

Physalis, Leucas aspers, Lippia nodiflora, Acalyphas, Sida humilis, Phyllanthus niruri, Polygonum, Ammannia, Herpestis in tottams, Polygala, Ageratum, Oldenlandia, Rungia, Aerua, Evolvulus.

Green manure Tephrosia (Kolinji), Indigofera, Crotalaria and Calotropis gigantea (Erukkan).

Ferns On the edges of flats and in hollows in Androth.

Vegetables. Moringa, Artocarpus incisa (breadfruit). Betel and Areca gardens. Plantains, Papayas, Limes, Pomegraaates, Gourds, Melons, Pulses (Payaru), Colocasia. In "*Tottams*" in *Kalpini and Androth*. Impomea batatas (sweet pototoes), Colocasia (chembu). Plantain, Tapioca, Paddy, Ragi, Samai, Cholum, (maize). Pulses, (payaru), Mango, Casuarina, Neem, Eriodendron (silk cotton tree), Ficus, religiosa and a date palm—found only one or two as specimens introduced by the islanders from the mainland.

Cassytha filiformis, a vegetable parasite on coconut seedlings "Kanni", "Chonum", "Terminalia, Lantana, Stachytarpheta judica, Wedelia biflora, Ipomea biloba, Spinifex squarrosus, Peristrophe bicalycalta.

Development Minister on Land Mortgage Banks.

Gentlemen.—I thank you most heartily for this unique privilege you have offered me of opening the first Land Mortgage Bank of the presidency in this most historic and sacred city. The subject of organising Land Mortgage Banks has been receiving the serious attention of the Government for some time past and their importance has been discussed over and over again on the public platform and in the press, and has been reiterated once again only the other day by Mr. Sivarama Menon while presiding at the North Arcot District Co-operative Conference held at Cheyyar. While I was at Ambur last I had occasion to explain to the members of the supervising unions the conclusions arrived at by the Government on the matter of organising Land Mortgage Banks. It will not be out of place here, I think, to say a few words on the features of the new organisation, though at the risk of repeating myself.

Government have had under their consideration the question of organising Land Mortgage Banks on a co-operative basis in suitable tracts in the presidency which would be in a position to lend money to agriculturists for long periods to enable them to redeem debts on mangir lands and to effect improvements on those lands. The necessity for these special banks arises from the fact that existing co-operative societies obtain money only for short periods of 2 and 3 years and the farmers take the risk of issuing loans for long periods of from 10 to 20 years as Managers. The relief of indebtedness, especially of small landholders, is a most pressing problem in this country. After considering the Government proposed to organise, as an experimental measure, Land Mortgage Banks in four selected localities.

For the purpose of extending the experiment should it be justified by experience the Government proposed four Land Mortgage Banks to be opened now. One is to be opened at Ambur and the other three are to be organised at Arcot, Arcot District, Kallakurchi in the South Arcot District, Jamakkal in the Salem district or in the Bhimavaram or Gudivada Taluk in the Kistna District. These places have been selected because they possess the necessary conditions for the successful working of the Banks, namely, lands fit to be mortgaged, indebted ryots and persons suitable and willing to take an interest in and to conduct such Banks. It may be added that co-operative institutions have been run successfully in these places. The Banks will be on the limited liability basis.

The primary object of these Banks will be to provide loans for the redemption of mortgages on Agricultural lands, but the improvement of land and of methods of cultivation will also be within their scope. The Banks will obtain money from share capital, deposits and debentures. For the present they will have to depend largely on debentures which will be issued on the security of the mortgages of the members. The total value of the debentures will not exceed the amount covered by the mortgages and they will be issued ordinarily for not less than 12 and not more than 20 years. Each Bank will have a working capital of one lakh and as, at the beginning, it is expected, that the entire value may not be taken up by the public, the Government propose to take up debentures to the extent of Rs. 50,000 in each Bank provided the public first take the other Rs. 50,000. The public will be allowed interest at 7 per cent on these debentures, while the rate to Government will be 6½ per cent. Ample security is provided for investors. It is proposed that a trustee should be appointed to whom will be assigned the management of the banks and whose functions will be to see that the banks fulfil their obligations to the debenture-holders. The total value of the debentures actually in circulation at anytime should not exceed the total

value of the mortgage bonds and their assets assigned by the bank to the trustees. The land mortgaged should have no prior encumbrances save those to be redeemed by the loan given by the bank, and the value of a loan should not exceed one-half the value of the land mortgaged. There will also be the condition that the loan should not exceed three-fourths of the estimated net income of the land during the period covered by the loan.

Each member will be eligible for a maximum loan of Rs. 100 and will be charged 9% interest on his borrowings. He will have the option of repaying the loan in equal instalments over a period of 10 years, or on the equated payment system. The land mortgaged may be any of the following: (a) Cereals, (b) Pulses, (c) Cotton, (d) Oilseeds, (e) Fruits, (f) Spices, (g) Other crops.

In connection with this Bank in Conjeevaram, it is gratifying to learn that it will secure for its efficient management the best talent which is available here in the philanthropic retired gazetted officers of high reputation and other gentlemen running the local Nidhis. The area of jurisdiction of the bank is defined to include only those villages of Conjeevaram as are situated in the Conjeevaram Registration sub-district, which would mean about 100 ryotwari and 30 shrotriem and zamin villages, of which 39 ryotwari and 2 shrotriem villages are being served by 26 co-operative credit societies. It is understood that Dr. Swaminathan, the President of the Madras Central Urban Bank and member and representative of the Conjeevaram Central Bank, has promised to place in March next a sum of Rs. 28,000 at the disposal of the Bank, and it is expected that the local gentlemen will subscribe at least Rs. 22,000 in about 4 or 5 months. When the Government grants Rs. 50,000 the Bank will have Rs. 1,00,000. Thus it may be hoped that very soon the Bank will be able to finance for a lakh. A sum of Rs. 2 lakhs is provided for in the budget for the ensuing year at the rate of Rs. 50,000 for each of the four banks proposed to be started in the Presidency. Considering the urgent necessity for the scheme I do not think there will be the slightest difficulty in finding the required amount. I hope that this bank will supply a long felt want and will play an important part in the economic uplift of the rural population in this tract.

I once again thank you for your kindness in asking me to open this Bank, which I now do with the greatest pleasure.

Speech at the opening of the Land Mortgage Bank at Conjeevaram.