

Conference of Registrars of Cooperative
Societies and Directors-in-charge of
Backward Classes

AND

The State Ministers-in-charge of Welfare
of Backward Classes and State
Ministers-in-charge of
Cooperation

May, 1964

PROCEEDINGS AND AGENDA NOTES



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(DEPARTMENT OF COOPERATION)
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APPENDIX—A

SPECIAL WORKING GROUP ON COOPERATION AMONG BACKWARD CLASSES—A SUMMARY OF THE VIEWS OF THE STATE GOVERNMENTS

General

The Special Working Group on Cooperation among backward classes submitted its report in September, 1962. Copies of the report were sent on 17th October, 1962 to the Chief Secretaries of State Governments and subsequently to the Secretaries incharge of Cooperation, Secretaries incharge of Welfare of Backward Classes and to the Registrars of Cooperative Societies. The replies have so far been received from 9 States and two Union Territories i.e. from Cooperation Departments of Punjab, Maharashtra, Mysore, and Gujarat and from the Social Welfare Departments of Madhya Pradesh, Rajasthan, West Bengal, Kerala and Jammu and Kashmir. A list of departments from which replies have been received is enclosed. Their views/comments on the recommendations of the Group are summarised under various broad heads:

(a) Cooperatives in tribal areas

2. The West Bengal Government has not given its observations on the detailed recommendations, but has broadly stated that the recommendations do not have much bearing for their State as its 21 lakh tribal population is not covered by the tribal development blocks. There is, however, sufficient scope for expanding cooperative movement particularly, in the field of agriculture and industry based on agriculture and forest. Special staff and additional financial assistance should be provided from the central sector. No appreciable progress can be achieved by implementing the recommendations in a disjointed and piecemeal manner.

(i) Integrated service cooperatives

3. The States of Madhya Pradesh, Maharashtra, Gujarat and Rajasthan have agreed that where the system of hats is prevalent in the tribal areas, service cooperatives may be organised on the basis of the hat as the unit. The Madhya Pradesh Government are of the view that the hat system will have distinct advantages. The question of area of operation is being examined in consultation with the cooperation department. The Kerala and Punjab Governments are of the view that as there are not hats, the normal pattern may be adopted with certain flexibility. Mysore and Jammu & Kashmir have no tribal areas.

4. The States of Madhya Pradesh, Maharashtra, Rajasthan have agreed that service cooperatives should take up the four functions of credit, consumers, grain section and marketing. The Maharashtra State, however, feel that separate sections as such may not be opened but should be

dealt with by the society as a whole. The Madhya Pradesh Government are of the view that these societies be called as multi-purpose societies and grain gola section should be at the village level and not at the hat. The village societies should be affiliated to the multi-purpose societies located at the hat. The Gujarat State agrees to have grain section where necessary. The other States agree to the approach.

5. These States have agreed to the need for out-right purchases. The Maharashtra State are of the view that such purchases should be restricted to twice the paid up capital.

Cooperative marketing

6. These States agree that marketing societies should undertake out-right purchases of agricultural and minor forest produce.

Maharashtra State are not in favour of organisation of separate regional marketing societies as the tribal areas are scattered. The commodity-wide societies for marketing of lac, timber etc. should be organised. The work of collecting minor forest produce should be given exclusively either to the forest labour cooperatives or to marketing societies or both.

The Gujarat Government is of the view that district sale unions can work as regional marketing societies and separate regional marketing societies are not necessary. The apex may have a separate cell for this purpose. The Kerala Government also do not consider the necessity of having regional marketing societies. Punjab Government has expressed the view that in view of the limited tribal population in the State there is no need for organisation of separate regional marketing society and the State marketing federation can do the work.

The Madhya Pradesh Government are of the view that the primary marketing societies should be affiliated to the State level tribal development society which is already functioning. The State level society is proposed to be activated for taking up the responsibility. The rest of the States agree to the setting up a cell in the apex marketing society for handling the produce etc. of the tribal areas.

National corporation for tribal area development

7. The States of Maharashtra, Gujarat, Mysore and Madhya Pradesh agree to the setting up of a National Corporation for Tribal area development. The Madhya Pradesh Government have, further said, that cooperatives should handle export directly through the corporation and should not have to deal with middlemen. The States of Kerala, Punjab, Rajasthan and Jammu & Kashmir have not expressed any views on this point.

Forest labour cooperatives

8. The Maharashtra Government have accepted the recommendations of the Working Group on matters relating to organisation of forest labour cooperatives. The State Government is, however, considering the question

of future policy in regard to exploitation of forest coupes through forest labour cooperatives. The Rajasthan Government have also accepted the policy and have indicated that a Committee is appointed to examine the pattern of sharing of profits and losses. The Gujarat Government have indicated that a clear policy has already been laid down and the recommendation of the Committee regarding inclusion of audit fee in the schedule is not acceptable. The Madhya Pradesh State have accepted the policy and the principle of partnership with Government for allotting coupes to forest labour cooperatives. It considers that the sponsoring of the societies should be done by the Government or the State Tribal Development Society. After the societies have established, district federations may be formed. The Jammu & Kashmir and Punjab Governments have indicated that there are no forest areas of the magnitude to take up the organisation of forest labour cooperatives. The Mysore Government have not offered any views on this point. The matter is under consideration of Kerala Government.

Industries for tribals

9. The States have accepted the suggestion regarding the organisation of industries for tribals on cooperative basis. The Mysore Government have indicated that the processing of edible and non-edible oils should be undertaken. Dhoop collection can be undertaken by the National Corporation. The Punjab Government has expressed that extraction of oil from Kuth can be undertaken.

Agricultural credit and special reserves

10. The States have generally accepted the major recommendations in regard to credit for agriculture in the tribal areas. Mysore Government have indicated that larger volume of long-term loans should be provided. The Madhya Pradesh Government are of the view that for the development programme of agriculture, government should provide medium and long-term loans, which should carry a substantial portion of subsidy.

Regarding the question of special guarantee for inducing the Central Cooperative Banks to provide credit, the States of Rajasthan, Mysore and Punjab have accepted the recommendation. The matter is under consideration of the State Governments of Maharashtra and Kerala. The Gujarat State have not offered any comments. The Madhya Pradesh State considers that even if a limited guarantee is given, it may not solve the problem. Government will have to come forward with necessary loans which should carry an element of subsidy.

Operational and business procedure

11. The operational and business procedures suggested by the Group have been generally accepted by the States. The Rajasthan, Maharashtra and Kerala States have indicated that there should be a limit on out-right purchases. In regard to the recommendations regarding mortgage of lands in favour of cooperatives, the M.P. Government have indicated that there is already a provision in the Cooperative Law to this effect.

Finance and indebtedness

12. The Maharashtra Government is of the view that share capital contribution to the service cooperatives should be raised from Rs. 5,000 to Rs. 10,000 in special circumstances. There should not be a condition of matching contribution for securing share capital from the Government. The financial assistance for godowns of marketing societies should be 50 per cent loan and 50 per cent subsidy. The financial assistance recommended to the regional marketing societies should be available to the sections of the apex marketing societies set up for handling agricultural produce of the tribal areas. The assistance for tribal areas not covered by T.D. blocks should be provided by the Government of India.

The M. P. Government is of the view that in the conditions of their State, assistance will have to be given largely in the shape of subsidies. It considers that the pattern of assistance recommended by the Group for service cooperatives is inadequate. The tribals would not be willing to take loans for contributing to the share capital of the societies. The assistance for managerial subsidy should be more liberal. The assistance should be provided to the societies on the basis of the pattern already provided in the tribal welfare plan. A suitable cadre of managers should be provided by Government. The pattern of assistance recommended for forest labour cooperatives is considered inadequate. The existing pattern under the tribal welfare department of the State is recommended. The pattern of aid for regional marketing societies is also considered inadequate and has recommended continuance of the pattern of assistance obtaining in the T.D. blocks of the State.

The States of Punjab, Mysore have accepted the pattern. The Gujarat State has not offered any comments.

Regarding debt relief legislation and money-lending legislation, the Rajasthan and Maharashtra Governments have indicated that the necessary legislation has already been enacted. In Gujarat, Money-lending act is already in force. The M.P. Government have indicated that the debt relief regulation is already promulgated for the scheduled areas. The question of extension to other areas is under consideration.

(b) Cooperatives for scheduled castes

13. The States who have given their comments have accepted the approach suggested by the Group for organisation of various types of societies for scheduled castes. The Madhya Pradesh Tribal Welfare Department had not offered any comments as the subject is handled by another department.

In regard to the recommendations of the Group for earmarking funds from the general sector for schemes relating to dairying, poultry, piggyery, the States of Punjab, Mysore, Gujarat, Kerala and Jammu and Kashmir agree with the recommendations. The Maharashtra Government is of the view that the only preference should be given to cooperatives and instructions in this regard should be issued. The Rajasthan State is of the view that such earmarking should be made after a review.

The State Governments of Punjab, Gujarat, Maharashtra have lent their support to the scheme of organisation of *labour cooperatives* and have indicated that action in this regard has already been taken. The Maharashtra Government agree that the responsibility for promoting labour cooperatives should be with the concerned department. It does not consider it necessary to constitute a committee at the Ministers' level for promoting labour cooperatives. The target of organisation of labour cooperatives is also considered by them to be on the high side.

14. Regarding the scheme of *salt cooperatives*, the Maharashtra State have indicated that funds may be provided to the State Government outside the State plan ceilings. In regard to *sweepers' cooperatives*, Government should subscribe to the share capital of these societies. Regarding the recommendations of the *rickshaw-pullers' cooperatives*, the Rajasthan Government is of the view that these recommendations should be examined in the light of the recommendations of the Working Group on transport set up by the Government of India (the report has not been submitted to the Government).

(c) *De-notified tribes*

15. The programme suggested by the Group is accepted. The Maharashtra Government is of the view that instead of giving loans to individual members, Government should provide share capital contribution in proportion of 1:10. It has expressed the view that unless the persons of these communities are paid adequate remuneration it would be difficult to get them to work as secretaries. The M.P. State has stated that such societies should be formed only after a proper climate has been created.

(d) *Other recommendations*

16. The States are generally in agreement with the recommendations of the Group. They have accepted the need for appointment of Joint Registrar or Deputy Registrar (Class I) as recommended by the Group. The M.P. Government have indicated that appointment of a Joint Registrar is to be made in the Tribal Welfare Department. The Rajasthan State have expressed the view that it would be difficult to get instructors from tribal community. It has, therefore, suggested that assistant inspectors having three years' experience may be selected as instructors. It has also suggested that a junior cooperative training school should be located only when sufficient number of candidates are available. In regard to the orientation training of district staff, the M.P. Government have indicated that Chhindwara institute may also be utilised for this purpose along with Ranchi Centre. It has also indicated that there is already a coordination committee at the Chief Secretary's level and it would be desirable to have committee also at the Ministerial level.

List of departments of State Governments which have furnished their views/comments on the recommendations of the Special Working Group on Cooperation among Backward Classes

S. No.	State	Department
1	Madhya Pradesh	Tribal Welfare Department.
2	Kerala	Revenue Department.
3	West Bengal	Tribal Welfare Department.
4	Rajasthan	Social Welfare Department.
5	Jammu & Kashmir	Social Welfare Department.
6	Maharashtra	Cooperation and Rural Development Department.
7	Punjab	Cooperation Department.
8	Mysore	Cooperation Department (Registrar of Coop. Societies)
9	Gujarat	Registrar of Coop. Societies.
<i>Union Territories</i>		
1	Tripura. . . .	Registrar of Coop. Societies.
2	Himachal Pradesh	Secretary, Cooperation.

APPENDIX—B

Copy of letter No. 6-8/59-Coord, dated 21st February, 1961 addressed to the Secretary incharge of Cooperation, All States and Union Territories and copies endorsed to others.

SUBJECT:—*Scheme regarding organisation of Rickshaw Pullers' Cooperative Societies in the Country.*

I am directed to refer to this Ministry's letter No. 13-33/59-Coop.I/UC dated 14th October, 1959 on the above subject and to say that State Governments/Union Territories had been requested therein to take up organisation of one or two Rickshaw Pullers' Cooperative Societies on a pilot basis during 1959-60 or include them in their annual plan for 1960-61. The response, however, has not been very encouraging. It has therefore been decided on the basis of the suggestions received, to liberalise the pattern of financial assistance to enable the State Governments/Union Territories to initiate action for the speedy implementation of the scheme during the third five year plan. The pattern of financial assistance has been revised as follows:—

- (i) To the extent the State Government/Union Territory has to provide loan assistance to a society for the purchase of cycle/autorickshaws, the Central Government may provide an interest bearing loan. Ordinarily the loan assistance should not exceed Rs. 20,000 per society repayable within a period of seven years in equated instalments bearing interest at the usual rate.
 - (ii) The Central Government may provide grants to enable the State Government/Union Territory to give assistance towards managerial expenses. The managerial assistance should not exceed Rs. 900/- per society spread over a period not exceeding five years. It will be shareable on a 50 : 50 basis with the State Government.
2. It may be mentioned further that the draft scheme circulated under this Ministry's letter No. 13-33/59-Coop.I/UC dated 14th October, 1959 is intended to serve as an example and changes as are considered necessary according to local conditions may be made therein subject to the revised pattern of financial assistance indicated above.
3. I am, therefore, to request that necessary action may be taken for starting one or two Rickshaw Pullers' Cooperative Societies on a pilot basis during the first year of the Third Five Year Plan by providing for the cost of the schemes within the plan ceilings. The schemes prepared may be forwarded to this Ministry for approval.

No. 5-10/63-Coord.
Government of India
Ministry of Community Development and Cooperation
(Department of Cooperation)

Krishi Bhavan, the 27th April, 1964
New Delhi, the 7th Vaisakha, 1886.

To

The Secretaries-in-Charge of Cooperation,
All States and Union Territories.

SUBJECT:—*Rickshaw pullers and Reda pullers cooperative societies—
Financial assistance.*

Sirs,

I am directed to refer to this Ministry's letter No. 6-8/59-Coord. and 6-13/60-Coord, dated 21-2-1961 and 14-9-1962 respectively on the subject mentioned above and to say that the response from the state governments etc. regarding organisation and development of rickshaw pullers and reda pullers cooperatives has not been very encouraging. As the scheme was drawn up for the purpose of helping the socially and economically backward classes engaged in the profession of rickshaw and reda pulling, this Ministry is anxious that the organisation of such cooperatives is not held up. It has, therefore, been decided to treat the scheme as a centrally sponsored scheme, the pattern of financial assistance remaining the same. Thus, the entire assistance to such cooperatives will come from the centre and the expenditure on this scheme will be outside the state plan ceilings.

State governments may kindly take necessary action to organise rickshaw pullers and reda pullers cooperatives on a priority basis according to the programme agreed to in the Annual Plan discussion for 1964-65. The financial estimates for the programmes may please be indicated.

Yours faithfully,

M. LALL,
Under Secretary.

Copy to:—

1. All Registrars.
2. P.S. to Minister/Deputy Minister (CD)/Deputy Minister (C).
Secretary/Additional Secretary.
3. All Officers and Sections in the Department of Cooperation.
4. N.C.D.C.
5. N.C.U.I.
6. Committee for Cooperative Training.

M. LALL,
Under Secretary.

APPENDIX—C

No. 9-29/63-Coord.

Government of India

Ministry of Community Development and Cooperation
(Department of Cooperation)

Krishi Bhavan, the 3rd March, 1964

New Delhi, the 13th Phalguna, 1885.

From

Shri M. Lall,

Under Secretary to the Govt. of India.

To

The Secretaries-in-charge of Cooperation,
All States and Union Territories.

SUBJECT:—*Organisation of Washermen's (Dhobies) Cooperatives.*

Sirs,

I am directed to invite a reference to this Ministry's letter No. 11-11/62-Coord., dated the 4th October, 1962, on the subject mentioned above (copy enclosed) and to say that the question of organisation of washermen's cooperatives was considered by the Special Working Group on Cooperatives for Backward Classes which *inter-alia*, recommended that :—

- (i) Cooperatives for dhobies can be effectively organised wherever a large and regular clientele is available and services of a number of dhobies are required. Training establishments, hotels, hostels and hospitals offer good scope for such societies. The membership of the society should be open to the persons actually engaged in this work.
- (ii) The society should supply washing material and other requisites to members. After some experience, equipment for dry cleaning and other improved facilities may be installed.
- (iii) Authorities incharge of various institutions and government departments should adopt the policy of encouraging such cooperatives and entrusting work to them.

2. The Working Group also made recommendations with regard to financial assistance to dhobies' cooperatives and it has been decided to provide assistance to dhobies' cooperatives on the following pattern :—

(i) *Loan for working capital and equipment*

State governments may provide loan to each society upto a maximum of Rs. 10,000. The central government will provide loan to the state governments to the extent of 75 per cent of the amount advanced by them to the societies, repayable in 15 years. 50 per cent of the loan may be utilised by the societies for purchase of equipment and 50 per cent for working capital.

(ii) *Managerial subsidy*

Upto a maximum of Rs. 1,200 may be provided per society, to be spread over a period of 3-5 years and to be shared by state and central government on 50 : 50 basis.

3. The scheme will form a part of the state plan and the outlay on it will be included in the state plan.

1. State governments and Union Territories are requested to take up organisation of washermen's cooperatives during the remaining period of the third plan and submit their proposals for the year 1964-65 as early as possible. It should be possible to organise at least 2-3 societies in each state and 1 society in each union territory during the remaining period of the third plan so as to achieve a total target of 50 societies by the end of the third plan.

Yours faithfully,
M. LALL,
Under Secretary.

1. Copy forwarded for information and necessary action to :—

- (i) Registrars of Cooperative Societies, All State/Union Territories.
- (ii) Development Commissioners of All States/Union Territories.

2. Copy for information to :—

- (i) Planning Commission.
- (ii) Ministry of Health.
- (iii) Ministry of W.H. & R.
- (iv) Ministry of Defence.
- (v) Ministry of Education.

3. Copy also to :—

- (i) P.S. to Minister (CD&C).
- (ii) P.S. to Dy. Minister (CD).
- (iii) P.S. to Dy. Minister (Coop.).
- (iv) All Officers and Sections in the Department of Coop.
- (v) Department of C.D. (5 copies).
- (vi) National Cooperative Union of India.
- (vii) National Cooperative Development Corporation.

M. LALL,
Under Secretary.

Letter No. 11-11-62-Coord., dated the 4th October, 1962 addressed to the Secretaries-in-charge of Cooperation, All State Governments and Union Territories,

SUBJECT:—*Organisation of Washermen's (dhobies) Cooperatives.*

It is well known that dhobies (washermen), who belong to the weaker section of the community, experience considerable difficulty in organising their trade on efficient lines and earning a decent return. Their problems can be tackled effectively if they are organised into cooperatives wherever it is possible to have a large clientele. A beginning in this direction could be made with military establishments, medical colleges, hospitals, hotel, hostels etc. which require the services of dhobies on a permanent basis and can ensure continuity of work.

To start with the societies to be organised may undertake the supply of washing material such as washing soda, starch, blue, charcoal etc., collection of clothing for washing in bulk and their distribution amongst members. Later on they may provide for common worksheds, lockers for storage of clothes and other suitable washing facilities.

The societies should also encourage thrift from the very beginning by introducing a system of saving deposits. A scheme on these lines has been taken up for implementation in the third plan in the state of Madras with financial assistance from the state government. Important details of the scheme have been shown in the Annexure. State governments may kindly examine the possibility of organising such societies.

ANNEXURE

Scheme for the organisation of washermen's cooperative societies in Madras state under the third five year plan.

The main object of such a society is to provide credit facility to members for the purchase of equipment, implements and other material essential for washermen to find profitable employment for the members and to run a dhobikhana on modern scientific lines with necessary machinery and equipment. To start with 100 washermen members are admitted in a society. The liability of the members is limited to their share capital. The authorised share capital of a society is Rs. 50,000 made up of 10,000 shares of Rs. 5 each.

During the first year of the third five year plan period, i.e., 1961-62, the state government sanctioned a scheme for the organisation of 4 washermen cooperative societies. All the 4 societies have been registered and have started functioning at Ooty, Cuddalore, Trichy and Tuticorin. Financial assistance has been sanctioned to each of the four societies at the rate of Rs. 23,480 on the following pattern:—

1. Subsidy—establishment and Contingency.	Rs. 600
2. Loan (interest-free) for share capital at Rs. 50 each for 100 members.	Rs. 5,000
3. Loan (interest-free) at Rs. 100 each for 100 members for the purchase of equipment such as iron-box, table, boiler etc.	Rs. 10,000
4. Loan (interest-bearing at 5½%) at Rs. 50 each for 100 members for the purchase of soda ash.	Rs. 5,000
5. Cost of one Senior Inspector to work as secretary for one year, free of cost.	Rs. 2,880

Total :— Rs. 23,480

The loan for items 2 and 3 above is repayable in ten equal annual instalments—the first instalment commencing from the sixth year of the drawal of the loan. The loan for item 4 above is repayable in twelve months. A society is required to execute necessary documents before the loan is actually disbursed.

APPENDIX-D

Copy of letter No. 13-68/62-Coord. dated the 5th February, 1963 from the Deputy Secretary to the Government of India, Ministry of Community Development and Cooperation (Department of Cooperation), New Delhi to the Secretaries in charge of Cooperation, all states and union territories and copies endorsed to the Registrars of Cooperative Societies.

SUBJECT:—*Implementation of the recommendations of the All India Seminar on Labour Contract and Construction Cooperatives September, 1962.*

I am directed to refer to the copy of the proceedings of the All India Seminar on Labour Contract and Construction Cooperatives held in September, 1962, at Nagpur which was sent with this Ministry letter No. 13-41/62-Coord. dated 1st November, 1962 and to say that the various recommendations contained therein have been considered in this Ministry.

With regard to the revised pattern of financial assistance for labour cooperatives a separate communication No. 22-96/60-Coord. of 31st January, 1963 has been issued. The recommendations relating to the award of work and extension of facilities by the CPWD have been taken up with the central agencies concerned.

This Ministry is in general agreement with the other recommendations of the seminar. A list of the important recommendations which have to be implemented by the state governments/union territories is enclosed. It is requested that these recommendations may be examined early and steps taken for their implementation.

It will be appreciated if this Ministry is kept informed of the action proposed to be taken in the matter at an early date.

Recommendations Relating to Organisation & Membership

1. Normally a primary society should cover a group of a few villages and should have a membership between 50 to 200 where circumstances warrant otherwise the states should fix suitable limits for the size and membership of such societies having regard to economic viability.

2. District level federations or unions of primary labour cooperatives should be organised as soon as a sufficient number of primaries have been established on the ground. The minimum membership may be 30 viable units but this may vary according to local circumstances.

3. An Advisory Body for Labour cooperatives at the state level consisting of non-officials, representatives of the Public Works and Co-operation Departments and a representative of the cooperatives should be set up to advise government on matters relating to the award of contracts, fixation of workable rates, reservation of works and other promotional measures.

4. Sympathisers may be admitted as members, but their membership should be restricted to 1/10th of the total membership or the prescribed maximum whichever is less. Their number should be reduced progressively.

5. Casual workers may be admitted as nominal or associate members in excess of or within the optimum membership. They may partake in the facilities available but should not be given any bonus.

Recommendations Relating to Financial Assistance Settlement of Bills Etc.

1. There should be only one financing agency in the district which should deal directly with primary labour cooperatives irrespective of the sources from which funds have been obtained by it.

2. Depending upon local conditions state governments may advance funds to central financing agencies for providing working capital loans to labour contract and construction societies.

3. Where necessary a liaison officer of the cooperative department should be attached to the PWD to ensure quick settlement of bills. Similarly an officer of the Public Works Department may be attached to the cooperative department to guide cooperatives in the execution of works.

4. Independent tribunals should be set up for deciding disputes that may arise in connection with the execution of works and settlement of bills. The tribunal may consist of three persons including representatives of the labour cooperatives, PWD and the cooperative department or of one person acceptable to both parties.

Recommendations Relating to Promotion, Supervision and Audit

1. A separate cell with special staff should be created at headquarters to assist registrars in the promotion and supervision of labour cooperatives.

2. Depending upon the increase in the member of societies and the volume of work involved additional staff for supervision and inspection consisting of one or two officers may be appointed at the district and/or divisional levels.

3. State governments should create adequate training reserves to facilitate the training personnel. The cost on account of such reserves should be shared by the Government of India according to the approved pattern

4. Adequate arrangement should be made for the regular audit of labour cooperatives from the very beginning.

5. One district in each state should be reserved for utilising the agencies of labour contract and construction societies exclusively in the execution of works under the rural manpower utilisation scheme sponsored by the Planning Commission.

APPENDIX—E

Minutes of the Third Meeting of the National Advisory Board on Labour Contract and Construction Cooperatives held on 13th April, 1964.

The third meeting of the National Advisory Board on Labour Contract and Construction Cooperatives was held on 13th April, 1964. A list of persons, who attended the meeting is given in the Annexure.

2. The agenda was considered and the following decisions were taken:—

Agenda Item I. (i) The progress in the implementation of the Nagpur Seminar recommendations was reviewed. It was felt that while no State or the Central Ministry had accepted the recommendation *in toto*, States like Orissa, Gujarat, Mysore, Rajasthan, Kerala and Maharashtra had agreed to allot works up to Rs. 20,000/- and more without invitation of tenders. Other States and Central Ministries had not come up even to that limit. It was, therefore, suggested that the States and Central Ministries, which had not agreed to allot works even up to Rs. 20,000/- be requested to agree at least to that limit to start with. The examples of States, which had done better might be quoted to these States and Ministries.

(ii) The desirability of classifying societies into various kinds on the basis of their capacity to undertake works was considered in this connection. After all, all societies were not good enough and their capacity varies from society to society and it was not possible for the work awarding agencies to know which society could be entrusted with what kind of work. The Board therefore felt that classification based on financial status, managerial and technical staff, and in the case of old societies their past performance, was desirable and suggested that such classification might be done by the State Governments in the following manner:—

- | | |
|---|-----------|
| (a) Eligibility for unskilled works up to Rs. 10,000/- | 'C' Class |
| (b) Eligibility for unskilled works from above Rs. 10,000/- to Rs. 50,000/- | 'B' Class |
| (c) Eligibility for unskilled works from above Rs. 50,000/- to Rs. 1,00,000/- and over. | 'A' Class |

As for skilled works 'A' and 'B' classes may be allotted works according to availability of technical know how with the societies. This classification would not apply to award of works involving handling of goods on the railways.

(iii) It was observed that very few societies had appointed technical staff, although there was provision in the Plan for assistance for appointment of such staff. Under the pattern of assistance a subsidy of Rs. 7,200/- spread over a period of 3 to 5 years is available for a group of 10 societies and so the State Governments should be requested to take full advantage of this pattern.

(iv) One of the factors inhibiting the growth of labour cooperatives has been the inadequacy of the present arrangements for settlement of disputes arising from award of works. The Board, therefore, felt that it was necessary to provide for speedy settlement of disputes and towards that end suggested that a committee consisting of three persons; one from the Revenue Department, one from the Cooperation Department; and one from the Engineering Department, might be appointed by the States at district level to dispose of all disputes. In this connection, it was pointed out that there might be no representation from the labour cooperatives on the committee as had been recommended by the Nagpur Seminar.

Agenda Item II

The role of work-awarding agencies in the promotion of labour cooperatives was discussed. It was felt that the organisation and registration of the cooperatives should be the responsibility of the Cooperation Department and non-official cooperators, and that it was not necessary to fix targets in terms of percentage of the total value of works to be taken up by work-awarding agencies in a given area. It was, however, suggested that the work-awarding agencies should take active interest in the formation and growth of labour cooperatives and that it would go a long way towards fostering labour cooperatives if the work-awarding agencies appreciated in some form or other the efforts of officers towards encouragement of labour cooperatives. A quarterly assessment of works awarded to labour cooperatives by the work-awarding departments both at the State and Central levels would be very helpful, and such assessments should be communicated to the Ministry of Community Development and Cooperation, New Delhi.

Agenda Item III

The role of Bharat Sevak Samaj in relation to labour cooperatives was discussed and it was agreed that wherever labour cooperatives existed, Bharat Sevak Samaj should utilise them on preferential basis for execution of works secured by them, and where no cooperatives existed, Bharat Sevak Samaj should help in promotion of such cooperatives. The cost of services rendered by Bharat Sevak Samaj to labour cooperatives could be recovered. Schedules of costs might be worked out for various kinds of services as is done by the P.W.D., so that the labour cooperatives would know what they would be called upon to pay for the services provided by the Bharat Sevak Samaj.

It was agreed that the Bharat Sevak Samaj should not work as a bank for the savings of the labour cooperatives and that such functions should be performed only by a financial institution like the Cooperative Bank.

APPENDIX-F

*Pattern of financial assistance to various types of cooperative societies recommended by the
Special Working Group*

	At the beginning	At the end of Third Plan
	Rs.	Rs.
<i>(a) Assistance to societies in T. D. Blocks</i>		
I. Service cooperative—		
(i) Loans to members for purchasing shares in the society	1,500	7,500
(ii) Share capital to Grain Gola Section (if such gola activity is undertaken)	2,000	5,000
(iii) Contribution towards the Price Fluctuation Fund (Grant) to be used for outright purchases	2,000	2,000
(iv) Godown (50% loan; 50% subsidy)	5,000	10,000
(v) Managerial subsidy	600	1,800
TOTAL	<u>11,100</u>	<u>26,300</u>
II. Primary Marketing Society.		
(i) Share capital		10,000
(ii) Contribution towards Price Fluctuation Fund (Grant)		10,000
(iii) Godown (75% loan, 25% subsidy)		20,000
(iv) Managerial subsidy		5,000
TOTAL		<u>45,000</u>
III. Forest Labour Cooperatives.		
(i) Share Capital contribution		3,000
(ii) Managerial subsidy		1,200
(iii) Welfare Fund (Grant)		1,500
TOTAL		<u>5,700</u>

	Rs.
IV. Subsidy to Central Cooperative Banks for one supervisor, per block spread over 3 years	3,000
	(Rs. in lakhs)
(b) Assistance to higher organisations.	
(a) Regional marketing societies	
(i) Share capital contribution	2.50
(ii) Godown (25% grant, 75% subsidy)	1.00
(iii) Managerial subsidy	0.25
TOTAL	3.75
(b) Loan to marketing societies for purchase of truck	0.40
(c) Subsidy to District Union for Forest-own-Labour coope- ratives per society	0.10
(c) Assistance to societies of Scheduled Tribes not covered by T. D. Blocks.	
Additional assistance to the service cooperatives on the following scale is suggested :	
(i) Provision for making outright purchases	2,000
(ii) Loans to tribal members for purchase of shares in the society	3,000
(iii) Share capital to grain gola section	5,000
(iv) Additional managerial subsidy	900
	10,900
(d) Assistance for societies of Scheduled Castes	
(i) Sweepers Cooperatives.	
(a) In towns with a population below 1 lakh.	
(i) Loans to individual members for purchase of shares	2,000
(ii) Working capital (50% for credit section and 50% for consumers stores)	20,000
(iii) Managerial subsidy	1,200
TOTAL	23,200

	Rs.
<i>(b) In towns and cities with a population above 1 lakh</i>	
(i) Loans to individual members for purchase of shares .	5,000
(ii) Working capital	40,000
(iii) Managerial subsidy	1,200
TOTAL	46,200
<i>(ii) Rickshaw Pullers Cooperatives</i>	
<i>Pattern of assistance</i>	
1. Loan upto Rs. 25,000/- per society for purchase of vehicles	25,000
2. Share capital per society in the ratio of 1:5	5,000
3. Managerial subsidy	900
TOTAL	30,900
<i>(iii) Hand-cartmen's Cooperatives.</i>	
1. Loan on an average of Rs. 10,000 per society for purchase of vehicles	10,000
2. Share capital of Rs. 2,000 per society	2,000
3. Managerial subsidy	1,200
TOTAL	13,200
<i>(iv) Salt Workers Cooperatives</i>	
1. Share capital contribution to each society (loan) .	3,000
2. Managerial- <i>cum</i> -technical subsidy for 3-5 years. .	3,000
	6,000
3. Loan and assistance for development of licensed works	40,000
	(per society on average depending on the works).
<i>(v) Leather Workers Cooperatives</i>	
1. Share capital loan to members	3,000
2. Managerial subsidy	1,500
	4,500

	Rs.
<i>(vi) Basket Makers Cooperatives</i>	
1. Working capital loan per society	5,000
2. Share capital contribution	1,000
3. Managerial subsidy	1,000
	<u>7,000</u>
<i>(vii) Dhobies Cooperatives</i>	
1. Working capital loan on an average per society	10,000
2. Share capital loan to members to purchase shares	1,000
3. Managerial subsidy	1,200
	<u>12,200</u>
<i>(viii) Labour Cooperatives</i>	
At the rate of Rs. 17,000 per society calculated as under :—	
Supervisor	7,200
Manager	4,800
	<u>12,000</u>
Share capital.	3,000
Subsidy-cum-loan for tools and equipment	2,000
	<u>17,000</u>
<i>(ix) Coal Miners Cooperatives</i>	
1. Managerial subsidy Rs. 600/- per year for three years.	
2. Working capital at the rate of Rs. 10,000/- per society .	
3. Special staff for 12 districts	
<i>(x) Other Industrial Workers Credit-cum-Consumers Stores</i>	
1. Share capital contribution per society	2,500
2. Working capital loan per society	10,000
3. Managerial subsidy per society	1,800
	<u>14,300</u>
<i>(a) Assistance to societies of Denotified Tribes</i>	
<i>(i) Thrift-cum-credit society</i>	
1. Share capital	5,000
2. Working capital	10,000
3. Managerial subsidy	1,200
	<u>16,200</u>

	Rs.
(ii) <i>Industrial society</i>	
1. Share capital	3,000
2. Working capital	15,000
3. Managerial subsidy	1,800
	19,800
(iii) <i>Cluster type cooperative society</i>	
1. Share capital	5,000
2. Working capital (average Rs. 50,000 Maximum 1 lakh on merit)	50,000
3. Managerial subsidy	5,000
	60,000

APPENDIX—G

Statement showing the number of Tribal Development Blocks in which the Cooperative Programme is proposed to be started during the years 1964-65 & 1965-66

Name of State	Number of tribal development blocks in which cooperative programme is proposed to be started	
	1964-65	1965-66
1. Andhra Pradesh	7	11
2. Assam	15	18
3. Bihar	18	24
4. Gujarat	11	24
5. Kerala	1	..
6. Madhya Pradesh	24	56
7. Madras	1	1
8. Maharashtra	8	28
9. Orissa	16	29
10. Punjab	1	..
11. Rajasthan	4	6
12. Himachal Pradesh	5	..
13. Manipur	3	3
14. Tripura	2	3
15. Nagaland	3	8
16. Dadra & Nagar Haveli	..	1
TOTAL	119	212

APPENDIX-H

Size-wise break up of towns having a population of 1 lakh and more wherein organisation of cooperatives for sweepers, rickshaw pushers etc. is proposed in 1964-65

Name of the State	Cities with population over 1 lakh
1. Andhra	11
2. Assam	2
3. Bihar	9
4. Gujarat	6
5. J & K	2
6. Kerala	4
7. M. P.	8
8. Madras	11
9. Maharashtra	13
10. Mysore	6
11. Orissa	1
12. Punjab	5
13. Rajasthan	6
14. U. P.	17
15. West Bengal	11
16. Delhi	1
TOTAL	113

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