

**COMMITTEE ON THE WELFARE OF
SCHEDULED CASTES AND
SCHEDULED TRIBES
(1993-94)**

(TENTH LOK SABHA)

TWENTY SEVENTH REPORT

MINISTRY OF WELFARE

Action Taken by Government on the Recommendations contained in the Twelfth Report (Tenth Lok Sabha) of the Committee on the Welfare of Scheduled Castes and Scheduled Tribes on the Ministry of Welfare—Tribal Cooperative Marketing Development Federation of India Ltd. (TRIFED)



*Presented to Lok Sabha on 23.12.93.
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**LOK SABHA SECRETARIAT
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COMMITTEE ON THE WELFARE OF SCHEDULED
CASTES AND SCHEDULED TRIBES

(1993-94)

Shri Parasram Bhardwaj — *Chairman*

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INTRODUCTION

I, the Chairman, Committee on the Welfare of Scheduled Castes and Scheduled Tribes having been authorised by the Committee to finalise and submit the Report on their behalf present this Twenty-Seventh Report (Tenth Lok Sabha) on Action Taken by Government on the recommendations contained in the Twelfth Report (Tenth Lok Sabha) on the Ministry of Welfare regarding Tribal Cooperative Marketing Development Federation of India Limited (TRIFED).

2. The Report was considered and adopted by the Committee on 17 November, 1993. Minutes of the Sitting form Part-II of the Report.

3. The Report has been divided into the following Chapters:—

I. Report.

II. Recommendations/Observations which have been accepted by Government.

III. Recommendations/Observations which the Committee do not desire to pursue in view of Government replies.

IV. Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee and which require reiteration.

V. Recommendations/Observations on which final replies of the Government have not been received.

4. An analysis of the Action Taken by Government on the recommendations contained in the 27th Report of the Committee is given in Appendix. It would be observed therefrom that out of 27 recommendations made in the Report 14 recommendations *i.e.* 51.8 per cent have been accepted by the Government. The Committee do not desire to pursue 6 recommendations *i.e.* 22.3 per cent of their recommendations in view of Government reply; 7 recommendations *i.e.* 25.9 per cent in respect of which replies of Government have not been accepted by the Committee, require reiteration, and there is no recommendation in respect of which final replies of the Government have not been received.

NEW DELHI;
8 December, 1993

17 Agrahayana, 1915 (S)

PARAS RAM BHARDWAJ
Chairman,
Committee on the Welfare of
Scheduled Castes and Scheduled Tribes.

CHAPTER I
REPORT

1.1 This Report of the Committee on the Welfare of Scheduled Castes and Scheduled Tribes deals with the Action Taken by the Government on the recommendations contained in their Twelfth Report (Tenth Lok Sabha) on the Ministry of Welfare—Tribal Cooperative Marketing Development Federation of India Limited (TRIFED).

1.2 The Twelfth Report was presented to Lok Sabha on December 18, 1992. It contained 27 recommendations. Replies of the Government in respect of these recommendations have been examined and may be categorised as under:-

- (i) Recommendations/observations which have been accepted by Government (Sl. 1,2,4,8,9,10,16,20,21,23,24,25,26 and 27).
- (ii) Recommendations/observations which the Committee do not desire to pursue in the light of the replies received from the Government (Sl. Nos. 11,12,13,15,18 and 19).
- (iii) Recommendations/observations replies to which have not been accepted by the Committee (Sl. Nos. 3,5,6,7,14, 17 and 22).
- (iv) Recommendations/observations in respect of which final replies of the Government have not been received (Sl. Nos. Nil).

1.3 The Committee will now deal with those action taken replies of the Government which need reiteration.

A. Functions, Socio-economic programme & Financial Resources of TRIFED

(Recommendation at Sl. Nos. 3, 5 and 7, Para 1.23, 2.10 and 3.6 respectively)

1.4 The Committee recommended that the TRIFED should undertake surveys to identify the areas for implementation, monitoring of forestry or agro-forestry projects of commercial importance and requisite information collected from other agencies like State Forest Corporation and those should be completed within a time frame of 6 months. The Committee also recommended that allotment of funds should be increased for the activities such as processing industries, trading centres in tribal areas and plantation based rural activities.

1.5 The Committee also recommended that since coffee, tea, rubber, spices board, etc. are commercial organisations and not directly concerned

with the tribal development activities, the TRIFED being directly involved in the cause of Tribal Development and Welfare activities, should survey the tribal belts all over India on its own so as to determine which areas are fit for a particular plant/seed cultivation/plantation. Besides, the Government should provide all necessary infrastructural, monetary and expertise assistance in tribal areas where tea, coffee rubber, spices board, etc. do not want to go in for such projects.

1.6 In their reply the Government have stated that TRIFED has already prepared project profiles for Java Citronella plantation and distillation in Assam. In addition they have also identified more projects like cashew processing, niger seed processing, honey processing etc. to be taken up in future. TRIFED should not undertake directly any plantation projects as there are specialised bodies for forestry like the Forest Corporation in the States. TRIFED is not equipped for such projects.

1.7 The Government have also replied that separate specified Boards like Tea Board/Coffee Board etc. are already existing. Therefore, TRIFED should not get into this area as it would be duplicating the activities of the existing Boards.

1.8 The Committee are not satisfied with the reply of the Government. They had recommended that the TRIFED should undertake survey and to identify the areas for implementation and monitoring of forestry or agro forestry within a time frame of 6 months. Instead of informing the Committee about the action taken in this regard, the Government have given a general reply that TRIFED has already prepared project profile for Java Citrenella plantation and distillation in Assam. They have also not informed about the details of the survey undertaken and areas identified for forestry and agro-forestry project although it is one of the functions of the TRIFED. They have also not adhered to the time frame of 6 months for completion of the job. The Committee therefore reiterate that efforts should be made for identification of tribal areas suitable for implementation of forestry or agro-forestry projects of commercial importance. At the same time allotment of funds should adequately be increased for processing industries, trading centres etc. in tribal areas as well as for plantation based rural activities.

1.9 The Committee are also unable to accept the plea of the Government that since the specialised agencies like Tea, Coffee Boards etc. are already existing, TRIFED should not enter into this area as it would be duplicating the activities of the existing Boards. They regret to not that neither the specilised agencies like Tea/Coffee Boards etc. have been asked to involve in the cause of tribal development and welfare activities and to undertake the plantation projects in the tribal areas nor have they agreed for undertaking such activities. The Committee reiterate that TRIFED should survey the tribal belt all over India to determine which areas are fit for plantation/seed cultivation and Government should provide all necessary infrastructural,

monetary and expertise assistance to run the plantation projects in tribal areas where Tea/Coffee, rubber, spices boards etc. do not want to go in for such projects.

B. Noida Land Deal losses

(Recommendation Sl. No. 6, Para No. 216)

1.10 The Committee recommended that responsibility should be fixed on the authorities who took the faulty decision in haste to buy the land without verifying the cost and development charges of the land from NOIDA Authorities and the Committee should be informed of the action taken against the erring officials.

1.11 In reply, the Government have stated that:

“Necessary investigation has been taken in hand to determine the individual responsibility of various officials so that appropriate action against the erring officials can be taken. TRIFED has also been directed to initiate proper in-house enquiries (in regard to matters within their jurisdiction) and place a detailed enquiry report with recommended course of action before the Board of Directors within a period of 3 months.

Instructions have also been given to TRIFED to take steps for revamping financial procedures for promoting proper commercial and investment decision.”

1.12 The Committee regret to note the inordinate delay in making enquiry and fixing responsibility for taking the faulty decision in haste to buy the land. They reiterate that enquiry should be expedited and the Committee may be apprised of the final action taken in the matter.

C. Market Promotion

(Recommendation Sl. No. 14, Para 3.37)

1.13 The Committee recommended that TRIFED should firstly enter into processing, packaging of the perishable goods and later on for other items as well, so as to earn more money to put in for development activities of the tribal areas.

1.14 In their reply the Government have stated that TRIFED should concentrate on procurement of marketing. By and by, it can enter into processing and retail marketing. TRIFED at present, does not have enough outlets through which it can take up direct marketing.

1.15 The Committee are dismayed to note the contradictory statement of the Ministry. In the first sentence they say that, TRIFED should concentrate on procurement and marketing In the last one, they say that TRIFED at present, does not have enough outlets through which it can take up direct marketing. They therefore reiterate their

recommendation that TRIFED should enter into processing, packaging of the perishable goods and later on for other items as well, so as to earn more money to put in for development activities of the tribal areas.

D. Infrastructural Facility

(Recommendation Sl. No. 17, Para 4.8)

1.16 The Committee have recommended that, for the technocrate and entrepreneur belonging to SCs and STs categories who would like to establish their own units, the Government should raise the limit of loan money from Rs. 35000/- to one crore of Rupees which may be required by them to establish an industrial unit as has been stated by the Managing Director (TRIFED) during the evidence. Coordination with other Corporation/Federation such as NSFDC should also be made to give maximum facilities to the SC/ST entrepreneurs.

1.17 The Government have replied that the matter was taken up with NSFDC which has informed that a proposal for granting loan upto Rs. 30 lakhs to individual SC/ST entrepreneurs at near market interest rate is pending before its Board of Directors.

1.18 The Committee desire that the decision in the proposal should be expedited and they should be informed about the decision taken.

E. Storage Facilities

(Recommendation Sl. No. 22, Para 4.19)

1.19 The Committee have recommended that TRIFED should work out a scheme regarding financing the tribals to build godowns and to own trucks for transportation and apprise the Committee of the Action Taken within a period of 3 months.

1.20 In their reply the Government have stated that TRIFED has been asked to send its schemes which would be looked into on receipt of the same.

1.21 The Committee regret to note that although the Government was asked to apprise the Committee of the action taken within a period of three months yet the Government, after a lapse of 8 months have only given an interim reply that TRIFED has been asked to send its scheme. The Committee desire that the matter should be expedited and they should be apprised of the action taken regarding financing the tribals to build godowns and own trucks for transportation at the earliest.

CHAPTER II

RECOMMENDATIONS AND OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation Sl. No. 1, Para No. 1.14

Under bye-laws of the Society, Persons/Societies/Institutions can become nominal members of TRIFED with an admission fee of Rs. 1,000 after due acceptance by the Board of Directors. This enables the nominal member to do business or store goods or arrange sales thereof. The Committee also find that the sowcar (money-lender) cannot become the member of the TRIFED. The Committee feel that there is need to involve tribals in the trading activities of the Federation and therefore, it is essential that membership should be open to them. The Secretary (Welfare) also promised to look into the matter as to how the involvement of the tribals in the affairs of the Federation can be implemented with or without amending the bye-laws. The Committee, therefore, recommended that the Ministry of Welfare may give urgent attention to this aspect and apprise them with the action taken in the matter within a period of three months.

Reply of the Government

The provision in the bye-law (No. 4.2) for nominal membership provided for individual persons to be made as members of TRIFED. To that extent, the amendment in the bye-law is not necessary. In view of the recommendation of the Committee, it is proposed that restriction passed by Resolution regarding individual membership in the 21st BOD meeting may be rescinded.

Recommendation Sl. No. 2, Para No. 1.22

The primary aim with which the TRIFED has been set up is to see that the tribals living in the interior forest areas, are not exploited and get remunerative prices for their agricultural or minor forest produce and provide large employment opportunity. The Committee find that the location of Offices of TRIFED have been generally far away from the tribal areas. In Orissa, the TRIFED has opened one Branch Office only in Bhubaneswar which is nearly 500 km. from the tribal area. It has been stated by the representative of the TRIFED that there is a supplementary role and if the DAMPS or any said organisation is functioning in an area than they do not feel the necessity to be there. The Committee are unable to accept this argument and feel that not much purpose will be served if the federation cannot get first hand knowledge of the conditions of the tribals living in interior areas. They,

therefore, recommend that the location of the offices of TRIFED could be close to the areas where tribal population is concentrated so that the benefit intended under the scheme can reach tribal people.

Reply of the Government

TRIFED has been asked to keep the recommendation of the Committee in view while opening its offices in future.

Recommendation Sl. No. 4, Para No. 2.9

TRIFED has at present a share capital of Rs. 50 crores out of which Rs. 25 crores *i.e.* 50% has been funded by Govt. of India. Public Deposit Scheme introduced in the year 1991 has failed as only Rs. 12.60 lakhs could be collected against the target of Rs. 3.90 crores. The proposal to increase the share capital to Rs. 100 crores has also been made to the Govt. of India by the Federation. The Committee have been informed that TRIFED cannot raise funds from the market by issue of bonds/debentures unless the bye-laws relating to capital structure are amended or the Federation is converted into a company. The Welfare Ministry has also discounted the possibility of raising funds from the market even if bye-laws are amended because the Public Sector Corporations do not perform so well. The Committee strongly feel that the objectives of the TRIFED will remain on paper only unless adequate capital is raised and made available to the Federation to implement the programmes. They, therefore recommend that besides raising more Capital to Rs. 100 crores, the Federation should make a beginning by involving well-off tribals to contribute towards share capital/deposits by amending the bye-laws.

Reply of the Government

The Cabinet has already approved the increase of Authorised Share Capital of TRIFED from Rs. 50 to Rs. 100 crores. As for contribution by individuals towards share capital, provision already exists, though response in this regard is insignificant.

Recommendation Sl. No. 8, Para No. 3.14

Committee have noted that since 1989, TRIFED has started Price Support Scheme for procuring paddy, wheat and coarse grain from tribal areas. This scheme has been extended to pulses and oilseeds also. By this scheme tribals are getting remunerative prices for their produces. But so far, procurements have been made from U.P., Orissa, Andhra Pradesh, Arunachal Pradesh and Assam only. The Committee recommend that this scheme should be extended to all the tribal States such as Bihar, Madhya Pradesh, Gujarat, West Bengal etc. also which have sizeable tribal areas, to pay remunerative prices to the tribals of those areas and to save them from losses through the exploitation of the middlemen and also the vagaries of the nature. The Committee also

expect the TRIFED to cover more items of forest produce under this scheme in addition to the, already covered crops.

Reply of the Government

TRIFED has been asked to expand its services in these States.

Recommendation Sl. No. 9, Para No. 3.15

The Committee further recommend that the Central grant-in-aid to TRIFED should be enhanced suitably to give remunerative prices on sustained basis and to create infrastructural facilities for augmentation of collection of oil seeds, Scheme should also be initiated to give some direct incentives to the tribal farmers, so as to encourage them to collect/grow larger quantities of produce to augment their income.

Reply of the Government

A sum of Rs. 5 crores has been tentatively fixed as grant-in-aid to TRIFED during the 8th Plan. Rs. 1 crore was released to TRIFED during 1992-93. For 1993-94, a sum of Rs. 1 crore has been provided in the budget.

Recommendation Sl. No. 10, Para No. 3.17

The Committee find that with the grant of Rs. 27.00 lakhs received from the Ministry of Welfare, TRIFED has created a Price Fluctuation Fund for Sal-oil and De-oiled cake to give remunerative procurement price to tribals on a sustained basis. The Committee, recommend that such price fluctuation funds should be created for major/minor forest produces of the tribal areas such as niger-seeds, mahua seed and flowers, tendu leaves, gumkaraya, honey, lac, tamarind, seri-culture etc. to give remunerative prices to tribals and to encourage them to make higher collection of these produces which in turn will raise the socio-economic level of the Tribals.

Reply of the Government

The Ministry has released, so far, Rs. 5 crores as grant-in-aid to TRIFED out of which Rs. 27 lakhs has been utilised as price fluctuation fund. They may raise similar funds, if so, required from the grant-in-aid given.

Recommendation Sl. No. 16, Para No. 3.43

Committee have noted that TRIFED is exporting some particular commodity to a particular country only, for example tendu leaves are exported only to Pak and Sal De-oiled cake only to U.S.S.R. It is recommended that TRIFED on its own and with the help of other agencies in the field should explore the export-markets for its commodities and Government of India should give the necessary expertise and assistance to TRIFED in this regard.

Reply of the Government

The recommendation may be acted upon by TRIFED. The matter can be put up by it in its Board. The JS (Comm) is already a Government nominee in BOD. However, any particular problem/issue, as and when necessary can be taken up by the M/o Welfare with appropriate Ministry. TRIFED has been asked accordingly.

Recommendation Sl. No. 20, Para No. 4.11

The Committee further expect that the money will not be a constraint in financing these small projects in tribal areas as has been assured by the TRIFED authorities during the evidence.

Reply of the Government

Presently there is no such constraint in financing small projects. NSFDC has been asked to look into these aspects. TRIFED has also been asked to bring to the notice of Ministry such cases.

Recommendation Sl. No. 21, Para No. 4.15

The Committee have been informed that TRIFED has a plan to establish training-cum-production centre at Jagdalpur (M.P.). Presently the training to tribal workers and entrepreneurs is being given through NSFDC. The Committee expect that more such training-cum-production centres would be started in tribal areas of other States which have a sizeable tribal population concentration, by TRIFED in coordination with NSFDC and other State Federations/Organisations for entrepreneurship development among tribals and their cooperatives. These programmes should be run free of cost and on regular basis.

Reply of the Government

This is accepted in principle. Such centres are proposed to be set up after training-cum-production centre at Jagdalpur (M.P.) is established. Based on experience gained, similar centres could be proposed for in other tribal areas.

Recommendation Sl. No. 23, Para No. 4.24

Exploring new uses for the farm and forest produce and improving their marketability through organised effort is one of the means to fetch better prices. This can be achieved through Research and Development and introduction of new practices in value addition to basic raw materials. The Federation has stated that Research and Development Programmes are suffering for want of resources. The Committee strongly feel that this programme should not be neglected and desire that Welfare Ministry should provide additional funds to be used specifically for Research and Development Programme.

Reply of the Government

As and when the need of Research and Development activities is felt, the same will be taken up. It may be submitted that we have already released funds to Girijan Cooperative Corporation, Andhra Pradesh, for R & D activities on gum karaya. The Welfare Ministry gives lump-sum grant-in-aid to TRIFED which could be utilised for R & D activities amongst other activities.

Recommendation Sl. No. 24, Para No. 5.12

Under the Price Support Scheme the procurement and marketing of MFP is undertaken by TRIFED. The procurement is a ranged through State level Federations which are Cooperative organisations, having primary cooperatives as their members. The Committee have been informed that whereas in the non-nationalised items everybody *i.e.*, Private Sector, Cooperative, etc. are allowed to operate, in the nationalised items, the State Govt. has jurisdiction and the procurement price is also fixed by the State Govt. and TRIFED does not have any say in the matter. As there have been cases of distress sale in nationalised items of MFP, the question of remunerative price assumes greater importance. The Committee, therefore, recommend that TRIFED should play a principal role in persuading the concerned State Govts. to fix remunerative prices so that the interest of tribals are safeguarded.

Reply of the Government

TRIFED has been advised to keep this recommendation in view and take up the matter with the State Govts./State TDCCs, accordingly.

Recommendation Sl. No. 25, Para No. 5.13

As stated above, the TRIFED generally makes purchases from the State level cooperatives of LAMPS under the Price Support Scheme. The role of TRIFED is, therefore, a supplementary role and direct purchases from the producer is not done unless in some cases, it is absolutely necessary. Instances of ineffective functioning of LAMPS and other primary cooperatives in this field have been noticed with the result that the tribal people do not find any outlet for their produce and suffer losses. To a suggestion that TRIFED should open its branches and do the procurement directly, there was a positive reaction from the Managing Director, TRIFED, who also promised that they will make surveys in the next season. The Committee appreciate the role of TRIFED but feel that their involvement under the Price Support Scheme should be more dynamic and it should ensure that the real benefit percolates to the tribal people. They, therefore, recommend that TRIFED should open its branches in the tribal areas and arrange direct procurement where they find that the LAMPS or primary cooperatives are not functioning properly.

Reply of the Government

This recommendation is accepted.

Recommendation Sl. No. 26, Para No. 5.18

It has been brought to the notice of the committee that different norms are being followed by State Governments, regarding levy or royalty and licence fee on MFP. The result is that the tribal farmers get low prices for their produce which is neither remunerative nor sufficient for their needs. Obviously this does not help in upliftment of the poor tribal people. The Committee have also noted that royalty on MFP constituted only a small percentage of the total revenue collection of the States but its levy causes immense hardship to the tribal people whose welfare is the duty of the State. During evidence, the Secretary, Welfare, informed the Committee that the Welfare Ministry has written to all the Chief Ministers of States not to levy royalty on MFP. So far their efforts have not borne fruits. The Committee desire that the issue of waiver of royalty should not be delayed any longer and that the State Govt. should be persuaded to waive royalty and also the Licence Fee, as the case may be on MFP as this will result in remunerative prices to the tribals and also help in improving their economic conditions.

Reply of the Government

W.M. has written to all Chief Ministers regarding waiving of royalty.

Recommendation Sl. No. 27, Para No. 6.5

The Committee have been informed that the monitoring system for the working of TRIFED is two folds; one is done by TRIFED and the other is done by Ministry of Welfare. But certain anomalies have been noticed such as inventory accumulations, lack of market strategies resulting in huge stocks of the commodities, loss of Rs. 1.14 crores in NOIDA land deal case etc. If the monitoring system had been perfect enough and periodical review of the projects and performance of TRIFED had been done by the Ministry of Welfare the losses would not have occurred. The Committee, therefore, recommend that the Ministry of Welfare should in future, be more vigilant in doing the monitoring and evaluation of the work and projects formulated or proposed to be formulated by TRIFED.

Reply of the Government

Noted for compliance.

CHAPTER III

RECOMMENDATIONS AND OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT REPLIES

Recommendation Sl. No. 11, Para No. 3.21

The Committee have observed that under the centrally sponsored development programme for augmentation of collection of oil seeds of tree and forest origin, TRIFED has provided financial assistance to the tune of Rs. 144 lakhs out of total Rs. 200 lakhs which it received from the Ministry of Welfare, to the State Federations of Madhya Pradesh, West Bengal and Bihar only. Out of this (Rs. 144 lakhs) major share went to West Bengal with Rs. 72.30 lakhs, Madhya Pradesh with Rs. 60.00 lakhs and Bihar got only Rs. 11.70 lakhs. The committee recommend that the TRIFED should try to ensure that the assistance under the above mentioned scheme should also be given to the State Federations of all the States which are having sizeable tribal populated areas, in addition to the States already covered so as to enable the State Federations to promote collection of oilseeds including sal-seeds and to provide storage and transportation facilities and to arrange mechanical devices.

Reply of the Government

The Centrally Sponsored Scheme of development and augmentation of collection of oil/oil seeds of forest and tree origin stands transferred to the State Govts. in accordance with the recommendations of the National Development Council (NDC) since the last financial year *i.e.* 92-93. As the scheme has already been transferred to the States, no amount is proposed to be released during 93-94 and in future years.

Recommendation Sl. No. 12, Para No. 3.30

The Committee have observed that man and material assistance is taken by TRIFED from various National level as well as State level agencies who are engaged in the tribal development and welfare activities, in project formulation, plantation, procurement of tribal produce, service centres, etc. and there seems to be some overlapping of functions between TRIFED and member federations/corporations. It has also been observed that no guidelines have been issued by Ministry of Welfare to coordinate the activities of TRIFED and its member federations/corporations. Committee, therefore, recommend that the constraints, if any, in the relations of TRIFED and its member federations/corporations should be removed and a linkage should be established between them such as by pouring some money by TRIFED to its members particularly in North-Eastern sector

where these organisations are weak as has been accepted by the Government during the evidence. The Ministry of Welfare on its part should also issue the necessary guidelines for proper coordination of activities between TRIFED and its members.

Reply of the Government

TRIFED being a national level apex body and having State TDCCs as its members, there already exists linkage between them. In addition, officials of Ministry of Welfare are also nominated on the BOD of TRIFED. Therefore, any grey areas in proper coordination between TRIFED and State TDCCs can be discussed and sorted out in the BOD meeting. It may be mentioned that under the scheme of Grant-in-aid to State TDCCs for MFP operations, provision has been made to nominate two members from Central Govt. to the BOD of each State TDCC which will lead to proper coordination between State TDCCs TRIFED and Welfare Ministry. A separate set of guidelines may not be necessary.

Recommendation Sl. No. 13, Para No. 3.31

The Committee further recommend that the Pilot Project for establishment of single window service centres which is now proposed to be set up at Jagdalpur (MP) only, should be extended to other States also which have sizeable tribal concentrated areas such as North-Eastern States, Bihar, Orissa, Rajasthan Gujarat, Maharashtra and Andhra Pradesh.

Reply of the Government

National Cooperative Development Council (NCDC) turned down TRIFED Single Window Scheme as it has special scheme for financing for strengthening the LAMPS and a few State Govts. have been sanctioned funds for the same.

Recommendation Sl. No. 15, Para No. 3.38

The Committee further recommend that since Mahua Flowers are used by tribals in making country liquor and as the suggestions has been accepted by TRIFED, these stocks should be bought by Govt. agencies from the tribals and may be sold outside the tribal areas to save the tribals from liquor consuming habit.

Reply of the Government

Prohibition policy is a State subject under the Constitution. If mahua flower is sold outside the tribal areas, the problem will only be exacerbated on a large area. In view of the above it is difficult to implement this recommendation.

Recommendation Sl. No. 18, Para No. 4.9

The Committee also recommend that more and more SC/ST Cooperative Societies should be encouraged by giving them land, loan, raw material, power and marketing facilities to start their own plantation, industrial or any other ancillary units. As far as possible tribals should be

given preference in the services of these units and others should be employed only when suitable SC/ST candidates are not available.

Reply of the Government

It may not be desirable for SC/ST Cooperatives to take up plantation industrial activities. However, whenever TRIFED starts any such venture in collaboration with any SC/ST Cooperative the recommendation regarding preferential employment to tribals would be kept in view by TRIFED.

Comments of the Committee

The Committee regret to note that the reply furnished by the Government is vague and evasive. No reasons have been advanced as to why it is not desirable for SC/ST corporations to take up plantation, industrial activities etc. The Committee, therefore, desire that Government should again examine the feasibility of encouraging more and more SC/ST cooperatives to start their own plantation, industrial or any other ancilliary units by giving them land, loan and other infrastructural facilities.

Recommendation Sl. No. 19, Para No. 4.10

The Committee would also like the TRIFED to prepare the project reports for each of the tribal areas according to the requirements keeping in view the raw material and infrastructural facilities available in these areas. As has been suggested by TRIFED these projects may be financed by TRIFED and other State level SC & ST Federations/Corporations on 50:50 share basis.

Reply of the Government

TRIFED needs to concentrate more on procurement and marketing and not to divert attention to industrial activities. However, TRIFED has set up a Technical and Promotional Cell for assisting various State Federations/Societies in identifying projects. Financial participation of NCDC/NSFDC will be sought for in selective cases of joint ventures with State Federations/Cooperatives.

CHAPTER IV

RECOMMENDATIONS AND OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Recommendation (Sl. No. 3 Para No. 1.23)

One of the functions of TRIFED is to undertake identification, designing, planning, organisation, implementation & monitoring of forestry or agro-forestry projects of commercial importance so that marginal and otherwise unproductive resources including land-yield optimum resource result to generate and maximise economic growth for ultimate beneficiaries and members. It has been stated by TRIFED that the operations of the Federation are severely constrained by the absence of authentic data viz on the tribal areas and the tribal population of the country. The Committee have been informed that Federation has proposed surveys and hope to do it by the end of this year (1992-93). The Committee are unhappy to note that although the Federation has been in existence for more than 5 years, yet this important operation for identification of the areas/blocks has not been taken up in the right earnest. Obviously, the benefits of expertise in achieving optimum results for forestry or agro-forestry products, have not accrued to the tribals and no worthwhile economic growth for ultimate beneficiaries has been achieved. The Committee, therefore, desired that the surveys to identify the areas for implementation and monitoring of forestry or agro-forestry projects of commercial importance be taken up and requisite information collected from other agencies like State Forest Corporation be completed within a time frame of six months.

Reply of the Government

TRIFED has already prepared project profiles for Java Citronella plantation and distillation in Assam. In addition, they have also identified more projects like cashew processing, niger seed processing, honey processing etc. to be taken up in future. In Ministry's opinion, TRIFED should not undertake directly any plantation projects as there are specialised bodies for forestry like the Forest Corporations in the States. TRIFED is not equipped for such projects.

Comments of the Committee

Please see para 1.8 and 1.9 of Chapter-I.

Recommendation (Sl. No. 5, Para No. 2.10)

It is seen that the perspective action plan of TRIFED envisages an outlay of Rs. 95 crores in 1994-95 on procurement and marketing operations only and no funds have been provided for other activities such as processing industries, trading centres in tribal areas, plantation based rural activities, etc. In fact the perspective total outlay will go down from Rs. 115 crores in 1992-93 and Rs. 119 crores in 1993-94 to Rs. 95 crores in 1994-95. The Committee feel concerned in the declining total outlay and desire that other sectoral schemes are not allowed to wither away due to lack of funds. The Committee recommend that allotment of funds should be increased proportionately for the activities such as processing industries, trading centres in Tribal areas and plantation based rural activities.

Reply of the Government

TRIFED should concentrate on its main role—procurement, storage and marketing of MFP and SAP items. It can take up processing industries in course of time. It is, however, felt that TRIFED need not get into plantation activity as it does not have the expertise. On the other hand, many State Govts. have set up Forest/Plantation Corporations.

Comments of the Committee

Please see paras 1.8 and 1.9 of Chapter-I.

Recommendation (Sl. No. 6, Para No. 2.16)

The Committee have taken a serious view that TRIFED has incurred losses to the tune of Rs. 1.14 crores on account of land deal for setting up International Trade and Research Centre on Minor Forest Produce and Herbs at NOIDA. Had the TRIFED management enquired in full about the cost of land and development charges well in advance from the NOIDA authorities, this huge loss would not have occurred. This was more important in this case, because TRIFED has a limited capital base of Rs. 50 crores and is engaged in the developmental and welfare activities for Scheduled Tribes. The Committee strongly recommend that responsibility should be fixed on the authorities who took the faulty decision in haste to buy the land without verifying the cost and development charges of the land from NOIDA Authorities and the Committee should be informed of the action taken against the erring officials.

Reply of the Government

Necessary investigation has been taken in hand to determine the individual responsibility of various officials so that appropriate action against the erring officials can be taken. TRIFED has also been directed to

initiate proper in-house enquiries (in regard to matter within their jurisdiction) and place a detailed enquiry report with recommended course of action before the Board of Directors within a period of 3 months.

Instructions have also been given to TRIFED to take steps for revamping of administrative and financial procedures for promoting commercial and investment decisions.

Comments of the Committee

Please see para 1.12 of Chapter-I.

Recommendation (Sl. No. 7, Para No. 3.6)

The Committee have noted that TRIFED has started Java Citronella Plantation, Cultivation and distillation projects in North Eastern Region to wean away tribal families from Jhoom Cultivation and to settle them on permanent cultivation sites and earn sufficient money. TRIFED also envisages to promote similar schemes in other States. Since the climate and germination rate of the plantation is good, and many tribal areas are also good for tea, coffee, rubber and other such plantation also, the Committee recommend that since coffee, tea, rubber, Spices Board, etc. are commercial organisations and not directly concerned with the tribal development activities, the TRIFED being directly involved in the cause of tribal development and welfare activities, should survey the tribal belts all over India on its own so as to determine which areas are fit for a particular plant/seed cultivation/plantation. Besides the Government should provide all necessary infrastructural, monetary and expertise assistance to run the plantation project in tribal areas where tea, coffee, rubber, spices board, etc. do not want to go in for such projects.

Reply of the Government

Separate specialised Boards like Tea Board/Coffee Board etc. already exist. Therefore, TRIFED should not get into this area as it would be duplicating the activities of the existing Boards.

Comments of the Committee

Please See paras 1.8 and 1.9 of Chapter-I.

Recommendation (Sl. No. 14, Para No. 3.37)

The Committee find that TRIFED is participating in Trade Fairs and Exhibitions to popularise its trading items. The response is also good. Since these fairs are held for small period and at different places all over India which require a lot of expenditure in planning and carrying the goods to these fairs. TRIFED should market its products through its own outlets at the places where the products can be sold at a profitable rate. It is more necessary in case of perishable goods. In case of huge stocks, these can be auctioned as is being done in case of Gum Karaya and other items. The Committee recommend that TRIFED should firstly enter into processing, packaging of the perishable goods and later on for other items as well, so

as to earn more money to put in for developmental activities of the tribal areas.

Reply of the Government

TRIFED should concentrate on procurement and marketing. By and by, it can enter into processing and retail marketings. TRIFED at present, does not have enough outlets through which it can take up direct marketing.

Comments of the Committee

Plase See para 1.15 of Chapter-I.

Recommendation (Sl. No. 17, Para No. 4.8)

The Committee are happy to know that an industrial complex is going to be set up by TRIFED at Jagdalpur (Madhya Pradesh) where tribal produce like cocoons, tamarind etc. will be converted into value added products for better return to tribals. Loans upto Rs. 20,000/- is also to be extended to those whose annual income is below Rs. 20,000/-. Maximum loan limit is Rs. 35,000/-. The Committee desire that for the technocrats and entrepreneurs belonging to Scheduled Castes and Scheduled Tribes categories who would like to establish their own units, the Govt. should raise the limit of loan money from Rs. 35,000/- to one crore of Rupees which may be required by them to establish an industrial unit as has been stated by the Managing Director (TRIFED) during the evidence. Coordination with other Corporations/Federations such as NSFDC should also be made to give maximum facilities to the SC/ST entrepreneurs.

Reply of the Government

The matter was taken up with NSFDC which has informed that a proposal for granting loan upto Rs. 30 lakhs to individual SC/ST entrepreneurs at near market interest rate is pending before its BOD.

Comments of the Committee

Plase See para 1.18 of Chapter-I.

Recommendation (Sl. No. 22, Para No. 4.19)

Under the Bye-laws TRIFED can grant nominal membership with an admission fee of Rs. 1000 to such persons/societies/institutions who are interested to do the business or store goods or arrange sales thereof. On a suggestion by the Committee that the tribals should be financed by TRIFED to build godowns and to own trucks for transportation, the Ministry gave good response and promised that funds will be provided to those tribals who want to construct storage godowns and buy trucks. The Committee recommend that TRIFED should work out a scheme in this regard and apprise the Committee of the Action Taken within a period of three months.

Reply of the Government

TRIFED has been asked to send its scheme which would be looked into upon receipt of the same.

Comments of the Committee

Please See Para 1.21 of Chapter-I

CHAPTER V
RECOMMENDATIONS AND OBSERVATIONS
IN RESPECT OF WHICH FINAL REPLIES
OF THE GOVERNMENT HAVE NOT BEEN RECEIVED

-NIL-

NEW DELHI ;

8 December, 1993

17 Agrahayana, 1915 (S)

PARAS RAM BHARDWAJ

Chairman,

*Committee on the Welfare of
Scheduled Castes and Scheduled Tribes.*

APPENDIX

(Vide Para 4 of the Introduction)

Analysis of the action taken by the Government on the recommendations contained in the twelfth report of the Committee

1. Total Number of recommendations	...	27
2. Recommendations which have been accepted by the Government (<i>vide</i> recommendations at Sl. Nos. 1, 2, 4, 8, 9, 10, 16, 20, 21, 23, 24, 25, 26 and 27).		
Number	...	14
Percentage to Total	...	51.8
3. Recommendations which the Committee do not desire to pursue in view of the Government replies (<i>Vide</i> recommendations at Sl. Nos. 11, 12, 13, 15, 18 and 19).		
Number	...	6
Percentage to Total	...	22.3
4. Recommendations in respect of which final replies of Government have not been accepted by the Committee and which requires reiteration <i>vide</i> recommendations at Sl. Nos. (3, 5, 6, 7, 14, 17 and 22).		
Number	...	7
Percentage to Total	...	25.9
5. Recommendations in respect of which final replies of Government have not been received (<i>vide</i> recommendation at Sl. Nos.Nil).		
Number	...	Nil
Percentage to Total	...	Nil

MINUTES

**COMMITTEE ON THE WELFARE OF SCHEDULED CASTES AND
SCHEDULED TRIBES (1993-94)**

(Tenth Lok Sabha)

**Thirteenth Sitting
(17.11.1993)**

The Committee sat from 11.00 hrs. to 13.00 hrs.

PRESENT

Shri Mentay Padmanabham—Convener

MEMBERS

Lok Sabha

2. Shrimati Dil Kumari Bhandari
3. Shri Ram Prakash Chaudhary
4. Dr. Ram Chandra Dome
5. Shri Kadambur M.R. Janardhanan
6. Shri Birsingh Mahato
7. Shri K.H. Muniyappa
8. Shri Rup Chand Murmu

Rajya Sabha

9. Shri Prakash Yashwant Ambedkar
10. Shri Ram Deo Bhandari
11. Dr. Faguni Ram
12. Shri Ramnarayan Goswami

SECRETARIAT

1. Shri S.C. Gupta — *Joint Secretary*
2. Shri K.K. Ganguly — *Deputy Secretary*
3. Shri Babu Ram — *Under Secretary*

2. The Committee considered Memorandum No. 3 regarding Action Taken replies of Government to the recommendations contained in the Twelfth Report (Tenth Lok Sabha) on the Ministry of Welfare—Tribal Cooperative Marketing Development Federation of India Limited

(TRIFED) and adopted it with the following amendments/modifications/additions:—

Sl. No.	Page No.	Para No.	Line No.	Amendments / Additions / Modifications
1	2	3	4	5
1.	3	1.8	9	<p><i>For</i> They have not stated which are the areas identified for survey although it is one of the functions of the TRIFED. They have also not adhered to the time frame of 6 months for completion of the job. The Committee, therefore, recommend that efforts should be made for identification of tribal areas and tribal population of the country for implementation and monitoring of forestry or agro-forestry project of commercial importance. At the same time allotment of funds should adequately be increased for processing industries, trading centres etc. in tribal areas as well as for plantation based rural activities.</p> <p><i>Read</i> They have not informed about the details of the survey undertaken and areas identifies for forestry and agro-forestry projects although it is one of the functions of the TRIFED. They have also not adhered to the time frame of 6 months for completion of the job. The Committee, therefore, reiterate that efforts should be made for identification of tribal areas suitable for implementation of forestry or agro-forestry projects of commercial importance. At the same time allotment of funds should adequately be increased for processing industries, trading centres in tribal areas as well as for plantation based rural activities.</p>
2.	4	1.9	—	<p><i>For</i> In regard to socio-economic programme, since Coffee, Tea Board etc. are not directly concerned with the tribal development activities, the Committee recomm-</p>

1	2	3	4	5
				<p>ended that TRIFED should survey the tribal belts all over India on its own so as to determine which areas are fit for a particular plant/seed cultivation/plantation. The committee regret to note that neither the specialised Agencies like Coffee/Tea Boards etc. have been asked to involve in the cause of tribal development and welfare activities to survey the tribal belts all over India nor have they agreed to TRIFED to carry out the survey work. The Committee therefore, reiterate that TRIFED should survey the tribal belt all over India to determine which areas are fit for plantation/seed cultivation.</p> <p><i>Read</i> The Committee are also unable to accept the plea of the Government that since the specialised agencies like Tea/Coffee boards etc. are already existing, TRIFED should not enter into this area as it would be duplicating the activities of the existing Boards.</p> <p>They regret to note that neither the specialised agencies like Tea/Coffee Boards etc. have been asked to involve in the cause of tribal development and welfare activities and to undertake the plantation projects in the tribal areas nor have they agreed for undertaking such activities. The Committee reiterated that TRIFED should survey the tribal belt all over India to determine which areas are fit for plantation/seed cultivation and Government should provide all necessary infrastructural, monetary and expertise assistance to run the plantation projects in tribal areas where Tea/Coffee/rubber spices boards etc. do not want to go in for such projects.</p> <p><i>For</i> The Committee are not satisfied with the reply of the Ministry and reiterate their recommendation that investigation against the erring official be expedited</p>
3.	5	1.12	—	

1	2	3	4	5
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and responsibility be fixed on the authorities who took the faulty decision at the earliest and the Committee may be apprised of the final action taken in the matter.

Read The Committee regret to note the inordinate delay in making enquiry and fixing responsibility for taking the faulty decision in haste to buy the land. They reiterate that enquiry should be expedited and the Committee may be apprised of the final action taken in the matter.

4. 5 1.13

— after para 1.12, add para 1.13, 1.14 and 1.15 as follows:

MARKET PROMOTION

(Recommendation Sl. No. 14, para 3.37)

1.13 The Committee recommended that TRIFED should firstly enter into processing, packaging of the perishable goods and later on for other items as well, so as to earn more money to put in for developmental activities of the tribal areas.

1.14 In their reply the Government have stated that TRIFED should concentrate on procurement of marketing. By and by, it can enter into processing and retail marketing. TRIFED, at present does not have enough outlets through which it can take up direct marketing.

1.15 The Committee are dismayed to note the contradictory statement of the Ministry. In the first sentence they say that, TRIFED should concentrate on procurement and marketing. In the last one, they say that TRIFED at present, does not have enough outlets through which it can take up direct marketing.

They, therefore, reiterate their recommendation that TRIFED should enter into

1	2	3	4	5
				processing, packaging of the perishable goods and later on for other items as well, so as to earn more money to put in for developmental activities of the tribal areas.
5.	6	1.15	Revised Para No. 1.18	<p><i>For</i> The Committee desire that they should be informed about the latest position of the decision of Board of Directors of NSFDC regarding granting of loan upto Rs. 30 lakhs to individual SCST entrepreneurs who would like to establish their own units.</p> <p><i>Read</i> The Committee desire that the decision in the proposal should be expedited and they should be informed about the decision taken.</p>
6.	6	1.18	Revised Para No. 1.21	<p><i>For</i> The Committee regret to note that although the Government was asked to apprise the Committee the action taken within a period of 3 months yet the Government after a lapse of 8 months has only given an interim reply and not pursued with TRIFED for sending its scheme at an early date. The Committee, therefore desire that they should be apprised of the action taken by TRIFED to work out a scheme regarding financing of Tribals to build godowns and own trucks for transportation at the earliest.</p> <p><i>Read</i> The Committee regret to note that although the Government was asked to apprise the Committee of the action taken within a period of three months yet the Government, after a lapse of 8 months have only given an interim reply that TRIFED has been asked to send its scheme. They desire that the matter should be expedited and they should be apprised of the action taken regarding financing the tribals to build godowns and own trucks for transportation at the earliest.</p>

* * *

The Committee then adjourned.

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