

**COMMITTEE ON THE WELFARE
OF SCHEDULED CASTES AND
SCHEDULED TRIBES
(1985-86)**

(EIGHTH LOK SABHA)

THIRD REPORT

MINISTRY OF AGRICULTURE

**(DEPARTMENT OF AGRICULTURE &
COOPERATION)**

**Action Taken by Government on the recom-
mendations contained in the Fifty-Second Report of
the Committee on the Welfare of Scheduled Castes
and Scheduled Tribes (Seventh Lok Sabha) on the
Ministry of Agriculture (Department of Agriculture
and Cooperation)—benefits provided to Scheduled
Castes and Scheduled Tribes in the Cooperative
Sector.**

Presented to Lok Sabha on 20 August 1985

Laid in Rajya Sabha on 20 August 1985



**LOK SABHA SECRETARIAT
NEW DELHI**

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COMMITTEE ON THE WELFARE OF SCHEDULED CASTES
AND SCHEDULED TRIBES

(1985-86)

Shri Krishan Datt Sultanpuri—*Chairman*

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1. Shri D. C. Pande—*Joint Secretary.*
2. Shri P. C. Chaudhary—*Chief Legislative Committee Officer.*
3. Shri Kuldip Sahai—*Senior Legislative Committee Officer.*

INTRODUCTION

I, the Chairman, Committee on the Welfare of Scheduled Castes and Scheduled Tribes, having been authorised by the Committee to submit the Report on their behalf, present this Third Report (Eighth Lok Sabha) on Action Taken by Government on the recommendations contained in the Fifty-second Report (Seventh Lok Sabha) on the Ministry of Agriculture (Department of Agriculture and Cooperation)—Benefits provided to Scheduled Castes and Scheduled Tribes in the Cooperative Sector.

2. The Draft Report was considered and adopted by the Committee on the Welfare of Scheduled Castes and Scheduled Tribes at their sitting held on 26th June, 1985.

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

I. Report.

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

III. Recommendations/Observations which the Committee do not desire to pursue in view of Government's 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 in respect of which final replies of Government have not been received.

4. An analysis of the action taken by Government on the recommendations contained in the Fifty-second Report (Seventh Lok Sabha) of the Committee is given in Appendix. It would be observed therefrom that out of 45 recommendations made in the Report, 33 recommendations i.e. 73.33 per cent have been accepted by the Government; the Committee do not desire to pursue 3 recommendations i.e. 6.67 per cent of their recommendations in view of Government's replies, 6 recommendations i.e. 13.33 per cent. in respect

of which replies of Government have not been accepted by the Committee, require reiteration and for 3 recommendations i.e. 6.67 per cent, final replies of Government have not been received.

NEW DELHI;
July 31, 1985

Sravana 9, 1907 (S)

KRISHAN DATT SULTANPURI,
Chairman,

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

CHAPTER I

REPORT

This Report of the Committee deals with the action taken by Government on the recommendations contained in the 52nd Report (Seventh Lok Sabha) on the Ministry of Agriculture (Department of Agriculture & Cooperation)—Benefits provided to Scheduled Castes and Scheduled Tribes in the Cooperative Sector.

1.2 In Para 2.15 of their Report the Committee had expressed their unhappiness that there is no scheme under which assistance is provided by the Central Government in the Ministry of Agriculture for enrolment of Scheduled Castes and Scheduled Tribes as members of cooperative societies in the States. The Committee had recommended that the Ministry of Agriculture should introduce a scheme of providing central assistance to the States for enrolling Scheduled Castes and Scheduled Tribes as members of the co-operatives and had expressed the hope that this will act as a sure incentive to the States to proceed in the desire direction.

1.3 In their reply dated 31-8-1984, the Ministry of Agriculture (Department of Agriculture and Cooperation) have stated that the Working Group on Agricultural Credit and Cooperation for the 7th Plan has recommended special Central Plan schemes directed specifically to benefit SCs and STs. These include grants to SC/ST members towards share capital, Government contribution to share capital of Large-size Multi-purpose Societies (LAMPS) and other cooperatives for SCs/STs, managerial assistance to these cooperatives and also assistance towards Price Fluctuation Fund of these Cooperatives for marketing of agriculture/minor forest produce. The Working Group has also recommended implementation of a large programme of labour cooperatives including functional co-operatives for workers which will mainly benefit the Scheduled Castes.

1.4 The Committee are not satisfied with the reply of the Government. They reiterate their earlier recommendation that the Ministry of Agriculture should introduce a scheme of providing central assistance to the States for enrolling Scheduled Castes and Scheduled Tribes as members of the cooperatives. The Committee hope that this will act as a sure incentive to the States to proceed in the desired direction.

1.5 In para 2.24 of the Report the Committee had recommended that, keeping in view the economic backwardness of Scheduled Castes and Scheduled Tribes specific shares of these communities in the total agricultural cooperative credit should be earmarked. The Committee further desired that the share of Scheduled Castes and Scheduled Tribes in any case, should not be less than their percentage in the total population of the concerned State.

1.6 In their reply dated 31-8-1984 the Ministry of Agriculture (Department of Agriculture and Cooperation) have stated that the share of Scheduled Caste/Scheduled Tribes in the short-term production loan a primary Agricultural cooperatives societies had increased from 6 per cent in 1974-75 to nearly 10 per cent in 1978-79. The loan of a primary agricultural credit society is mainly land-based. The requirements of Scheduled Castes/Scheduled Tribes include credit for consumption purposes. Keeping this in view, the Working Group on Agricultural Credit and Cooperation has recommended that consumption credit should be made available to Scheduled Caste and Scheduled Tribe members. Further, a large programme of investment credit in the shape of medium and long-term loan by cooperatives is envisaged for the Seventh Plan and as investment credit helps in broad-basing the income generating capacity, emphasis will be laid in the Seventh Plan for increasing the flow of medium and long-term cooperatives credit to the weaker sections including Scheduled Castes Scheduled Tribes.

1.7 The Committee are not satisfied with the reply of the Government. They reiterate their earlier recommendation that specific share of Scheduled Castes and Scheduled Tribes in the total agricultural cooperative credit should be earmarked, keeping in view their economic backwardness and the share of Scheduled Castes and Scheduled Tribes should not be less than their percentage in the total population of the concerned State.

1.8 In para 3.12 of Report the Committee had noted that the percentage of Scheduled Caste and Scheduled Tribe members trained in relation to the total number of members trained in the states was not impressive. The Committee had expressed the desire that Government should adopt a methodology in Cooperative education whereby Scheduled Caste/Scheduled Tribe members would receive greater attention particularly in States/Union Territories where they are in great majority.

1.9 In their reply dated 31-8-1984 the Ministry of Agriculture (Department of Agriculture & Cooperation) have stated that the

Working Group on Agricultural Credit and Cooperation for the Seventh Plan has urged that in the Seventh Plan, special programmes should be evolved for educating Scheduled Caste and Scheduled Tribe members of cooperative societies. As there is a large number of functional cooperatives for various activities like fishery, dairy, poultry, labour, etc. which mainly benefit the Scheduled Castes/Scheduled Tribes, the Working Group has recommended that special education programmes should be evolved to suit the requirements of the functional cooperatives.

1.10 The Committee are not satisfied with the reply of the Government. They reiterate their earlier recommendation that cooperative training to Scheduled Castes and Scheduled Tribes must receive greater attention at least in proportion to their membership and that a methodology in cooperative education must be adopted so that Scheduled Caste/Scheduled Tribe members receive greater attention in States/Union Territories where they are in majority.

1.11 In para 4.27 of the Report the Committee had recommended that as a fair proportion of Scheduled Castes are engaged in agriculture, Scheduled Caste Cooperatives should be set up for running Agro-service centres and the State Governments should take full advantage of NCDC assistance which is available under the scheme mentioned in paragraph 4.25 of the Report.

1.12 In their reply dated 31-8-1984, the Ministry of Agriculture (Department of Agriculture & Cooperation) have stated that the NCDC will provide all the assistance required for agro-service centres set up by cooperatives formed by Scheduled Castes when ever such proposals are received from the State Governments.

1.13 The Committee are not satisfied with the reply of Government. In order to implement the recommendation fully State Government should be asked specifically to set up Scheduled Caste cooperatives for running Agro-Service centres so that NCDC could provide the necessary assistance. The Committee may be informed in detail about the action taken by State Governments.

1.14 In para 6.35 of Report the Committee had noted that National Advisory Board on Labour Cooperatives had advised the State Governments to take specific measures for strengthening and expansion of Labour Cooperatives. The Committee had expressed unhappiness that in spite of such advice to States, many of the States like Assam, Himachal Pradesh, Manipur and Nagaland and Union Territories like Arunachal Pradesh, Pondicherry, Goa, Daman

and Diu etc. had not even bothered to ear-mark funds for assisting the Labour Co-operatives during the Sixth Plan.

As Labour Cooperatives could play a vital role for providing employment to the unemployed and under-employed people, the Committee urged that all the State Governments and Union Territory Administrations should ear-mark sufficient funds for assisting the Labour Co-operatives. Since large percentage of the labour force consists of Scheduled Castes and Labour Cooperatives can play a pivotal role in providing work to them on a regular basis, the Committee had recommended that the Central and State Governments should accord the highest priority to organise Labour Co-operatives on a large scale in all parts of the country. The Committee had also suggested that there should be a constant review of the progress made in the establishment of Labour Cooperatives in all the States.

1.15 In their reply dated 31-8-1984, the Ministry of Agriculture (Deptt. of Agriculture & Cooperation) have stated that the Secretary to the Government of India in the Department of Agriculture and Cooperation, in his D.O. letter dated 25th June, 1984, addressed to all the Chief Secretaries, has emphasised that highest priority should be accorded to labour cooperatives on a large scale and the State Governments should adopt a policy of awarding all unskilled work up to a specific amount to labour cooperatives. The recommendations of the Committee have also been forwarded, besides the State Governments, to National Federation of Labour Cooperatives to follow-up the matter.

At the national level, a National Advisory Board on Labour Cooperatives, which is proposed to be constituted will examine the problems of labour cooperatives and issue guidelines to the State Governments, besides monitoring the overall progress of the programme.

1.16 The Committee are not satisfied with the reply of the Government. They reiterate their earlier recommendation that all States and Union Territories should earmark sufficient funds to assist the labour cooperatives and also accord the highest priority to organise them on a large scale.

The Committee would like to be informed if National Advisory Board on Labour Cooperatives has since been set up to monitor the overall progress of Labour Cooperatives.

1.17 In para 6.40 of the Report the Committee expressed their surprise that labour cooperatives did not fall within the scope of the Charter of National Cooperatives Development Corporation and as such NCDC could not extend financial assistance to the labour cooperatives. The Committee desired that the scope of functioning of National Cooperative Development Corporation should be widened so that it can provide necessary assistance to labour cooperatives which provide immense help to the downtrodden sections of the society, who are otherwise exploited by private contractors. The Committee, therefore, recommended that immediate steps should be taken to amend the charter of National Cooperative Development Corporation so that this national level Corporation can provide maximum assistance to labour cooperatives through the State level federations.

1.18 In their reply dated 31-8-1984, the Ministry of Agriculture (Deptt. of Agriculture & Cooperation) have stated that the question of amendment of NCDC Act, to cover certain activities including labour cooperatives which will mainly benefit Scheduled Castes and Scheduled Tribes and other weaker sections, is already under consideration.

1.10 The Committee are not satisfied with the reply of the Government. They reiterate their earlier recommendation that immediate steps should be taken to amend the Charter of National Cooperative Development Corporation so that this national level corporation can provide maximum assistance to Labour cooperatives through the State Level Federations.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation Sl. No. 1 (Para No. 1.11)

The Committee note that "Cooperative Societies" is a State subject and the State Government have exclusive legislative and exclusive jurisdiction over cooperative societies. Each State has its own Cooperative Societies Act and administrative set up for administering the Act under the Registrar of Cooperative Societies. The policy and programme guidelines etc. regarding cooperatives are drawn up by the State Government for implementation by the cooperative societies. The Committee also note that there is no Department of Cooperation at the Centre now. There is a Department of Agriculture and Cooperation. The legislative and executive responsibilities in respect of Multi-Unit Cooperative Societies vest in it. Besides, Cooperation in Agriculture sector, agricultural credit and indebtedness and general policy in the field of Cooperation and coordination of cooperative activities in all sectors are the two main functions of the Department of Agriculture and Cooperation. This is the nodal department for the cooperative movement in the country and functions as a catalyst and provides policy guidelines to the State Governments and coordinate with the financial institutions and other public sector organisations.

As the members of Scheduled Castes and Scheduled Tribes do not automatically secure the full benefits from the cooperative movement, the Committee feel that there should be a special orientation of the movement in their favour in all the State. As it is the primary responsibility of the Central Government to safeguard the interests of Scheduled Castes and Scheduled Tribes, the Committee recommend that in every State a high level Committee under the Chairmanship of the Chief Minister should be constituted which should watch the implementation of cooperative programmes in all the fields.

Reply of Government

Secretary, Department of Agriculture & Cooperation has addressed a D.O. letter to all Chief Secretaries of State Governments|Union

Territory Administrations high-lighting the important recommendations of the Parliamentary Committee, which have a bearing on the State Governments' approach to cooperative development to benefit the Scheduled Castes and Scheduled Tribes. The Chief Secretaries were also requested that the decision of the State Governments on the setting up of a high level Committee under the Chairmanship of Chief Minister be communicated to the Department of Agriculture & Cooperation. A copy of the D.O. letter No. R-11013/5/84-CWS dated the 25th June, 1984 is enclosed at Annexure—I.

[Ministry of Agriculture (Department of Agriculture and cooperation)

O.M. No. R-11013/5/84-CWS dated 31-8-1984.]

ANNEXURE I

S. P. Mukerji
Secretary

D.O. No. R-11013/5/84-CWS
Government of India
Ministry of Agriculture
(Deptt. of Agriculture & Cooperation)
Krishi Bhavan, New Delhi.
June 25, 1984.

Dear

The Parliamentary Committee on the Welfare of Scheduled Castes and Scheduled Tribes examined the benefits provided to Scheduled Castes and Scheduled Tribes in the Cooperative sector. In its report presented to Parliament, the Committee suggested a number of measures for stepping up the flow of assistance from cooperatives to SCs and STs.

2. The detailed recommendations are being forwarded separately to Secretary, Cooperation and Registrar of Co-operative Societies and others. The important recommendations having a bearing on Government's approach to cooperative development in the State are briefly listed below:

- (i) The share of SCs and STs in the loan distributed by agricultural cooperatives should not be less than the percentage in the total population of the concerned State.
- (ii) The State Government should provide grant-in-aid to enrol SCs and STs as members of cooperatives, loans towards additional share capital, interest subsidy on short-term loans and additional subsidy on medium term and long term loans sanctioned under IRDP to these classes.

- (iii) The State Governments should encourage setting up of Scheduled Castes Cooperatives in areas where there is Scheduled Castes concentration.
- (iv) The State Government should lease out forest areas to tribal development corporation on a long-term basis to facilitate the marketing of minor forest produce to the exclusion of private traders.
- (v) Highest priority should be accorded to labour cooperatives on a large scale and State Government should adopt a policy of awarding all unskilled works up to the specific amounts to labour co-operatives only.
- (vi) As fishermen are generally Scheduled Castes, the State Government should encourage organisation of fishery co-operatives and provide assistance to them.

3. To ensure that the cooperative policy and programmes at the State level is oriented to benefit SCs and STs, the Committee has recommended that "in every State a high level Committee under the Chairmanship of Chief Minister should be constituted" and "the Scheduled Castes/Scheduled Tribe MLAs and MPs of each State should be associated with the high level committee in the State".

4. I shall appreciate if you could have the above matter examined for early decision at the Government level for implementing the suggestions of Parliamentary Committees and for inclusion of special programmes for SCs and STs in the Seventh Plan of the States. The decision on the setting up of a high level committee, referred to above, may kindly be communicated to us at an early date.

With regards,

Yours Sincerely,

Sd/-

(S. P. Mukerji)

Comments of the Committee

The Committee would like to know as to how many States|Union Territories have agreed to set up a high level Committee under the Chairmanship of the Chief Minister.

Recommendation Sl. No. 2 (Para No. 1.12)

The Committee need hardly stress that the economic development of Scheduled Castes and Scheduled Tribes is a common objective of all the State Governments as well as of the Central Government. With this end in view, the Scheduled Caste|Scheduled Tribe MLAs

and MPs in each State should be associated with the high level Committee in the State. This level Committee should ensure that the co-operative policy at the State level is enunciated in such a manner that the benefits of cooperation also reach these backward communities.

Reply of Government

In the D.O. letter referred to in reply to recommendation No. 1, Secretary, Department of Agriculture and Co-operation has advised that the high level committee to be set up under the Chairmanship of Chief Minister should *inter-alia* consist of the Scheduled Caste/Scheduled Tribe MLAs and MPs of the State.

[Ministry of Agriculture (Department of Agriculture and cooperation)

O.M. No. R-11013/5/84-CWS dated 31-8-1984.]

Comments of the Committee

The Committee would like to know as to how many States/Union Territory Administrations have agreed to implement the recommendation.

Recommendation Sl. No. 3 (Para No. 1.13)

Department of Agriculture and Cooperation which is the nodal Department at the Centre should keep close liaison with the high level Committee in each State with a view to watch the progress of cooperative movement in the country. Problems which may affect more than one State in the field of cooperation can be sorted out by this nodal department at the centre by mutual discussion with the concerned State.

Reply of Government

The Department of Agriculture and Cooperation will keep liaison with the high level Committees set up in the State Governments.

[Ministry of Agriculture (Department of Agriculture and cooperation)

O.M. No. R-11013/5/84-CWS dated 31-8-1984.]

Recommendation Sl. No. 4 (Para No. 2.10)

The Committee note that the Reserve Bank of India has been publishing statistics about the Cooperative Movement in India. Information about the membership of Scheduled Castes and Scheduled Tribes has been collected and published by the Reserve Bank since 1973-74 in respect of Primary Agricultural Credit Societies. In respect of other cooperatives the figures relating to Scheduled Castes and Scheduled Tribes are available only from 1976-77 to 1978-79. Figures for Primary Agricultural Societies including LAMPS are available upto

1981-82. This work of publishing statistics about cooperative movement has now been taken over by National Bank for Agriculture and Rural Development (NABARD).

The Committee are concerned to note that no uniform procedure has been followed in the compilation of the statistics relating to cooperative movement in the country. The Committee need hardly stress that maintenance of such figures alone can reveal the success of the cooperative movement from year to year. The Committee, therefore, suggest that Department of Agriculture and Cooperation should issue suitable guidelines to the State Government and Union Territory Administrations for furnishing data relating to cooperative societies in a prescribed proforma. The prescribed proforma should be comprehensive so that the various details relating to the functioning of the cooperatives can be obtained from the State Governments. The Committee feel that in the absence of maintenance of such statistics, the Central Government cannot make a claim that greater attention is being focussed on the Scheduled Castes/Scheduled Tribes and other weaker sections.

Reply of Government

At the instance of the Department of Agriculture and Cooperation, **NABARD has requested all State Governments** to indicate in their annual Cooperative Statistical Statements specific information on membership of Scheduled Castes and Scheduled Tribes in all types of societies and also other operational details relating to Scheduled Castes and Scheduled Tribes. At present these details are available only in respect of primary agricultural credit societies. As receipt of full statistical statements take a longer time to be compiled and published by the NABARD, it is proposed to obtain advance data from all states within a shorter period of say, six months after the close of the Cooperative year in June. In this advance data, information will be collected in respect of cooperative membership of Scheduled Caste/Scheduled Tribes in all types of societies and also operational details in respect of agricultural credit societies.

[Ministry of Agriculture (Department of Agriculture and cooperation)
O.M. No. R-11013/5/84-CWS dated 31-8-1984.]

The precise action taken to obtain advance data from the States should be intimated to the Committee.

Recommendation Sl. No. 5 (Para No. 2.11)

The Committee find that whatever data is available has not been analysed with a view to identify the areas where cooperative movement has not picked up to the desired extent. The Committee, therefore, recommend that there should be a monitoring cell in the Department of Agriculture and Cooperation which should make an indepth study of the data furnished by the State Governments relating to the functioning of cooperatives.

Reply of Government

The areas of weakness of the cooperative movement in different States has been broadly identified. However, as suggested by the Committee, the Monitoring Cell in the Department of Agriculture and Cooperation is proposed to be strengthened for this purpose during the Seventh Plan.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation Sl. No. 7 (Para No. 2.13)

The Committee are distressed to note that the percentage of Scheduled Castes and Scheduled Tribes in the total membership of Primary agricultural credit societies is not equal to their percentage in the total population of the country. The Committee would like to point out that the objective of the cooperative movement is to safeguard the weaker sections from the usurious rate of interest charged by the money-lenders and the agriculturists belonging to Scheduled Castes and Scheduled Tribes constitute a vulnerable target for them. The Committee are of the view that the State Government|Union Territory Administration should be motivated to take necessary steps to increase the memberships of Scheduled Castes|Scheduled Tribes and other weaker sections in Primary Agricultural Credit Societies. In order to achieve results each State Government should fix targets and try to achieve them as per schedule. The progress made in this regard should be revised by the respective State Government once in each year.

In the Committee's opinion this is the only method by which increase in the intake of Scheduled Caste|Scheduled Tribes in Primary Agricultural Societies can be properly assessed. The statistics received from the State Governments should clearly reflect the increase in the membership of Scheduled Castes and Scheduled Tribes in cooperative societies so that the monitoring cell of the Department of Agriculture and Cooperation can make a correct appraisal about the par-

participation of Scheduled Castes and Scheduled Tribes in the Cooperative Movement.

Reply of Government

The recommendation of the Committee has been forwarded to all State Governments. As already mentioned in reply to recommendation No. 6, the membership of Scheduled Castes and Scheduled Tribes in primary agricultural credit societies has increased from 62.7 lakhs or 17.2 per cent of the total membership in 1974-75 to 129.3 lacs or 21.3 per cent of the total in 1981-82. The Working Group on Agricultural Credit and Cooperation for the Seventh Plan has suggested schemes for giving share capital and other assistance to Scheduled Castes/Scheduled Tribes which would further help in expanding the membership of Scheduled Castes/Scheduled Tribes in cooperatives and increasing the flow of credit and other benefits to these communities. As indicated in reply to recommendation No. 14, the State Governments have already been asked to incorporate specific information relating to membership of Scheduled Castes/Scheduled Tribes in all types of cooperatives and also other operational details in their statistical statements on cooperatives. The Department of Agriculture and Cooperation will monitor the progress on the basis of information furnished by the State Governments.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation Sl. No. 8 (Para No. 2.14)

The Committee regret to point out that there are very few Primary Cooperative Societies organised exclusively for Scheduled Castes in the States. The fact that few such societies exist indicates that no serious efforts have been made by the State Governments to bring Scheduled Castes within the Cooperative fold in larger numbers. In certain States like Punjab and Haryana there are no Scheduled Tribes and as such the need for setting up cooperatives exclusively for the benefit of Scheduled Castes is all the more essential. The Committee therefore recommend that State Governments should identify the areas of Scheduled Caste Concentration in their respective States and prepared programmes for setting up cooperative societies of Scheduled Castes in various fields.

Reply of Government

The strategy for cooperative coverage of SCs/STs includes increasing the membership of SCs/STs in the existing societies and also or-

ganisation of functional cooperative like dairy, poultry, fishery, etc. which would mainly benefit the SCs|STs. For example, 31,395 dairy cooperatives, 4923 fishery cooperatives, 1437 poultry cooperatives and nearly 15,767 labour contract societies including forest labour societies have been organised upto the end of June, 1982. The recommendation has also been forwarded to the State Governments.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013|5|84-CWS dated 31-8-1984]

Recommendation Sl. No. 10 (Para No. 2.23)

The Committee are glad to note that the State Cooperative laws of Andhra Pradesh, Bihar, Haryana Karnataka, Punjab, Rajasthan, U.P., and West Bengal have been amended to provide for automatic membership in Primary Agricultural Societies to all persons, who are duly qualified for admission as a member from the date of their making an application for admission. The Committee recommend that Department of Agriculture and Cooperation should persuade the remaining State Governments to fall in line and amend their respective Cooperative Acts to incorporate a similar provision in them.

Reply of Government

In addition to the States mentioned in the Committee's recommendations above, we have since received information that similar provision for automatic membership has been made in the State Cooperative Societies' Acts of Tamilnadu and Orissa. Other States are also being persuaded to amend the Cooperative Societies' Act suitably.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation Sl. No. 13 (Para No. 2.26)

The Committee note that various State Government give a number of concessions to Scheduled Castes and Scheduled Tribes in the matter of grant of cooperative credit. They consider the following facilities provided by Karnataka worth emulating by other States:

- (a) Grant-in-aid to enrol Scheduled Castes and Scheduled Tribes as members.
- (b) Loan towards additional share capital contribution.

- (c) Interest subsidy on Short Term loan advanced to Scheduled Castes.
- (d) Subsidy on loan advanced by Urban Cooperative Banks; and
- (e) Additional subsidy on medium terms and long term loans sanctioned under IRDP to Scheduled Castes.

They, therefore, recommend that other State Governments should also fall in line and provide the above facilities to Scheduled Caste/Tribes members of the cooperatives.

Reply of Government

The recommendation of the Committee spelling out the facilities provided by the Karnataka Government have been commended to the State Governments.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation, Sl. No. 15 (Para No. 2.41)

The Committee are surprised to note that a large number of co-operative societies continued to be under supersession without elected management being restored for long. They, therefore, recommend that all the State Governments should be advised to take expeditious action in the matter of restoring elected management of societies as the prolonged suspension of democratic processes would adversely affect the interests of Scheduled Castes, Scheduled Tribes and other weaker sections.

Reply of Government

The Department of Agriculture and Cooperation have advised the State Governments where a large number of cooperatives are under supersession, to take expeditious steps to restore the management of cooperatives to the elected management.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation, Sl. No. 16 (Para No. 2.42)

The Committee feel that there should be a provision in the co-operative legislation fixing a time-limit for supersession of cooperative society and it should be mandatory to restore the elected management on the expiry of the period prescribed.

Reply of Government

The State Cooperative Societies Acts contain a provision fixing the time-limit upto which a society could be continuously under supersession.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation, Sl. No. 17 (Para 3.11)

The Committee are concerned to note that the Ministry of Agriculture (Department of Agriculture and Cooperation) do not have information about the number of Scheduled Castes and Scheduled Tribes members of Cooperative societies who have been imparted cooperative education in various States|Union Territories. They would like to stress that unless such statistical data relating to the members of weaker sections are properly maintained, there could be no effective planning for their education. The Committee recommend that statistical data about the number of Scheduled Caste and Scheduled Tribe members of Cooperative Societies who have been imparted Cooperative education in each State should be maintained separately in order to facilitate effective planning for their education and to evaluate the impact of coop. education on the functioning of the societies. The Committee need hardly stress that the success of Cooperative depends upon the capacity of its members and office bearers to understand the basic principles of Cooperation and put them into practice effectively. It is through Cooperative education alone that the members of the weaker sections can be made to appreciate fully their rights and to obtain benefits from Cooperatives to which they are entitled.

Reply of Government

Cooperative education of members is being done by the State Cooperative Unions which are under the Administrative control of the State Governments. At the national level, the National Cooperative Union of India is monitoring the whole programme and also providing academic support to the State Cooperative Unions. The National Cooperative Union of India, at the instance of Department of Agriculture and Cooperation, has written to all the State Cooperative Unions to focus greater attention on educating the Scheduled Castes and Scheduled Tribes members of cooperative societies and also to keep separate statistical data about number of Scheduled Castes|Scheduled Tribes members educated. The Working Group on Agricultural Credit and Cooperation for the Seventh Five Year Plan

has also placed large emphasis on special efforts to be made for co-operative education of Scheduled Castes|Scheduled Tribes members.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation, Sl. No. 19 (Para No. 3.13)

The Committee note that the study made by evaluation Team has revealed that in the societies where cooperative education programme has been completed, the membership and the share capital have definitely increased at a much faster rate than in the societies which are not covered by it. The Committee, therefore, recommend that the co-operative education progdemme should be intensified in all State| Union Territories with special focus on the Scheduled Castes and Scheduled Tribes. The Committee suggest that the number of Instructors should be increased and while appointing them the factors like geographical area to be covered and difficult means of communications in tribal areas should receive due consideration. In order to have sufficient appreciation of the tribal economy and its problems, the Committee recommend that special effort should be made by the State Co-operative Unions to recruit persons belonging to Scheduled Tribes as instructors in tribal areas.

Reply of Government

The National Cooperative Union of India, which is the apex institution for the cooperative movement in the country and also responsible for cooperative education and training, has, at the instance of Department of Agriculture & Cooperation, commended the recommendation of the Committee to the State Cooperative Unions for implementation. The NCUI has also been requested to monitor the implementation of this recommendation.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation, Sl. No. 20 (Para No. 3.23)

The Committee note that the percentage of Scheduled Castes/ Tribe cooperative personnel trained at various levels in relation to the total number of personnel trained in some of the States for which details are available, is not at all satisfactory. They desire that larger number of Scheduled Caste/Tribe cooperative personnel should be trained at all levels, as they are in a better position to appreciate the problems of the weaker sections and held in the better management of cooperatives particularly of Scheduled Castes and Scheduled Tribes.

Reply of Government

The training of personnel of cooperatives is being looked after by the National Council for Cooperative Training which is a part of the National Cooperative Union of India. The NCCT is running the Vaikunth Mehta National Institute of Cooperative Management meant for senior level personnel and is also running 17 cooperative training colleges meant for middle level personnel of Cooperative Institutions and State Cooperative Departments. The training of junior personnel is being done by the State Cooperative Unions with assistance from the State Government and NCCT provides general guidance and academic support to these institutions.

The recommendations of the Committee has been brought to the notice of the NCCT. The NCCT has already taken a decision to allocate 10 per cent of the quota meant for private candidates to be trained in the cooperative training colleges, exclusively reserved for persons belonging to SCs/STs and such candidates are also given stipend as well as travelling and daily allowance to join the training course which facility is not available to others. The NCCT is also making effort to expand and strengthen the cooperative training institutions in under-developed States and also in the States which have a large population of Scheduled Tribes.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation, Sl. No. 21 (Para No. 4.24)

The Committee note that National Cooperative Development Corporation (NCDC) was set up in March, 1963 and it is essentially a promotional and developmental organisation at the national level. It serves as the focal point for planning, initiating, developing and financing of nation-wide cooperative programme for processing, marketing, storage and distribution of agricultural inputs, etc.

The Committee further note that "Cooperative Societies" is a State subject and NCDC has no supervisory or controlling power over the cooperatives in the States. It assists co-operative societies only through the State Governments.

The Committee find that the activities of NCDC have undergone significant diversification particularly since the beginning of the Fifth Five Year Plan and it is now aiding other programmes relating of Fishery, Poultry, Dairy, Tribals, Scheduled Castes, Handloom Weavers etc. It is also financing cooperative consumer activities in the rural areas.

The Committee regret to point out that the total assistance provided by NCDC to cooperatively under-developed States up to 31-3-1983 was Rs. 136.40 crores which is 23.2 per cent of the total assistance provided by NCDC. Over 48 per cent of this amount was provided by NCDC during the first 3 years of the Sixth Plan. The Committee feel that earlier NCDC was not seized of the problem of cooperatively under-developed States and it had not paid much attention to this aspect during the previous Plans even though it was set up in 1963 primarily for giving a fillip to the cooperative movement in the country. The Committee recommend that NCDC should pay greater attention to the under-developed States and lay down specific guidelines for strengthening the cooperative infrastructure in these States.

The Committee note that no scheme of the Central Government is individual-oriented and NCDC also does not provide direct assistance to the Cooperative Societies. But nothing prevents NCDC to diagnose the inherent weakness in the cooperative structure in under-developed States and to suggest remedial measures to strengthen the cooperative base.

Reply of Government

The NCDC has been requested to pay greater attention to development of cooperative activities in underdeveloped States/Union Territories. NCDC proposes to draw up special programmes for development of cooperatives particularly in the North Eastern region in the 7th Plan.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation Sl. No. 23 (Para No. 4.26)

The Committee also urge the State Governments to encourage the setting up of Scheduled Caste Cooperatives in their States as Scheduled Castes constitute the poorest section of the society.

Reply of Government

The recommendation has already been forwarded to the State Governments to promote setting up of Scheduled Caste cooperatives. The details of the strategy and programme for cooperative coverage of Scheduled Castes have been indicated in reply to recommendation No. 8.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation Sl. No. 25 (Para 5.12)

The Committee note that large sized multi-purpose societies called LAMPS have been organised in areas where there is concentration of tribal population. At the end of 1978-79 there were 2098 LAMPS in the country. The membership of LAMPS consists of tribals, Scheduled Castes and others also. But in order to safeguard the interests of tribals, there is a stipulation that two-thirds of the members in the Board of Management shall be tribals only.

LAMPS undertake the distribution of consumer articles, they collect the minor forest produce from the tribals and ensure remunerative price for it and also disburse loans to its members. On a rough estimate, 47 to 48 per cent of the loans given by LAMPS go to the tribal people.

The Committee feel concerned that the study made by the Reserve Bank of India in 1981 has revealed that most of the LAMPS are not viable and they do not have the minimum business of rupees five lakhs. Most of them are burdened with the problems of heavy overdues. The Committee recommend that all the State Governments should be advised to make a critical appraisal about the functioning of LAMPS in their respective States and take effective steps to make them viable institutions. The State level tribal development cooperative corporations should have a firm link-up with the LAMPS and they should exercise complete control over their functioning.

Reply of Government

The recommendation of the Committee has been forwarded to the State Governments. Besides, the Department of Agriculture and Cooperation had convened a National Workshop on Cooperatives in Tribal Areas in February, 1984. The approach of the workshop was to take measures to insulate tribals from exploitation of money lender-cum-private traders, provide facilities to the tribals for inputs and marketing of outputs, re-alignment of procedure and to design policy framework to encourage cooperatives for tribals. On the basis of the recommendation of the Workshop, the Secretary, Department of Agriculture and Cooperation had addressed a D.O. letter to all Chief Secretaries. A copy of D.O. letter dated 21st February, 1984 is given in the annexure.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013/5/84-CWS dated 31-8-1984]

S.P. Mukerji
Secretary

D.O. No. N. 11012/20/83-CWS

Government of India

Ministry of Agriculture

(Department of Agriculture & Cooperation)

Krishi Bhawan, New Delhi.

February 21, 1984.

Dear,

A National Workshop on Cooperatives in Tribal Areas was held at Delhi on the 8th and 9th February, 1984 in which representatives of State Governments, Tribal Development Cooperative Corporations, Central Ministries, NABARD and others participated. I am enclosing a copy of the proceedings of this Workshop for your information.

2. The approach of the Workshop to cooperatives in tribal areas, you will observe, is to insulate tribals from the exploitation of money lender-cum-private trader, provide facilities to the tribals for supply of input marketing of output, re-alignment of procedures to suit the needs of the tribals and design policy framework that would support and encourage cooperatives in their activities directed to the economic development of tribals. In pursuance of this approach the Workshop has suggested a number of measures for strengthening the structure of cooperatives in tribal areas, expanding the membership of tribals, increasing the flow of credit for production as well as consumption purposes, marketing of minor forest produce, strengthening of the management of cooperatives. The Workshop has also made specific recommendations regarding the State policies in regard to minor forest produce and exploitation of forest coups.

3. I shall appreciate if you could get these recommendations implemented and formulate cooperative programmes for development of tribals which could be included in the Seventh Plan. We shall be happy to provide assistance from the NCDC and Central Ministries for the cooperative programmes for tribals. I shall also appreciate if you could have at the State as well as district level, a high level coordination and monitoring committee, for the cooperative programmes for tribals.

With regards,

Yours sincerely,

Sd/-

Encl: As above

(S. P. Mukerji)

Recommendation Sl. No. 26 (Para No. 5.13)

The Committee recommend that a survey should be made about the market potential of each minor forest produce available in the forests in different States. The possibility of exporting certain items like tamarind might be explored.

Reply of Government

A copy of the recommendation of the Committee has been forwarded *inter-alia* to Chief Conservator of Forests of all States and also to Directors of Tribal Welfare of States. A copy of the recommendation has also been forwarded to the NAFED which is presently dealing with minor forest produce and exporting nigerseeds. The National Cooperative Development Corporation, which is providing assistance to the Tribal Cooperatives in the States through the State Governments, is commissioning a survey of minor forest produce in Orissa. A proposal for the organisation of a National level Tribal Development Cooperative Federation (TRIFED) is already under consideration and the bye-laws for the proposed TRIFED are being finalised. A major function of TRIFED will be marketing a minor forest produce which will take necessary steps for marketing as well as export of minor forest produce.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013/5/84-CWS dated 31-8-1984.]

Recommendation Sl. No. 27 (Para No. 5.14)

The Committee recommend that the Tribal Development Corporations should be given maximum facilities for their efficient functioning. The State Governments should lease out forest areas to Tribal Development Corporations on a long term basis to facilitate the marketing of minor forest produce to the exclusion of private traders. They desire that the Tribal Development Cooperative Corporations should also equip themselves with modern processing facilities and strengthening their marketing arrangements so that there is no problem to sell the minor forest produce collected by LAMPS.

Reply of Government

The Secretary, Department of Agriculture and Cooperation in his D.O. letter No. R-11013/5/84-CWS dated 25-6-1984 addressed to the Chief Secretaries has laid special emphasis on leasing out of forest areas to Tribal Development Cooperative Corporation on a priority basis. The NCDC will be providing assistance to State Tribal

Development Cooperative Federations for establishing of processing units.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O. M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation Sl. No. 28 (Para No. 5.15)

The Committee need hardly stress that the top level posts in Tribal Development Cooperative Corporations should be filled by dedicated and efficient administrators who have the vision and capacity to turn them into viable institutions.

Reply of Government

The recommendation has been forwarded to the State Governments.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O. M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation Sl. No. 29 (Para No. 5.16)

The Committee feel that LAMPS can be viable institutions only when the loans disbursed by them are returned by the beneficiaries in time. The Committee recommend that the State Governments should review the position regarding recovery of loans in each LAMPS and Tribal Development Corporations should be charged with the responsibility of keeping close watch on the recovery position of loans in each LAMPS.

Reply of Government

The problem of overdues in cooperatives in general is being closely watched and the State Governments are being advised from time to time on recovery of the overdues. In respect of LAMPS, the recommendation of the Committee has been forwarded to the State Governments.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O. M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation Sl. No. 31 (Para No. 6.36)

The Committee further recommend that the proposal to set up a high-powerful Labour Cooperative Advisory Committee at the national level should be given a concrete shape immediately.

Reply of Government

A high-power Labour Cooperative Advisory Committee at the national level is being constituted, which will monitor the whole

programme of Labour Cooperatives and issue guidelines to State Governments from time to time regarding the policy approach and assistance to cooperatives.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O. M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation Sl. No. 32 (Para No. 6.37)

The Committee are concerned to note that the Labour Cooperatives are not getting awards from the work awarding agencies, despite the advice from the Ministry of Agriculture (Department of Agriculture and Cooperation) that unskilled works upto a specified limit should be given to Labour Cooperatives without tender and security deposit/earnest money should also not be insisted upon. The Committee recommend that all State Governments should adopt a policy to award contracts of all unskilled works upto a specified amount to labour cooperatives only.

Reply of Government

As already indicated in reply to recommendation No. 30, the Secretary to the Government of India in the Department of Agriculture and Cooperation has written to all the Chief Secretaries that the State Governments should adopt a positive policy of awarding of unskilled works upto a specific amount to labour cooperatives. The progress will be reviewed and the suggestion of the Committee pursued with the State Governments.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O. M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation Sl. No. 34 (Para No. 6.39)

The Committee feel that small labour cooperatives are likely to face difficulty in handling bigger contracts. The Committee recommend that there should be State level Labour Cooperative Federations for coordinating the activities of such district level cooperative federations.

Reply of Government

The institutional structure for labour cooperatives is that there will be primary labour cooperative societies of individual members with district level federations and also State level federations. There are 38 district level federations and 3 State level federations. At the national level, a national level federation has been set up to provide guidelines to the State level cooperatives. In the States

where there are no State level federations, action will be taken to promote such federations.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O. M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation Sl. No. 36 (Para No. 6.41)

The Committee note that Dairy and Fishery Cooperatives which have more than 50 per cent of Scheduled Caste/Scheduled Tribe members are entitled to get additional incentive under the scheme prepared by National Cooperative Development Corporation in this regard. The Committee recommend that as fishermen are generally from Scheduled Caste Community, the State Government should encourage the setting up of more fishery co-operatives with a view to organise the fishing trade on a sound footing and to eliminate the middlemen, who try to exploit the fishermen.

The Committee suggest that there should be proper marketing arrangements so that the fishermen get remunerative price for the fish and thereby they are saved from exploitation by middlemen. The Committee also recommend that the fishermen should be provided with subsidy for the purchase of fishing nets, boats etc.

Reply of Government

The approach to development of fishermen's cooperatives is an integrated one covering supply of inputs, facilities for storage, processing and also marketing of fish and fish products. NCDC is providing subsidy to the fishermen cooperatives for purchase of fishing nets, etc. under its scheme.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O. M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation Sl. No. 37 (Para No. 6.42)

The Committee find that in certain States like Karnataka and Kerala fishermen are not classified as Scheduled Castes and as such these cooperatives would not be entitled to the additional benefits under the special Scheme of National Cooperative Development Corporation. The Committee recommend that the concerned States should provide the necessary facilities to such cooperatives from their own Plan Schemes so that fishing trade does not suffer any set back in their respective States.

Reply of Government

The recommendation of the Committee has been forwarded to the State Governments and will be pursued with them.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013|5|84-CWS dated 31-8-1984]

Recommendation Sl. No. 38 (Para No. 6.43)

The Committee regret to point out that in 1981 there were hardly 11,291 poultry cooperatives in the entire country. As poultry can play a useful role in providing supplementary means of income to the weaker sections, the Committee recommend that all State Governments should accord highest priority to the setting up of poultry farms and poultry cooperatives in each district. At the State level, a federation should be set up to coordinate the activities of various poultry cooperatives and to ensure proper marketing arrangements.

Reply of Government

Besides communicating the recommendations of the Committee to the State Governments, copies of the recommendations have also been endorsed to the Directors of Animal Husbandry of various States and also the Registrars of Cooperative Societies who organise poultry cooperatives and provide assistance to them. The pattern of organisation of cooperatives consists of primary poultry cooperatives of individual poultry farmers as members. These primary societies are to be federated into a union which will provide marketing and other support to these primary level cooperatives. There are 8 such unions. The States where such unions are not there, will be persuaded to organise such cooperatives at State levels.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013|5|84-CWS dated 31-8-1984]

Comments of the Committee

The Committee hope that the Ministry of Agriculture (Department of Agriculture and Cooperation) will pursue the matter further so that poultry cooperative unions are organised in all the States.

Recommendation Sl. No. 39 (Para No. 6.44)

The Committee also recommend that all the State Governments should start organising Scheduled Caste|Scheduled Tribe Poultry

Cooperatives immediately emulating the examples of Himachal Pradesh and Kerala. In order to make them viable and profitable, the Committee recommend that these cooperatives should be run on the same lines of which dairy cooperatives are run.

Reply of Government

The recommendation has been forwarded to the Animal Husbandry Departments of the State Governments and this is being followed up.

[Ministry of Agriculture (Departments of Agriculture and Co-operation) O.M. No. R-11013/84/CWS dated 31-8-1984]

Recommendation Sl. No. 40 (Para No. 6.65)

During visits to several States the Study Groups of the Committee have noted that a large number of poultry cooperatives are on the verge of closure because the birds have perished on account of same disease. In such cases, the Committee recommend that poultry cooperatives should be helped by providing more funds so that they do not close down. In deserving cases, the question of write-off of the loan given to such cooperatives should be considered.

Reply of Government

The Working Group on Agricultural Credit and Cooperation for the 7th Plan has recommended a large programme of assistance for weaker sections including poultry cooperatives. The State Registrars of Cooperative Societies and State Directors of Animal Husbandry are to implement the poultry programmes and this recommendation has been forwarded to them also. This will be pursued with them.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013/84/CWS dated 31-8-1984]

Recommendation Sl. No. 41 (Para No. 6.46)

The Committee are concerned to note that there is no specific scheme to provide assistance to Scheduled Castes Handloom Cooperatives on a priority basis. The Committee were informed during evidence by the representative of Handloom Development Commissioner that there is one such programme included in the Seventh Five Year Plan and the matter is under the consideration of the Planning Commission. The Committee feel surprised why such a scheme to assist the Scheduled Caste Handloom Cooperatives was not contemplated during the Sixth Plan period. The

Committee recommend that Scheduled Caste/Tribe Handloom Cooperatives should be given assistance on priority basis and the quantum of assistance should be more Liberal than it is for others. The Committee desire that Government should also examine as to why there has been no proper response from the States for the scheme of NCDC for weaker cooperatives having more than 50 per cent Scheduled Caste members.

Reply of Government

The Development Commissioner for Handloom to whom a reference was made, has indicated that the Sub-Groups on Handlooms set up for working out the approach for development of handlooms during the Seventh Five Year Plan has made recommendations for evolving a suitable strategy for the Scheduled Castes/Scheduled Tribes weavers. The proposals of the Sub-Group are presently under consideration of the main Working Group on Textiles in the Ministry of Commerce.

The NCDC scheme for Scheduled Castes was recently reviewed in a meeting under the Chairmanship of Union Minister of Agriculture. The NCDC has been requested to review the present scheme to ensure large flow of funds for cooperatives with sizeable Scheduled Caste membership.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013/5/84-CWS dated 31-8-1984]

Comments of the Committee

The Committee would like to be apprised of the decision taken on the recommendations of the Sub-Group on Handloom set up for working out the approach for development of handlooms during the Seventh Five Year Plan.

Recommendation Sl. No. 42 (Para No. 6.47)

The Committee note that the Government of Tamil Nadu have a scheme under which each weaver contributed 6 paise out of each rupee he earned and the State Government contributed 3 paise to constitute a welfare fund for the individual weaver so that by the time he retired he would have earned Rs. 15,000/-. They recommend that other States should follow suit in this regard.

Reply of Government

The Development Commissioner, Handlooms in the Ministry of Commerce to whom this recommendation was forwarded has informed that he has called for a copy of the Tamil Nadu scheme

from the Director of Handlooms and Textiles, Tamil Nadu and on receipt of the same, the other State Governments will be addressed to formulate similar schemes.

[Ministry of Agriculture (Department of Agriculture and Co-operation) O.M. No. R-11013/84/CWS dated 31-8-1984]

Recommendation Sl. No. 44 (Para No. 7.6)

The Committee have received complaints that the personnel employed in the cooperatives indulge in undesirable activities and pay little attention towards the welfare of Scheduled Castes and Scheduled Tribes as their job is non-transferable and they consider themselves immune from any action. The Committee recommend the creation of a cadre at the district level for the personnel employed in cooperative societies in the district.

Reply of Government

To encourage the formation of cadres of personnel for agricultural credit societies, there was a Central Sector scheme under which assistance was given to the State Governments for contributing to the cadre fund in the States for appointing managers of primary agricultural credit societies. The State Governments have been advised that while recruiting personnel for the cadre, reservations for Scheduled Castes and Scheduled Tribes applicable in the States for such categories, may be followed. The cadre authority for managers of primary agricultural credit societies is generally at district level.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013/84-CWS dated 31-8-1984]

Comments of the Committee

The Committee hope that the matter will be pursued by the Ministry of Agriculture (Department of Agriculture and Cooperation) so that a cadre of cooperative personnel is created at the District level in all the States.

Recommendation Sl. No. 45 (Para No. 7.7)

The Committee also recommend that one government officer should be included in the Board of Management at the State Co-operative Bank level to ensure that the benefits meant for weaker sections are actually availed of by them.

Reply of Government

There is generally one or more Government nominees on the Board of Management of State cooperative banks. The recommendation of the Committee has been forwarded to the State Governments to ensure that the Government nominee|nominees ensure that the benefits meant for weaker sections actually flow to them.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013|5|84-CWS dated 31-8-1984]

CHAPTER III

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

Recommendation Sl. No. 6 (Para 2.12)

As welfare of Scheduled Castes and Scheduled Tribes is the main responsibility of the Central Government Department of Agriculture and Cooperation should issue suitable guidelines to the States/Union Territory Administrations with a view to achieve greater participation of Scheduled Castes and Scheduled Tribes, in the Cooperative movement of the country. The Committee feel that the Central Government must ensure that all the State Governments and Union Territory Administrations make concerned efforts to bring Scheduled Castes and Scheduled Tribes within the Cooperative fold, in much larger numbers.

Reply of Government

As a result of the efforts made so far, there has been considerable expansion of SCs/STs membership in cooperatives and also in the flow of benefits to them from the cooperatives. The membership of SCs and STs in Primary Agricultural Credit Societies has increased from 62.7 lakhs or 17.2 per cent of the total membership in 1974-75 to 129.3 lakhs or 21.3 per cent of the total membership in 1981-82. The short-term and medium term loans given to SCs/STs by these societies had also increased from Rs. 58 crores or 6.4 per cent of the total in 1974-75 to Rs. 146.5 crores or nearly 10 per cent of the total in 1978-79. In the Seventh Plan, SCs/STs will receive still greater attention in cooperative activities and special schemes are proposed to be introduced for this purpose.

[Ministry of Agriculture (Department of Agriculture and Co-operation) O.M. No. R-11013/84/CWS dated 31-8-1984]

Recommendation Sl. No. 14 (Para 2.40)

The Committee note that only 14 States and one Union Territory have amended their cooperative legislation in pursuance of the recommendations of the conference of Chief Ministers held in 1968 to provide for reservation of seats for Scheduled Castes and Scheduled

Tribes in the Board of Management of Cooperative societies. The Committee recommend that other State Governments should also amend their respective legislation accordingly in order to safeguard the interests of Scheduled Castes and Scheduled Tribes, especially in the States of Meghalaya, Nagaland, Manipur and Tripura which are predominantly inhabited by Scheduled Tribes.

The Committee recommend that in the National level Cooperative Federations, there should be reservations for Scheduled Castes and Scheduled Tribes in their Board of Management.

Reply of Government

All the State Governments including Meghalaya, Nagaland, Manipur and Tripura have been advised to amend the Act providing for reservation on the Board of Management of cooperatives for members belonging to weaker sections. In the case of Nagaland, the State Government have indicated that 90 per cent of the total population of the State consist of Scheduled Tribes and that almost all the members of the societies and the members of Board of Management belong to Scheduled Tribes. A similar reply has also been received from the Government of Meghalaya. The amendment of the Cooperative Societies Act in the States of Manipur and Tripura are being pursued.

The National level cooperative federations do not have individual members. Only representatives of the cooperative societies in the States are on the General Body and the Board of Management of National level federations. The question of reservation of SCs/STs does not, therefore, normally arise. There is a provision in the bye-laws of some of the National level federations for co-option of individuals with experience and background in the relevant spheres. A new Multi-State Cooperative Societies' Bill has recently been passed by Parliament. The question of advising the National level federations to have a representative of SC/ST on the Board of Management will be examined and the Federations advised suitably.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013/5/84-CWS dated 31-8-1984]

Recommendation Sl. No. 43 (Para 7.5)

The Committee note that there are complaints that loans sanctioned to Scheduled Castes/Tribes do not reach them. They, therefore, recommend that the loan amount should be deposited in the bank account of the loanee instead of making cash payment to the

loanee. They also recommend that a survey should be conducted at the society level in each State and wherever such cases came to light and there is sufficient evidence that the money was not paid to the person concerned, such loans should be written off and disciplinary action should be taken against persons responsible for the fraud and falsification of accounts.

The Committee further recommend that in such cases a fresh loan should be sanctioned to the person who had not received the original loans shown in his name.

Reply of Government

It is the primary cooperative society of which individuals are members that sanction loans to the individual Scheduled Caste/Scheduled Tribe members. The members draw the loan amounts from the society in cash as and when they need them. The question of depositing the sanctioned amount in a bank which will be far away from the society does not normally arise. To avoid misuse of funds at the primary society level, some States have introduced pass book and cheque system. Other States have also been requested to introduce this system. Debiting the loan account of a member without actually paying him the money calls for criminal proceedings against those concerned. The system of audit and inspection envisaged under the various State Cooperative Societies Acts is intended to detect such cases of misappropriation and the State Governments have been advised from time to time to strengthen the audit arrangements for cooperative societies.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O. M. No. R-11013/5/84-CWS dated 31-8-1984]

CHAPTER IV

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

Recommendation Sl. No. 9 (Para 2.15)

The Committee regret to note that there is no scheme under which assistance is provided by the Central Government in the Ministry of Agriculture for enrolment of Scheduled Castes and Scheduled Tribes as members of cooperative societies in the States. The Committee recommend that the Ministry of Agriculture should introduce a scheme of providing central assistance to the States for enrolling Scheduled Castes and Scheduled Tribes as members of the cooperatives. The Committee hope that this will act as a sure incentive to the States to proceed in the desired direction.

Reply of Government

The Working Group on Agricultural Credit and Cooperation for the 7th Plan has recommended special Central Plan schemes directed specifically to benefit SCs and STs. These include grants to SC|ST members towards share capital, Government contribution to share capital of Large-Size Multipurpose Societies (LAMPS) and other cooperatives for SCs|STs, managerial assistance to these cooperatives and also assistance toward Price Fluctuation Fund of these cooperatives for marketing of agriculture|minor forest produce. The Working Group has also recommended implementation of a large programme of labour cooperatives including functional cooperatives for workers which will mainly benefit the Scheduled Castes.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013|5|84-CWS dated 31-8-1984]

Comments of the Committee

Please see Chapter I, Para No. 1.4.

Recommendation Sl. No. 11 (Para 2.24)

The Committee note that presently 40 per cent of the agricultural credit disbursed through cooperatives goes to the weaker sections in the country. Government have stated that by the end

of Sixth Five Year Plan 50 per cent of the agriculture cooperative credit is expected to go to the weaker sections. The Committee recommended that keeping in view the economic backwardness of Scheduled Castes and Scheduled Tribes specific shares of these communities in the total agricultural cooperative credit should be earmarked. The Committee feel that the share of Scheduled Castes and Scheduled Tribes in any case, should not be less than their percentage in the total population of the concerned State.

Reply of Government

As already mentioned in reply to recommendation No. 7, the share of Scheduled Castes|Scheduled Tribes in the short-term production loan of primary Agricultural cooperative societies had increased from 6 per cent in 1974-75 to nearly 10 per cent in 1978-79. The loan of a primary agricultural credit society is mainly land-based. The requirements of Scheduled Castes|Scheduled Tribes include credit for consumption purposes. Keeping this in view, the Working Group on Agricultural Credit and Cooperation has recommended that consumption credit should be made available to Scheduled Caste and Scheduled Tribe members. Further, a large programme of investment credit in the shape of medium and long-term loan by cooperatives is envisaged for the seventh Plan and as investment credit helps in broad-basing the income generating capacity, emphasis will be laid on the Seventh Plan for increasing the flow of medium and long-term cooperative credit to the weaker sections including Scheduled Castes|Scheduled Tribes.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013|5|84-CWS dated 31-8-1984]

Comments of the Committee

Please see Chapter I, Para No. 1.7.

Recommendation Sl. No. 18 (Para No. 3.12)

The Committee note that even in the few States for which data relating to training imparted under co-operative education programme is available, the percentage of Scheduled Caste and Scheduled Tribe members trained is not impressive. The representative of Department of Agriculture and Cooperation had admitted during evidence that training to Scheduled Castes and Scheduled Tribes must receive greater attention at last in proportion to their membership, if not higher. The Committee trust Government will adopt a methodology in Cooperative education whereby Scheduled Caste/Scheduled Tribe members would receive greater attention particularly in States|Union Territories where they are in great majority.

Reply of Government

As mentioned in reply to Recommendation No. 17, the Working Group on Agricultural Credit and Cooperation for the Seventh Plan has urged that, in the Seventh Plan, special programme should be evolved for educating Scheduled Castes and Scheduled Tribes members of co-operative societies. As there is a large number of functional cooperatives for various activities like fishery, dairy, poultry, labour etc. which mainly benefit the Scheduled Castes|Scheduled Tribes, the Working Group has recommended that special education programmes should be evolved to suit the requirements of the functional cooperatives.

[Ministry of Agriculture (Department of Agriculture and Co-operation) O.M. No. R-11013/84/CWS dated 31-8-1984]

Comments of the Committee

Please see Chapter I, para No. 1.10.

Recommendation Sl. No. 24 (Para No. 4.27)

The Committee also recommend that as a fair proportion of Scheduled Castes are engaged in agriculture, it should be possible to set up Scheduled Caste Cooperatives for running Agro-service centres and the State Government should take full advantage of NCDC assistance in this regard.

Reply of Government

The NCDC will provide all the assistance required for agro-service centres set up by Cooperatives formed by Scheduled Castes whenever such proposals are received from the State Governments.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O.M. No. R-11013/5|85-CWS dated 31-8-1984]

Comments of the Committee

Please see Chapter I, Para No. 1.13.

Recommendation Sl. No. 30 (Para No. 6.35)

The Committee note that National Advisory Board on Labour Cooperatives have advised the State Governments to take specific measures for strengthening and expansion of Labour Cooperatives. The Committee are pained to observe that in spite of such advice to States, many of the States like Assam, Himachal Pradesh, Manipur and Nagaland and Union Territories like Arunachal Pradesh, Pondicherry, Goa, Daman and Diu etc. have not even bothered to earmark funds for assisting the Labour Cooperatives during the current Plan.

As Labour Cooperatives can play a vital role for providing employment to the unemployed and under-employed people, the Committee urge that all the State Governments and Union Territory Administrations should earmark sufficient funds for assisting the Labour Cooperatives. It is needless to point out that a large percentage of the labour force consists of Scheduled Castes and Labour Cooperatives can play a pivotal role in providing work to them on a regular basis. The Committee therefore, recommend that the Central and State Governments should accord the highest priority to organise Labour Cooperatives on a large scale in all parts of the country. The Committee suggest that there should be a constant review of the progress made in the establishment of Labour Cooperatives in all the States

Reply of Government

The Secretary to the Government of India in the Department of Agriculture and Cooperation, in his D. O. letter dated 25th June, 1984, addressed to all the Chief Secretaries has emphasised that highest priority should be accorded to labour cooperatives on a large scale and the State Governments should adopt a policy of awarding all unskilled work up to a specific amount to labour cooperatives. The recommendations of the Committee have also been forwarded, besides the State Governments, to National Federation of Labour Cooperatives to follow-up the matter.

At the national level, advisory Board on Labour Cooperatives, which is proposed to be constituted, will examine the problems of

labour cooperatives and issue guidelines to the State Governments, besides, monitoring the overall progress of the programme.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O. M. No. R-11013/5/84-CWS dated 31-8-1984]

Comments of the Committee

Please see Chapter I Para No. 1.16.

Recommendation Sl. No. 35 (Para No. 6.40)

The Committee are surprised to note that labour cooperatives do not fall within the scope of the charter of National Cooperative Development Corporation and as such they cannot extend financial assistance to the labour cooperatives. It is needless to point out that the scope of functioning of National Cooperative Development Corporation should be widened so that it can provide necessary assistance to labour cooperatives which provide immense help to the down-trodden sections of the society, who are otherwise exploited by private contractors. The Committee, therefore, recommend that immediate steps should be taken to amend the charter of National Cooperative Development Corporation so that this national level Corporation can provide maximum assistance to labour cooperatives through the State level federations.

Reply of Government

As indicated in reply to recommendation No. 22, the question of amendment of NCDC Act, to cover certain activities including labour cooperatives which will mainly benefit Scheduled Castes and Scheduled Tribes and other weaker sections, is already under consideration.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O. M. No. R-11013/5/84-CWS dated 31-8-1984]

Comments of the Committee

Please see Chapter I ,Para No. 1.19.

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS ON WHICH FINAL REPLIES OF THE GOVERNMENT HAVE NOT BEEN RECEIVED

Recommendation Sl. No. 12 (Para No. 2.25)

The Committee note that the States of Gujarat, Maharashtra, Rajasthan, Madhya Pradesh and Karnataka have introduced on a voluntary basis, schemes for differential rate of interest to small farmers/weaker sections under which such borrowers are provided loans at 2 per cent to 4 per cent lower than the normal rate of interest. The Committee appreciate the differential rate of interest scheme and strongly recommend that other States should also consider the adoption of a similar scheme in the matter of grant of cooperative credit to Scheduled Castes and Scheduled Tribes. They further desire that NABARD should consider this scheme in depth and commend it to the States for further reduction in the rate of interest of loans taken by Scheduled Castes and Scheduled Tribes.

The Committee hope that while implementing this scheme, there is some fixed income criteria for judging if a person is or is not eligible to get loan at the concessional rate of interest.

Reply of Government

The recommendation of the Committee has been forwarded to all the State Governments. The recommendation has also been forwarded to NABARD to consider advising the State Governments regarding further reduction in the rate of interest of loan to Scheduled Castes/Scheduled Tribes. The matter is being pursued with NABARD.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O. M. No. R-11013/5/84-CWS dated 31-8-1984]

Comments of the Committee

The Committee should be informed about the final action taken by NABARD in the matter.

Recommendation Sl. No. 22 (Para No. 4.25)

The Committee find that NCDC had introduced a scheme in 1976 to help Scheduled Caste Cooperatives having more than 50 per cent

members from that community. Under the scheme, 80 per cent of the cost was to be met by NCDC and the remaining 20 per cent of the cost had to be met by the State Government Cooperative Society concerned. In 1980 NCDC liberalised its pattern of assistance for Scheduled Caste Cooperatives and 100 per cent assistance is now available to them. Even though NCDC has earmarked an outlay of Rs. 815 lakhs during the Sixth Plan for assisting the Scheduled Caste Cooperatives there is poor response from the State Governments and suitable proposals are not forthcoming.

The Committee are not convinced that the major factor responsible for the poor response from the States is that the State Governments cannot identify Scheduled Caste Cooperative having more than 50 per cent Scheduled Castes as they are not concentrated in a compact area like the tribals. The Committee feel that the main reason is that some of the activities which the Scheduled Castes undertake like tanning, shoe-making etc. do not come under the purview of NCDC and as such State Governments are helpless in sending proposals on the basis of vocation of the Scheduled Castes population in their States.

As such, the Committee recommend that NCDC Act should be suitably amended so that all Scheduled Castes including those engaged in shoe-making and tanning etc. can be brought within the cooperative fold and made eligible to the benefits under the scheme.

Reply of Government

The question of amendment of the NCDC Act to cover certain activities which will mainly benefit Scheduled Castes/Scheduled Tribes and other weaker sections, is under consideration.

[Ministry of Agriculture (Department of Agriculture and Cooperation) O. M. No. R-11013/5/84-CWS dated 31-8-1984]

Comments of the Committee

The Committee would like to be apprised of the final decision taken in the matter.

Recommendation Sl. No. 35 (Para No. 6.38)

The Rural landless Employment Guarantee Programme (RLEGP) aims at providing job opportunities to at least one member of each landless family in rural India. The scheme is funded 100 per cent by the Central Government. This scheme envisaged the creation of 300 million man days of work during 1984-85 in addition to the creation of 300-400 million man days of work annually under National Rural Employment Programme. The Committee recommend that both

these schemes should have proper linkages with the labour cooperatives in areas having large concentration of unemployed landless labour so that unemployed labour can get proper job opportunities. The Committee suggest that wages would be paid to the labour through the cooperatives of which they are the members.

Reply of Government

The Ministry of Rural Development who were consulted in the matter have indicated that "although there is no objection in principle to executing the works through labour cooperatives, yet experience indicates that most of the labour cooperatives function on the basis of the contractor system and do the work on a fixed sharing basis. It is for these reasons that execution of works under the programme through such cooperatives has not been favoured. The matter has come up for consideration in the conference of State Secretaries incharge of implementation of NREP held in May, 1983 and the idea could not find favour as most of the labour cooperatives function by and large as labour contractors". The matter is being taken up again with the Ministry of Rural Development to consider how best the labour cooperatives could be pressed into service in the implementation of the National Rural Employment Programme.

[Ministry of Agriculture (Department of Agriculture and Co-operation) O.M. No. R-11013/5/84-CWS dated 31-8-1984]

NEW DELHI;
July 31, 1985
Shravana 9, 1907 (S).

KRISHAN DATT SULTANPURI,
Chairman,
Committee on the Welfare of
Scheduled Castes and
Scheduled Tribes.

APPENDIX

(Vide Para 4 of the Introduction)

Analysis of the action taken by Government on the recommendations contained in the fifty-second Report of the Committee (Seventh Lok Sabha)

1.	Total number of recommendations	45
2.	Recommendations which have been accepted by Government (<i>Vide</i> recommendations at Sl. Nos. 1, 2, 3, 4, 5, 7, 8, 10, 13, 15, 16, 17, 19, 20, 21, 23, 25, 26, 27, 28, 29, 31, 32, 34, 36, 37, 38, 39, 40, 41, 42, 44, 45)	
	Number	33
	Percentage of total	73.33
3.	Recommendations which the Committee do not desire, no pursue in view of Government's replies (<i>vide</i> recommendations at Sl. No. 6, 14, 23).	
	Number	3
	Percentage to total	6.67
4.	Recommendations in respect of which replies of Government have not been accepted by the Committee and which require reiteration (<i>vide</i> recommendations at Sl. Nos. 9, 11, 18, 24, 30 & 35)	
	Number	6
	Percentage to total	13.33
5.	Recommendations in respect of which final replies of Government have not been received (<i>Vide</i> recommendations at Sl. Nos. 12, 22 & 33)	
	Number	3
	Percentage of Total	6.67