4,015	10
11. Fyzabad District ...	"	2,629	1,650	...	...	74,486	3,010	13	205	81,993	66,309	...	1,628	...	...	67,937	9,805	...	...	...	9,805	118	30	1,650	79,540	+2,453	11
12. Sultanpur " ...	"	255	...	...	...	5,000	6	...	...	5,261	...	...	...	...	...	...	4,445	810	1	...	5,256	...	...	...	5,256	+5	12
13. Jewar Central (Bulandshahr) ...	"	19,788	...	...	...	99,402	1,116	115	...	1,20,421	76,785	15,000	12	1,400	16	93,213	9,509	926	96	...	10,531	147	...	12,503	1,16,394	+4,027	13
14. Chandok Central " ...	"	12,372	...	...	...	30,972	623	...	925	44,892	...	41,932	815	...	...	42,747	2,050	...	...	...	2,050	91	...	...	44,888	+4	14
15. Kuchesar " ...	"	2,008	...	...	...	49,301	568	...	750	52,827	13,800	31,822	1,583	...	...	47,205	4,520	...	...	...	4,520	238	...	...	51,963	+664	15
16. Sahawar " (Etah) ...	"	11,846	...	...	...	4,855	6	...	...	16,707	9,086	6,000	...	...	...	15,086	665	950	...	...	1,615	...	...	...	16,701	+6	16
17. Dalelnagar " (Bareilly) ...	"	67	...	200	...	15,346	254	12	4	15,883	...	13,800	53	...	...	13,853	1,638	275	8	...	1,921	...	...	...	15,774	+109	17
18. Kera " (Allahabad) ...	"	1,857	800	3,708	475	23,847	366	146	190	31,339	23,820	...	784	760	20	25,384	2,095	2,719	213	...	5,027	45	1,209	31,665	-276	18	
19. Badlapur " (Jaunpur) ...	"	53	...	250	...	10,243	143	22	71	10,787	1,831	6,060	198	...	...	8,089	1,350	...	...	...	1,350	68	...	1,233	10,740	+47	19
20. Machhlishahr Central " ...	"	21	...	250	...	7,589	94	...	60	8,014	538	5,916	31	...	...	6,485	1,025	55	...	...	1,080	...	43	347	7,955	+59	20
21. Ranipur " ...	"	224	...	60	...	12,389	42	43	26	12,784	7,599	3,278	172	...	...	11,049	1,600	7	4	...	1,611	15	...	...	12,675	+109	21
22. Safipur " (Unao) ...	"	1,540	...	...	...	31,891	418	...	189	34,038	12,000	20,891	457	...	...	33,348	438	...	...	...	438	40	174	...	34,000	+38	22
23. Kusambhi " ...	"	8	...	...	...	7,991	43	...	...	8,042	...	7,755	34	...	...	7,789	248	...	...	...	248	...	...	...	8,037	+5	23
24. Itifaf (Rampur Garhwan) Central (Unao).	"	...	...	...	...	9,579	60	...	...	9,639	...	...	...	...	...	...	1,120	8,459	45	...	9,624	...	...	...	9,624	+15	24
25. Jais Central (Rae Bareilly) ...	"	7	...	...	...	8,322	141	...	...	8,470	...	8,200	...	...	...	8,200	155	...	...	...	155	...	64	...	8,419	+51	25
26. Salon " ...	"	909	15	...	...	16,871	248	...	...	18,943	2,000	14,295	27	...	...	16,322	1,180	142	...	...	1,322	...	...	15	17,659	+384	26
27. Bilgram " (Hardoi) ...	"	233	375	...	...	24,976	300	...	...	25,884	9,600	8,000	...	...	...	17,600	3,050	3,806	...	1	6,857	20	157	375	25,009	+875	27
28. Tanda Weavers' Central (Fyzabad).	"	348	...	...	...	11,337	113	66	...	11,864	2,550	5,000	...	3,000	94	10,644	845	...	...	60	905	9	...	41	11,599	+265	28
29. Kurwar Central (Sultanpur) ...	"	5,648	...	25	...	75,505	700	222	852	82,952	69,627	1,000	2,203	...	...	72,830	6,410	1,600	57	...	8,067	...	40	...	80,937	+2,015	29
30. Jagdishpur Central " ...	"	2,598	...	75	...	34,234	654	...	...	37,561	13,675	17,500	...	...	...	31,175	3,520	2,300	...	163	5,983	...	20	136	37,314	+247	30
31. Amethi " ...	"	1,536	...	...	...	14,631	267	44	1,026	17,504	5,950	9,909	...	...	...	15,859	1,400	...	...	65	1,465	...	...	...	17,324	+180	31
Total	...	3,10,340	37,234	4,649	19,628	16,09,632	30,029	2,877	7,596	20,22,035	11,47,408	2,73,984	29,197	48,659	1,381	15,00,629	2,26,265	1,75,400	6,184	970	4,08,819	2,300	5,789	53,576	19,71,113	+*50,922	

*Includes Rs. 2,939 carried forward from the previous year.

STATEMENT IV-C.

BALANCE SHEET AS AT 30TH JUNE 1912.

Rural Societies.

District.	Kind of society.	Assets.										Liabilities.											Profit and loss—	Remarks.				
		Cash in hand and bank.	Value of Investments.		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 due to Government.	Total of columns 11 to 15.	Share capital.	Deposits by members.	Interest due on members' deposits.	Dividend due to members.	Total due to members (columns 17 to 20).	Establishment and contingent charges.			Other items.	Reserve fund.	Total Liabilities.	
			Reserve fund invested.	Other investments.																								
1	2	3	4	(4a)	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1. Saharanpur	Cash	444	...	...	9,070	...	118	...	...	9,632	8,400	73	14	...	...	8,487	547	...	...	...	547	...	...	425	9,459	+173	1
2. Meerut	"	2,448	...	...	6,437	...	288	35	...	9,208	5,984	1,150	374	...	...	7,508	559	...	...	...	559	6	...	732	8,805	+403	2
3. Balasahar	"	8,754	130	...	2,84,779	...	4,873	4	17,755	3,26,295	1,437	2,82,282	3,302	1,700	11	2,88,732	22,267	3,719	145	...	26,131	799	1	4,974	3,20,637	+5,658	3	
4. Aligarh	"	2,788	...	...	2,517	85	116	...	...	5,506	4,197	85	323	...	...	4,605	373	68	18	...	459	...	...	286	5,350	+156	4
5. Agra	"	10	...	...	7,411	...	78	...	...	7,499	5,606	600	26	...	...	6,232	505	161	6	...	672	...	...	407	7,311	+183	5
6. Maiopari	"	12,722	302	7,880	1,17,754	13,673	4,225	...	102	1,56,658	6,955	1,12,256	1,813	1,815	33	1,22,872	14,981	2,381	105	...	17,467	1,649	234	8,958	1,51,180	+5,478	6	
7. Etah	"	1,926	...	590	4,455	...	394	...	106	7,471	...	4,855	...	...	...	4,855	887	...	...	...	887	106	...	1,356	7,204	+267	7
8. Bareilly	"	349	...	2,265	47,163	2,892	2,367	...	21	55,057	5,800	41,234	645	175	3	47,857	4,115	542	7	...	4,664	...	1	1,685	54,207	+850	8	
9. Bijnor	"	932	...	...	39,949	...	1,130	1	...	42,012	270	36,611	698	...	...	37,579	3,817	120	3	...	3,940	167	...	48	41,734	+278	9
10. Budann	"	11,765	...	13,543	2,77,520	715	21,286	14	916	3,25,759	900	2,50,193	7,982	105	2	2,59,182	35,660	362	38	...	36,060	1,434	1,018	18,169	3,15,863	+9,896	10	
11. Moradabad	"	2,103	...	...	1,60,765	...	3,142	73	3,929	1,70,012	3,481	1,48,131	1,876	...	...	1,53,488	6,932	2,816	...	...	9,748	219	140	2,811	1,66,406	+3,606	11
12. Pilibhit	"	623	...	...	2,545	...	182	...	...	3,350	2,695	...	163	...	...	2,858	289	...	...	...	289	...	...	103	3,250	+100	12
13. Fatehpur	"	848	...	...	38,396	...	614	16	...	39,874	6	20,567	...	...	...	20,573	...	15,464	...	...	15,464	...	...	2,903	38,940	+934	13
14. Allahabad	"	631	21	...	32,222	1,012	720	...	1,145	35,751	2,075	22,460	324	588	...	25,447	3,407	3,954	275	...	7,636	...	31	1,244	34,358	+1,393	14	
15. Jalaun	"	501	...	...	45,364	...	466	...	...	46,331	...	41,775	300	...	...	42,075	3,312	31	...	...	3,343	2	...	283	45,703	+628	15
16. Hamirpur	"	9	...	...	495	...	5	...	...	509	...	...	...	...	...	...	144	360	...	...	506	...	...	...	506	+3	16
17. Banda	"	3,737	316	19	45,073	...	1,222	48	218	50,633	31,105	8,908	430	360	6	40,809	2,764	2,519	130	...	5,413	1	...	3,603	49,826	+807	17	
18. Benares	"	1,205	...	...	75,590	...	1,873	...	746	79,414	547	69,482	671	...	...	70,700	5,035	962	50	...	6,047	181	169	671	77,768	+1,646	18
19. Mirzapur	"	...	...	...	852	...	20	...	...	872	...	...	8	...	...	810	39	2	...	...	41	...	...	...	851	+21	19
20. Jannpur	"	8,201	4	7,020	1,27,770	...	3,339	99	50	1,46,483	8,311	1,07,876	1,481	...	...	1,17,668	13,010	5,803	27	...	18,840	1,026	...	5,300	1,42,834	+3,649	20
21. Ghazipur	"	148	...	...	7,563	...	189	...	...	7,900	1,011	6,097	137	...	...	7,245	481	80	3	...	564	...	...	2	7,811	+89	21
22. Gorakhpur	"	63	...	140	39,233	...	515	...	...	39,951	...	37,780	407	...	...	38,187	1,554	100	1	...	1,655	...	...	...	39,842	+109	22
23. Basti	"	2,013	...	1,645	54,839	...	1,448	...	...	59,959	...	52,475	863	...	...	53,338	4,551	...	...	...	4,551	704	129	533	59,255	+704	23
24. Azamgarh	"	3,555	...	...	10,930	...	717	223	...	15,725	1,914	...	96	980	11	3,001	1,262	7,526	444	...	9,232	...	...	2,553	14,786	+939	24
25. Naini Tal	"	1,902	...	...	15,185	...	1,162	...	...	18,249	6,000	...	225	2,800	63	9,088	...	6,385	396	...	6,781	86	...	2,218	18,173	+76	25
26. Lucknow	"	113	...	1,635	34,712	...	576	...	...	37,036	679	32,353	560	...	...	33,592	2,673	...	...	...	2,673	1	244	58	36,568	+468	26
27. Unao	"	27,806	23,669	3,032	3,63,771	521	29,282	6,315	8,194	4,62,590	66,037	2,19,236	10,113	8,296	193	3,03,875	18,380	81,222	5,542	...	1,05,144	1,770	823	43,548	4,54,960	+7,630	27	
28. Rai Bareilly	"	1,494	...	3,465	66,054	...	1,507	...	...	72,520	2,885	55,420	777	...	...	59,082	10,120	8	...	...	10,128	1	190	862	70,263	+2,257	28
29. Sitapur	"	286	...	...	2,812	...	35	...	...	3,133	1,930	...	14	...	...	1,944	617	339	18	...	974	...	...	81	2,999	+134	29
30. Fyzabad	"	3,769	100	10,060	2,17,248	540	4,260	...	6	2,35,983	2,400	1,99,505	2,986	...	...	2,04,891	21,429	2,320	19	...	23,768	7	43	3,165	2,31,874	+4,109	30
31. Gonda	"	3,944	13	17	54,855	1,800	2,960	36	3,044	66,669	1,060	54,870	1,931	...	...	58,176	4,034	230	5	...	4,269	41	35	2,543	65,064	+1,605	31
32. Bahraich	"	1,502	29	...	10,333	424	328	12,621	1,812	424	144	2,700	...	5,080	435	3,842	242	...	4,519	61	2,188	11,848	+773	32
33. Sultanpur	"	1,436	...	...	1,649	...	60	...	...	3,145	523	1,000	100	200	...	1,823	...	...	...	...	...	...	...	1,093	2,916	+229	33
34. Partabgarh	"	1,883	...	35	1,08,057	...	1,876	126	9,587	1,21,564	1,100	1,10,879	1,415	...	...	1,13,391	4,902	...	...	...	5,032	878	...	1,469	1,20,773	+791	34
35. Partabgarh	"	1,425	...	2	32,214	5,155	1,119	...	5	39,920	16,514	7,955	1,985	...	...	26,454	2,774	4,380	434	...	7,588	111	...	4,631	38,784	+1,136	35
Total United Provinces		1,11,635	24,563	51,369	23,55,587	26,817	92,492	7,004	45,824	27,15,291	1,92,436	19,26,532	42,183	20,034	322	21,81,507	1,91,855	1,45,826	7,910	...	3,45,591	9,144	3,164	1,18,702	26,58,108	+57,183		
Sultanpur		37	...	...	11,401	...	185	...	5,387	17,010	...	15,598	180	...	...	15,778	421	3	...	...	424	...	496	...	16,698	+312	

No. 57—I/705-1912.

RESOLUTION.

REVENUE DEPARTMENT.

Dated Allahabad, the 6th January 1913.

READ :—

Letter no. 227/XII-49, dated the 17th September 1912, from the Registrar of Co-operative Societies forwarding the report on the working of the Co-operative Societies Act, 1904, in the United Provinces for the year ending the 30th June 1912.

OBSERVATIONS :—The report of the Registrar for the year 1911-12 is an inspiring record of the expansion of the co-operative movement as bearing testimony not only to the rapidity of its growth but also to the solidity of the progress hitherto achieved. In some of its earlier phases there were indications that the movement was out-running its strength, and it has accordingly been necessary, at the expense of some local contraction of development, to reorganize societies which had sprung into premature being and transgressed the limits imposed by the principles of co-operation. The success of one society, self-contained and animated with the true co-operative spirit, forms a more effective missionary in the cause than any propagandist; and the healthy growth of the movement requires the elimination of all societies which do not fulfil these conditions.

2. District banks are classed with urban societies, but in considering the figures of the year it will be convenient to treat central societies and district banks together. Organizations which limit their transactions to societies are classified as central societies, while those which deal with individuals also are shown as district banks. In practice however a salutary tendency is in constant operation which converts the district bank into a central society as it reaches a stage where the disadvantages of dealing with individuals become apparent. The financing agencies have, taken together, increased from 26 to 39 and their working capital has grown from 27½ to 41 lakhs—an all-round advance of 50 per cent. The small urban societies have increased in number from 124 to 166 and the average number of members per society from 27·4 to 34·5; they have a working capital per member of Rs. 62·5. But it is in the growth of rural societies that progress has been most marked. Notwithstanding careful scrutiny before registration, their number has risen from 1,108 to 1,741 (figures are available for 1,681 only). Although a rapid increase is likely to mean a lowering of the average amount available as capital, the working capital per member has risen from Rs. 32·6 to Rs. 39·6.

3. The two most noteworthy developments of the year are concerned with internal organization. The rapid expansion of co-operation indicated by the statistics carries with it an increasing burden of responsibility in the supervision and education of infant societies, while the staff of the department cannot be proportionately augmented. This burden the central and district banks are showing a most gratifying readiness and ability to shoulder. They have increased their staff of men trained by the officers of the department, large numbers of men of a good type are now offering themselves for that training and there is every prospect of the natural growth of a reliable peripatetic staff for organization and supervision. Further, societies are being gradually organized into local groups whose accounts are in the charge of a paid secretary controlled by the financing agencies' staff. The second important feature is the incipient growth of central banking unions within the district but outside the larger district banks. Such a development is inevitable as a link intermediate between the remoter village societies and the bank at head quarters. This measure of decentralization will bring the former

under closer supervision and personal contact and will enable the latter to simplify its business and eliminate its risks by dealing directly with the few central banks. The future of this promising movement, which is of cardinal value to co-operation, is dependent on the readiness of influential gentlemen to follow in the footsteps of those whose services the Registrar has justly acknowledged. To that public-spirited and enterprising band of pioneers, prominent among whom are Saiyid Iltifat Rasul, Chaudhri Kushal Singh, Rao Girraj Singh, Chaudhri Aziz-ullah, Lala Brij Kishor and Mir Imtiaz Ahmad, the Lieutenant-Governor expresses his acknowledgements. Another important advance in rural co-operation is found in the completion of the 'status register' which enables the *panchayat* of the village society to determine the maximum credit allowable to each member during the year. This register will also guide the central society in fixing the normal credit for the society which maintains it and should prove an index of general economic value.

4. Among the small urban credit societies progress has been less uniform and is to some degree tentative. Many societies however, such as those in Fyzabad and Benares, show abundant promise. The Lieutenant-Governor is indebted to Mr. A. H. C. Hamilton and Munshi Azhar Ali, whose unselfish labour has gone far towards establishing vigorous nuclei of co-operation in Allahabad and Lucknow. The Registrar has rightly pointed out that the development of credit societies in cities a necessary preliminary to the growth of productive and distributive societies and that the initial obstacle is a certain lack of cohesion among town-dwellers which makes the determination of the normal credit to be allowed to each member a difficult task.

5. The expansion of rural societies has progressed on the lines adopted by Mr. Fremantle, and Mr. Chatterjee's experience has fully corroborated his predecessor's faith in the modified Raffeisen type. The fact that the share capital of members has nearly doubled testifies to the substantial progress of the year. Rates of interest have remained unchanged. Their reduction is desirable, but, as the Registrar rightly observes, impracticable till members' shares and deposits together with the reserve fund form a larger proportion of the working capital. It is satisfactory to find that the reconstitution of the old affiliated societies in Unao is being attended with success and that the work is now receiving the cordial support of the district bank.

6. In co-operation for purposes other than credit some progress is evident. Among productive societies only the co-operative dairy in Benares can be said to flourish. This society has opened new shops, built new cow sheds and, although its actual profits have not been large owing to capital expenditure, points the way to a supply of pure milk and butter in towns. The Benares silk weavers' society shows little vitality; its radical defect would seem to be the absence of that identity of interest among its members which co-operation demands and which can only be secured by the elimination of those members who are dealers in cloth as well as cloth weavers. Among distributive societies the Sandila weavers' society continues to thrive and is doing valuable work. The Lieutenant-Governor will be interested to learn of the success of the general co-operative store established in Sandila. The Sultanpur seed societies are prospering.

7. The reserve funds of the banks (central and district) have risen from Rs. 1,20,000 to nearly Rs. 1,80,000, with large additions since the close of the year, and at the slackest period of the year over 36 lakhs were actually invested among members. The larger banks have now successfully associated themselves with the Joint Stock banks of the province—a development of great significance since

it promises to give joint stock finance direct access to the agriculture of the province under conditions of security which without such an intermediary could not exist. The Lieutenant-Governor observes with satisfaction that the larger banks are showing themselves capable of relieving the department of the burden of auditing their accounts and that there are indications of the growth of an independent profession of auditors, a growth which will be further stimulated by the passing of the Companies' Bill.

8. Sir James Meston has followed with much interest Mr. Chatterjee's analysis of the economic effects of co-operation which are now becoming visible. Apart from the important results which the liquidation of a large body of debt must entail, improvements in the cultivation, in the cattle and in the general *morale* of the cultivator are now believed to follow in the wake of co-operation. It is also gratifying to find a close and effective understanding between the agricultural department and the co-operative movement. The agricultural expert, like the banker, must in the future depend largely on the co-operative organization to bring him into effectual contact with the individual cultivator. During the year the agricultural department has made full use of the opportunities offered by that organization. *In the cities the educative effect of the small societies has at the outset to contend with the lack of the communal spirit of the village, and although there is abundant evidence of healthy growth it is well to be on guard, especially in the case of productive and distributive societies, against premature development. Such societies must, to succeed, be firmly rooted in the identity of interest of their members and demand a certain level of business capacity among the members, while every failure is to some degree a set-back to the progress of the movement.

9. Mr. Chatterjee's report provides interesting indications of the social and moral results which may be expected to follow in the train of co-operation. The movement has undoubtedly had an appreciable effect in creating solidarity of feeling and a neighbourly spirit, and in providing a nucleus of natural authority to which village disputes can be referred and which may be invoked to justify thrift on occasions where custom demands extravagance. It is in effect calling into existence an articulate public opinion and giving it concrete embodiment in the *panchayat*. Further, the group system of organization is leading to co-operation between village and village. The Registrar, with pardonable enthusiasm, looks upon the movement as heralding a new corporate village life and even the birth of a rustic civilization and culture. Sir James Meston would associate himself with the hope expressed by the Registrar that the leaders of the educated and urban classes will not hold aloof from what promises to be an important factor in the development of the province.

10. The Lieutenant-Governor is glad to acknowledge publicly the unselfish assistance rendered to the cause of co-operation by the gentlemen whose services the Registrar has brought to his notice and trusts that their example may serve to attract others to this extensive field of public service. To Mr. Chatterjee he is indebted for an excellent report and for the energy and resource which he has thrown into his work. Mr. Fremantle remained in charge of the department for the first half of the year. The Lieutenant-Governor would endorse the tribute paid to his work by Sir Leslie Porter in reviewing last year's report.

ORDER—Ordered that a copy of the resolution be forwarded to the Registrar, Co-operative Societies, United Provinces, for information.

(4)

Ordered also that the resolution be published in the *United Provinces Government Gazette*.

By order of the Hon'ble the Lieut.-Govr., *United Provinces*,

R. BURN,

Chief Secretary to Government, United Provinces.