

No. 18.

CAMP BHAGAMANDALA,  
10th May 1906.

FROM

GUSTAV HALLER, Esq.,

*Registrar of Co-operative Credit Societies, Coorg.*

MERCARA.

TO

THE COMMISSIONER OF COORG,

MERCARA.

SIR,

I have the honour to submit herewith the annual report on the Co-operative Credit Societies in Coorg.

2. There are six such societies in this Province, and from the results of the last year, there is hope that they will be a success.

3. The report extends up to the 15th April, as many advances were due to that date and accounts would have been complicated had the report closed at an earlier date. Arrangements have been made that in future the advances are made payable by the middle of March so that the report will in future be dated the 1st of April.

I have the honour to be,

Sir,

Your most obedient servant

GUSTAV HALLER,

*Registrar*

# REPORT ON THE CO-OPERATIVE CREDIT SOCIETIES IN COORG.

## *Preliminary.*

Soon after Act X of 1904 came into force, every effort was made at the ensuing annual Jamabandi to explain to the people in Coorg, the object of the Co-operative Credit Societies. It is due mainly to the effort of the Jamabandi Officers, that influential Coorgs gave the matter their serious consideration. Amongst the leading Coorgs, Messrs. Apparandra Mandanna, Rai Bahadur, late Assistant Commissioner of Coorg, Koluvandra Appayya, Biddandra Ganapati, Mukkatti Iyappa, Kuttettira Chengappa, deserve special mention. The initiation of these societies is therefore largely based on the public spirit of leading Coorg Gentlemen who fully recognized the necessity of ousting the wily Mopla money lender from his nefarious dealings with the ryot. All the societies we have in Coorg are with limited liabilities. There would have been no confidence in these societies without sympathy and assistance of local, well-to-do, land holders. Such persons have lent their money and have become members, merely to foster the movement, and it would be hard to expect them to assume a liability, which is wholly without limit. We find in Germany many societies with limited liabilities.

2. The societies have been confined to a Nad (a subdivision within a Taluk), and, as a rule the leading land holders have assumed the responsible duties of members of Committee and Controllers. It is obvious, that without a trustworthy Committee, there is no chance of prosperity for such societies; and in Coorg the leading people of a nad deserve well merited praise.

## *History of the Societies.*

3. The first society sprung up in Padinalknad. A preliminary meeting, at which 38 would be members were present, was held on the 4th March 1905. It was decided at that meeting, that those willing to become members, should pay their entrance fees, and part shares. This was considered necessary in order to give a proof, that there was genuine desire for the establishment of such societies in Coorg. This step having been taken, Mr. Lionel Davidson, late Commissioner of Coorg drew up under section 27 of the Act, draft rules which were accepted by the Local Government and published in the Coorg Gazette on the 1st April 1905; they came into force on the 1st May 1905. The undersigned was appointed Registrar on the 1st April 1905. The societies which have been registered during the year under report are:—

- (1) The Padinalknad Co-operative Credit Society, Limited.
- (2) The Yedenalknad Co-operative Credit Society, Limited.
- (3) The Ammatti-Siddapurnad Co-operative Credit Society, Limited.
- (4) The Mercara Taluk Co-operative Credit Society, Limited.
- (5) The Kantmurnad Co-operative Credit Society, Limited.
- (6) The Bengunad-Kuyingerinad Co-operative Credit Society, Limited.

4. Each of the above societies is separately dealt with hereafter and in order to secure uniformity the accounts have been closed on the 15th April for all of them.

### *The Padinalknad Co-operative Credit Society, Limited.*

5. This Society was registered on the 22nd May 1905. At the time of registration there were 38 members. There are now 81 members in this society and the financial position is as follows:—

*Balance Sheet of the Padinalknad Co-operative Credit Society.*

<i>Receipts.</i>	RS.	A.	P.	<i>Expenditure.</i>	RS.	A.	P.
Debentures ...	680	0	0	Payment for management ...	29	0	0
Shares 1st instalment ...	288	0	0	Interest on debentures ...	38	12	0
Do. 2nd do. ...	119	13	0	Outstanding amount... ..	† 55	0	0
New members who joined in April 1906 ...	36	0	0	Interest due on outstanding amount ... ..	6	8	2
Government loan ...	300	0	0	New advances granted ...	50	0	0
Reserve fund ...	* 204	4	0	Cash balance ...	1,646	3	0
Certificate fees ...	20	0	0				
Entrance fees ...	81	0	0				
Interest from loans to members.	87	11	9				
Interest due from Post Office Savings Bank up to 15th April ...	8	11	2				
<b>Total ...</b>	<b>1,825</b>	<b>7</b>	<b>11</b>	<b>Total ...</b>	<b>1,825</b>	<b>7</b>	<b>11</b>

\* This is money remaining out of a society formed 28 years back for mutual support, but which was dissolved 15 years ago. Half this amount will have to be surrendered to any new Co-operative Society that may be hereafter formed in this taluk.

† For Rs. 15, extension is granted under Rule 52. The balance Rs. 40 has been since paid up.

<i>Profit and loss account.</i>							
	RS.	A.	P.		RS.	A.	P.
Entrance fees ...	81	0	0	Interest to be paid to debenture holders ...	38	12	0
Interest received from loans to members ...	87	11	9	Expense for the management ...	29	0	0
Interest due from members (since paid up) ...	6	8	2	Profit during the year (to be transferred to Reserve fund).	136	3	1
Interest due from the Post Office (will be credited on the 15th June) ...	8	11	2				
Certificate fees ...	20	0	0				
<b>Total ...</b>	<b>203</b>	<b>15</b>	<b>1</b>	<b>Total ...</b>	<b>203</b>	<b>15</b>	<b>0</b>

Under Bye-law 39 the following gentlemen were elected members of Committee:—

- (1) Messrs. Apparandra Mandanna, R. B., President.
- (2) „ Kodimaniandra Subbaya, Advocate.
- (3) „ Madandra Mandanna, Parpattigar.

The appointment of the above gentlemen lasts for three years when a new Committee will have to be elected.

The undermentioned gentlemen have been elected as Controllers:—

- (1) Messrs. Udiandra Machayya, Parpattigar.
- (2) „ Bettolanda Chengappa.
- (3) „ Manavati Muddayya, late Parpattigar.

Under Bye-law 68 the appointment of Controllers lasts for one year only. This is a defect in the rules and should be modified to three years. New men lack in experience and retard business.

*The Yedenalknad Co-operative Credit Society, Limited.*

G. At a preliminary meeting on the 15th April 1905, it was proposed to establish a society of this kind for the Yedenalknad. This step was followed by a general meeting on the 10th May at which 41 members joined the society and paid up their entrance fees and part shares. There are now 114 members, but as Bye-law 4 only admits 75 members there is an excess of members. A limitation of members, as contemplated by the above rule, considerably militates

operations, and this rule will therefore require to be altered at a very early date. This society was registered on the 22nd May 1905. Its financial position is as follows:—

*Balance Sheet of the Yelankandal Co-operative Credit Society.*

Receipts.			Expenditure.		
	RS.	A. P.		RS.	A. P.
Debentures ...	870	0 0	Payment for management ...	22	0 0
Shares 1st instalment ...	456	0 0	Interest on debentures up to 15th April ...	50	10 10
Do. 2nd do. ...	184	0 0	Miscellaneous expenditure		
Government loan ...	400	0 0	purchase of cash box ...	7	12 0
Certificate fees ...	18	8 0	Interest on outstanding amounts	13	0 0
Entrance fees ...	114	0 0	Amount outstanding ...	*273	8 8
Interest from loans to members	107	7 10	Cash balance ...	1,791	14 4
Interest from Savings Bank ...	7	14 0			
<b>Total ...</b>	<b>2,157</b>	<b>13 10</b>	<b>Total ...</b>	<b>2,157</b>	<b>13 10</b>

\* This amount was due on the 15th April 1905, and Rs 230-15-0 have been since paid up. For the balance Rs. 42-9-8 a short extension of time has been granted.

*Profit and loss account.*

	RS.	A. P.		RS.	A. P.
Entrance fees ...	114	0 0	Interest to be paid to debenture holders ...	50	10 10
Interest on loans to member ...	107	7 10	Expenditure for management ...	22	0 0
Interest due from Post Office Savings Bank ...	7	14 0	Miscellaneous ...	7	12 0
Interest due from members (since recovered) ...	12	0 0	Profit (to be transferred to Reserve fund) ...	179	6 0
Certificate fees ...	18	8 0			
<b>Total ...</b>	<b>259</b>	<b>13 10</b>	<b>Total ...</b>	<b>259</b>	<b>13 10</b>

The undermentioned gentlemen, made up the Committee for the year under report:—

- (1) Messrs. Koluvandra Appayya, President.
- (2) „ Ballachandra Belliappa, late Subedar.
- (3) „ Kuppandra Monnappa.
- (4) „ T. Ramasawmi Pillai.

The following gentlemen were Controllers:—

- (1) Messrs. Mukkatti Ayyappa.
- (2) „ Kandatandra Ayyappa.
- (3) „ Papayya Naidu.

*The Annatti-Siddapurmal Co-operative Credit Society, Limited.*

7. The preliminary meeting for the inauguration of this society took place on the 11th May 1905, and on the 27th June a general meeting was held, at which the necessary steps were taken for the confirmation of this society. It was registered on the 29th July 1905. At the time of registration there were 59 members. Now there are 66 members. The undermentioned gentlemen acted as members of Committee and Controllers during the past year:—

- Committee.*—(1) Messrs. Mukkatti Ayyappa, President.  
 (2) „ Pandandra Puvayya.  
 (3) „ Nellamakkala Bopanna.

- Controllers.*—(1) Messrs. Kutandra Tamayya.  
 (2) „ Bomanda Mandanna.  
 (3) „ Kechandra Nanjappa.  
 (4) „ Chepudira Biddayya.  
 (5) „ Mussalman Syed Gous.

The financial position is as follows:—

*Balance Sheet of the Ammattinad Co-operative Credit Society*

<i>Receipts.</i>				<i>Expenditure.</i>			
	RS.	A.	P.		RS.	A.	P.
Debentures ... ..	670	0	0	Payment for management ...	19	0	0
Shares 1st instalment ...	264	0	0	Interest on debentures ...	33	4	11
Do. 2nd do. ... ..	49	0	0	Amounts outstanding ...	*1,350	0	0
Government loan ... ..	400	0	0	Interest due on above amounts			
Entrance fees ... ..	66	0	0	up to 1st April 1906 ... ..	65	13	10
Interest on loans up to 15th							
April 1906 ... ..	11	2	0				
Certificate fees ... ..	9	12	0				
Savings Bank interest ... ..	7	4	9				
<b>Total ...</b>	<b>1,468</b>	<b>2</b>	<b>9</b>	<b>Total ...</b>	<b>1,468</b>	<b>2</b>	<b>9</b>

\* Rs. 375 advanced in April 1906 and due on 1st March 1907. Rs. 775 advanced in August 1905 and are not due till July 1906.

*Profit and loss account.*

	RS.	A.	P.		RS.	A.	P.
Entrance fees ... ..	66	0	0	Interest on debentures ... ..	33	4	11
Interest on loans to members ...	11	2	0	Management ... ..	19	0	0
Savings Bank interest ... ..	7	4	9	Profit (to be transferred to the			
Interest due from members ...	68	8	4	Reserve fund) ... ..	110	6	2
Certificate fees ... ..	9	12	0				
<b>Total ...</b>	<b>162</b>	<b>11</b>	<b>1</b>	<b>Total ...</b>	<b>162</b>	<b>11</b>	<b>1</b>

*The Mercara Taluk Co-operative Credit Society, Limited.*

8. At a general meeting held on the 27th September 1905, it was resolved to establish this society, which was subsequently registered on the 27th September. At the time of registration there were 69 members. There are now 79 members. The members of Committee and Controllers, elected during the general meeting are the undermentioned gentlemen:—

*Committee.*—(1) Messrs. Kodendera Kuttayya, R. B., Assistant Commissioner of Coorg, President.

(2) „ K. Appayya, Subedar.

(3) „ Koluvandra Devayya.

(4) „ Muddura Belliappa.

(5) „ Kumbegowdana Kushalappa.

(6) „ Biddandra Nanjappa.

(7) „ Kod. Bopanna.

(8) „ Pandira Medappa.

*Controllers.*—(1) Messrs. C. M. Nanjappa.

(2) „ Beni Singh.

(3) „ Chepudira Somayya, R.-B.

The area controlled by this society is very large which necessitated such a large number for the Committee. The future will have to decide, whether two societies should not be formed out of this.

The accounts of this society stand as follows:—

*Balance Sheet of the Mercara Taluk Co-operative Credit Society.*

<i>Receipts.</i>				<i>Expenditure.</i>			
	Rs.	A.	P.		Rs.	A.	P.
Debentures ...	550	0	0	Payment for management ...	10	1	0
Shares 1st Instalment ...	363	0	0	Interest on debentures up to			
Do. 2nd do. ...	4	0	0	15th April ...	24	5	5
Government loans ...	300	0	0	Amount outstanding of old			
Certificate fees ...	19	8	0	balances ...	*107	11	4
Entrance fees ...	79	0	0	New advances granted ...	150	0	0
Interest due from members ...	35	3	9	Cash balance ...	1,061	8	3
Interest due from Savings Bank ...	8	14	3				
<b>Total ...</b>	<b>1,359</b>	<b>10</b>	<b>0</b>	<b>Total ...</b>	<b>1,359</b>	<b>10</b>	<b>0</b>

\* Rs. 55 extension of time is granted Rs. 52-11-4 will be shortly received as time was not granted.

*Profit and loss account.*

	Rs.	A.	P.		Rs.	A.	P.
Entrance fees ...	79	0	0	Payment for management ...	16	1	0
Interest received for loans ...	35	3	9	Interest on debentures up to			
Interest due from Post Office ...	8	14	3	15th April ...	24	5	5
Interest due from members ...	1	10	9	Profit (to be transferred to			
Certificate fees ...	19	8	0	Reserve fund) ...	103	14	4
<b>Total ...</b>	<b>144</b>	<b>4</b>	<b>9</b>	<b>Total ...</b>	<b>144</b>	<b>4</b>	<b>9</b>

*The Kantmurnad Co-operative Credit Society, Limited.*

9. At a preliminary meeting held on the 15th September 1905, it was resolved to establish this society. At that time 64 members joined. There are now 76 members. This society was registered on the 11th October 1905.

The undermentioned gentlemen represented the Committee and Controllers during the year under report:—

*Committee.*—(1) Messrs. Biddandra Ganapathi.  
(2) „ Kodandra Bopanna.  
(3) „ Tirkacheri Chengappa.

*Controllers.*—(1) Messrs. Pandandra Appayya.  
(2) „ Ballachandra Carriappa.  
(3) „ Kembudatandra Monnappa.

The financial position is as follows:—

*Balance Sheet of the Kantmurnad Co-operative Credit Society.*

<i>Receipts.</i>				<i>Expenditure.</i>			
	Rs.	A.	P.		Rs.	A.	P.
Debentures ...	350	0	0	Payment for management ...	13	0	0
Shares 1st instalment ...	228	0	0	Interest on debentures up to			
Do. 2nd do. ...	200	0	0	15th April ...	11	11	6
New members 1st instalment ...	76	0	0	Amount outstanding (since re-			
Government loan ...	300	0	0	covered) ...	100	0	0
Certificate fees ...	14	8	0	Interest on outstanding ...	6	12	4
Entrance fees ...	76	0	0	Cash balance ...	1,141	1	6
Interest on loans ...	24	12	6				
Do. Savings Bank ...	3	4	10				
<b>Total ...</b>	<b>1,272</b>	<b>9</b>	<b>4</b>	<b>Total ...</b>	<b>1,272</b>	<b>9</b>	<b>4</b>

*Profit and loss account.*

	RS.	A.	P.		RS.	A.	P.
Entrance fees	76	0	0	Interest to be paid to debenture holders	11	11	6
Interest on loans to members	24	12	6	Expense for management	13	0	0
Interest from Savings Bank	3	4	10	Profit (to be transferred to Reserve fund)	100	10	2
Interest due from members (since paid up)	6	12	4				
Certificate fees	14	8	0				
<b>Total</b>	<b>125</b>	<b>5</b>	<b>8</b>	<b>Total</b>	<b>125</b>	<b>5</b>	<b>8</b>

*The Bengunad Co-operative Credit Society, Limited.*

10. This society was formed at a general meeting which was held on the 3rd September 1905, and was registered on the 27th September 1905. At that time there were 53 members. Now there are 91 members.

The Committee and Controllers are represented by the gentlemen named below:—

*Committee.*—(1) Messrs. Kuttettira Chengappa, President.

(2) „ Pattamada Kuttappa.

(3) „ Thelapanda Mandanna.

*Controllers.*—(1) Messrs. Pattamada Chermannanna.

(2) „ Kallumadana Puvayya, former Parpattigar.

(3) „ Biddandra Kalappa.

The financial position is as follows:—

*Balance Sheet of the Bengunad Co-operative Credit Society.*

<i>Receipts.</i>				<i>Expenditure.</i>			
	RS.	A.	P.		RS.	A.	P.
Debentures	230	0	0	Interest on debentures	7	3	0
Shares 1st instalment	276	0	0	Management	17	6	0
Do. 2nd do.	168	0	0	Amount outstanding*	20	0	0
New members	104	0	0	Interest on outstanding	0	13	4
Government loan	300	0	0	Cash balance	1,263	15	0
Reserve fund	102	0	0				
Entrance fees	91	0	0				
Interest on loans	15	10	0				
Certificate fees	18	8	0				
Savings Bank interest	4	3	4				
<b>Total</b>	<b>1,319</b>	<b>5</b>	<b>4</b>	<b>Total</b>	<b>1,309</b>	<b>5</b>	<b>4</b>

\* This advance was made recently i. e., in January, 1906 (since recovered).

*Profit and loss account.*

	RS.	A.	P.		RS.	A.	P.
Entrance fees	91	0	0	Interest on debentures	7	3	0
Interest from loans to members	15	10	0	Management	17	6	0
Savings Bank interest	4	3	4	Profit (to be transferred to the Reserve fund)	105	9	8
Interest due from members	0	13	4				
Certificate fees	18	8	0				
<b>Total</b>	<b>130</b>	<b>2</b>	<b>8</b>	<b>Total</b>	<b>130</b>	<b>2</b>	<b>8</b>

11. *Loans.*—On the whole Rs. 6,566 were lent by the above societies. Of this amount Rs. 1,906-4-0 were outstanding on the 15th April. Extension of time has been granted for Rs. 112-9-8 under Bye-law 52, and Rs. 1,350 are not due until July and August next and March 1907. Accordingly Rs. 443-10-4 were not recovered on the date due. I am glad to state however, that of this amount

Rs. 390-15-0 have since been paid up, and the small balance of Rs. 52-11-4 is expected shortly as time was not granted, the individuals being well-to-do persons. There has been therefore no bad debt. An analysis of the money lent shows the following result:—

		RS. A. P.		
For liquidation of debts	...	...	553	0 0
„ food grains	...	...	3,031	0 0
„ land improvement	...	...	560	0 0
„ agricultural purposes	...	...	2,395	0 0
Total		...	6,566	0 0

If we take into account that the ryot, who wants money from the Mopla money lender, has to give one battie of paddy, which is worth Rs. 2-8-0 for every rupee he borrows, these societies have practically ameliorated the position of those, who had to borrow money by Rs. 6,566-0-0 or more.

*Reserve funds.*—Although shown separately for each society, the reserve funds deserve special mention. They are as follows:—

		RS. A. P.		
Padinalknad	...	...	240	5 1
Yedenalknad	...	...	179	7 0
Ammatti-Siddapurnad	...	...	110	6 2
Mercara Taluk	...	...	103	14 4
Kantmurnad	...	...	100	10 2
Bengunad	...	...	207	11 8
Total		..	942	6 3

This is very satisfactory, and if the same progress is made next year, we shall be in a position to distribute dividends to the shareholders. There is no reason why this should not be the case. There will not be so much income by entrance fees, but there will be a larger income by interest, partly because it will be for a longer term, and partly because larger sums are now at our disposal. The reserve funds of the Padinalknad and Bengunad societies require some explanation:—about 18 years ago a philanthropic fund was started in the Padinalknad taluk; but owing to bad management the greater part of the money collected was misappropriated. The present Subedar of the Taluk, Mr. P. Belliappa, aided by Mr. Apparandra Mandanna, R. B. and others, managed to recover from some of those who held part of the money in trust, Rs. 306. Of this sum Rs. 102 were given to Bengunad and Rs. 204 to Padinalknad. Eventually Padinalknad will have to pay Rs. 102 to Kadictnad as soon as a Co-operative Credit Society is formed in that nad.

### 13. Number of members.

The strength of the societies is shown below:—

		MEMBERS.		
Padinalknad	...	...	...	81
Yedenalknad	...	...	...	114
Ammatti-Siddapurnad	...	...	...	60
Mercara Taluk	...	...	...	79
Kantmurnad	...	...	...	76
Bengunad-Kuyingerinad	...	...	...	91
Total		...	...	507

### 14. Number of general meetings and of Committee meetings.

Padinalknad	... 5	Yedenalknad	... 9
Ammatti-Siddapurnad	5	Kantmurnad	... 7
Mercaranad	... 1	Bengunad	... 5



The number of meetings may appear to be less than what they are in other societies in India. But notwithstanding this, the members of Committee and Controllers devoted a considerable amount of their time to their societies. They have had to contend with a certain amount of opposition and unpleasantness as sceptic people were of opinion, that these societies would go into liquidation as fast as they came into existence. Already five new societies are about to be registered and this is due solely to the excellent results of the societies dealt with in this report. All gentlemen named above have worked gratuitously and it is most creditable to one and all of them that their results are so satisfactory. I close this report with unreserved thanks to them.

CAMP NAPOKLU,

18th April 1906.

GUSTAV HALLER,  
*Registrar.*