

GOVERNMENT OF MAHARASHTRA

FOREST LABOURERS' CO-OPERATIVE SOCIETIES

# EVALUATION COMMITTEE REPORT AND GOVERNMENT ACTION ON THE COMMITTEE'S RECOMMENDATIONS



1964

POONA PRINTED AT THE YERAVDA PRISON PRESS 1964



# REPORT OF THE EVALUATION COMMITTEE



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# Report of the Evaluation Committee for the Forest Labourers' **Co-operative Societies**

# INTRODUCTORY

In 1947 the Late Shri Balasaheb Kher, the then Premier of the Bombay Province initiated the Forest Labourers' Co-operative Movement with the main object of ameliorating the social and coonomic condition of Adivasis and forest dwellers by eliminating the middlemen, i. e. the Forest Contractors who exploited them. This novel experiment proved highly successful for the number of Forest Labourers' Co-operative Societies which was 11 in 1947-48 increased within a short period of 11 years to 275. During this period the number of members of these Societies increased from 508 to 46,776 in addition to 25,105 nominal members and their share capital from Rs. 8,936 to Rs. 7,99,580. The number of coupes worked by the Societies also increased during this period from 13th with an upset price of Rs. 1,34,000 to 425 with an upset price of Rs. 94,96,993. In view of such rapid progress made by the Forest Labourers' Co-operative Societies, and in view of the increasing number of problems created by their working and management, Government was seriously considering the question of the appointment of a Committee to examine the working of these Co-operatives. and recommend improvements in their working.

At about the same time, the Ninth Conference of the Forest Labourers' Co-operative Societies in the Bombay State and of their Sponsoring Bodies, which was held at Khandbara in the West Khandesh District in November 1947 adopted a resolution requesting Government to evaluate the progress so far made by this movement, and devise a definite plan so that this movement of the Forest Labourers' Co-operative Societies would be the medium for the alround advancement of the jungle folks.

In February 1958, Government in the Agriculture and Forest Department issued a desolution (G. R., Agriculture and Forest Department No. FLC-1457/7347-E, dated 15th February 1958) appointing a Committee consisting of the following members :---

Chairman. Shri D. J. Naik, (1)President, Bhil Seva Mandal, Dohad.

- The Chief Conservator of (2)Forests, Bombay State, Pcona.
- The Director of C. I. and (3) Additional Registrar for I. C., Poona.

Convener and Secretary.

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- (4) Acharya S. R. Bhise, Bordi (District Thana).
- (5) Dr. J. N. Korpe, M. L. C., Akot (District Akola).

3. The Terms of reference of the Committee were as under :---

(a) To study the working of the Forest Labourers' Cooperative Societies in the State.

(b) To suggest to Government ways and means to improve the defects, if any, in the working of those Societies, and

(c) to make suggestions for organising the Forest Labourers' Co-operative movement on a better footing.

4. The first Meeting of the Committee was held at Bombay on the 17th and 18th March 1958. The Committee discussed the manner in which it could proceed to collect the data as regards the present working of the Societies, and decided to issue a Circular to all the Sponsoring Bodies, Forest Department Officers, Officers of the Cottage Industries and Social Welfare Departments, Contractors' Associations, Members of Parliament and Members of the Bombay Legislative Assembly, closely associated with this movement, inviting their views on the present working of the Societies, and their suggestions if any, for improving the same. The Circular issued is printed in Appendix No. I. A list of persons to whom the Circular was sent is appended as Appendix No. I-A.

The Committee also decided to visit some of the Societies in the State and see their working. Accordingly it visited a few of the Forest Labourers' Co-operatives in the different Districts of the State and discussed with the persons connected with their management of various aspects of the working of the Societies. A list of the Societies visited by the Committee is given in Appendix-II.

5. The Committee also convened meetings of the Forest Contractors in several Districts and listened to their views about and complaints regarding the working and progress of these Co-operatives.

6. In response to the Circular issued by the Committee, many written statements from the parties referred to in Para-4 above were received. The Committee also invited number of officials such as the Deputy Chief Conservator of Forests, the Conservators of Forests of the three Circles, the Divisional Deputy Directors of Cottage Industries, the Deputy Director of Social Welfare, and Representatives of the Sponsoring Agencies, Central Financing Agencies and the State Co-operative Bank and others, to appear before it and express their views on the various aspects of the working of these Co-operatives. A list of the persons examined by the Committee is furnished in Appendix-III.

7. The Committee records its thanks to the various individuals and Organisations who either submitted their statements in writing or personally appeared before the Committee and put-forth their views on the working of the Societies or made suggestions for their improvement.



## CHAPTER II

## HISTORICAL REVIEW OF THE MOVEMENT

8. This chapter traces the origin of the movement and gives a resume of its progress.

9. The Adivasi population of the recognised State of Bombay is 42 lacs, *i. e* about 8 per cent. of the total population of the State. In some Districts such as Thana, Surat, Panchmahals and West-Khandesh, the Adivasi *i. e.* the Scheduled Tribe Fopulation comes to more than one-third of the total population of the Districts and cover nearly half the area of the Districts. In the Dangs Districts, the percentages of the Adivasi population is more than 95. There are several Talukas in the Districts mentioned above where the population of the Scheduled Tribes or Adivasis is more than 3/4th of the total population.

10. The Adivasis are found predominently in the jungles and hilly tracts of the State. Majority of them live an isolated primitive life of their own. Their main occupation is agriculture and their secondary occupation, which is equally essential for their existence, is work in the forests, such as felling trees, charcoal making, transporting timber and fire-wood by carts, and collecting other minor products. Though the Adivasis have two occupations, viz. agriculture and work in Forests, their earnings are slender and hardly enough for their maintenance throughout the year. Sometimes, particularly, during the lean seasons, they have no work and then are on the verge of starvation and have to subsist on roots and leaves.

Educationally, the Adivasis are very backward, and are subjected to all types of exploitation, as they are unorganised, illiterate and ignorant. Till about eleven years back they used to work under the Forest Contractors, Money-lenders and Land owners who took advantage of their ignorance, backwardness and poverty, and reduced them to a state of serfdom. The aweful conditions under which they worked and the severe hardships they suffered have been graphically describe by Mr. D. Symington in his well-known report. It is not necessary to quote here from that report to describe the utterly wretched conditions of the Adivasis 20 years The report of Mr. D. Symington submitted to Government back. of Bombay in the year 1938 placed for the first time before the Government and the public a fairly exhaustive and correct picture of the life and social and economic conditions of the Adivasis in the Bombay State.

Mr. Symington submitted his report to the first popular Government headed by the Late Shri B. G. Kher, Shri Kher and his colleagues in the Cabinet got a good idea of the deplorable conditions of the Adivasis from that report, and they decided to implement the various recommendations made in that report as early as possible. Unfortunately after the out-break of the Second World-War, the Political conditions in the (ountry made it impossible for the Popular Governments to continue in office. As a result of the Congress policy of non-participation in war efforts, the Government tendered its resignation with the result that Mr. Symington's recommendations remained unimplemented. One notable step, however, which the Government of Bombay took was the fixation of minimum wages for the forest work and incorporation of a clause relating to the same in the agreement to be executed by forest contractors. Since, however, no special machinery was created for implementation and enforcement of the minimum wage clause and as the Governer's regime after the resignation of the Popular Government devoted its attention mainly to war effirts, the minimum wage clause proved in actual practice to be ineffective in providing relief to forest labourers.

The Popular Government again came into power in the year 1946 It reviewed the situation and came to the conclusion that for ameliorating the economic condition of the Adivasis, and freeing them from the clutches of forest contractors, it was necessary to organise them into Co-operative Societies, and allow such Societies to work the forest coupes in place of the existing agency of contractors. The main difficulty, however, was the ignorance and backwardness of the Adivasis which stood in the way of their conducting forest business collectively and on their own responsibility. In order to get over this difficulty, Government decided that for some years to come social workers devoted to the cause of the Adivasis should be closely associated with these Co-operative organisations, so that the project could be conducted satisfactorily. Shri B. G. Kher. who was the then Premier (Chief Minister) of Bombay Province announced at a Conference of the Adivasis held on 5th April 1947 at Mahalaxmi in the Thana District, a scheme to organise Forest Labourers' Co-operative Societies with the active assistance of social workers, and to allot coupes to such Societies on reasonable terms as a part of a comprehensive programme for alround development of the Adivasis. This was how the Forest Labourers' Co-operative Societies movement was initiated in the Bombay State. The object underlying the movement was not only to give the Adivasi labourers full wages along with a share in profits, but also to train them gradually to take up the responsibility of conducting forest and other business by their Co-operative efforts.

At the time the movement was started, revolutionary changes in the political sphere were taking place in the Country. became independent on 15th August 1947. Independence did bring about considerable awakening amongst the Adivasis, and for the first time a realisation that they too were free citizens of the Country dawned upon them. Some of them began to assert their rights as free citizens, sometimes in an ill-conceived and violent manner as in the Thana jungle area. Soon after Independence, the Constitution of the Country was framed by the Constitutent Assembly which took into consideration the peculiar conditions of the Adivasis and their aspirations. The Constitution contains

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special provisions dealing with the removal of their disabilities and the amelioration of their economic and social conditions. The Constitution has issued a directive both to the Central and the State Governments to promote their educational and economic interests and to protect them from social injustice and all forms of exploitation. Accordingly, both the Central and State Governments have framed various [schemes for their alround advancement and have set-apart necessary funds for implementing them. Measures have also been taken for removing exploitation by various interested parties like the money-lenders, forest contractors, land-owners and such other intermediaries. One of such measures taken by the State of Bombay is as pointed out above, the organisation of Forest Labourers' Co-operative Societies. Nine years after the initiation of this movement, Shri B. G. Kher, while addressing the 8th Conference of the Forest Labourers' Co-operative Societies, at Kasa in the Thana District in April 1956 made the following observations :---

"While all this progress is noteworthy and creditable, a good deal still remains to be done. To mention only one point, the number of coupes worked by the Societies at present is 256 as compared to the total number of coupes which is nearly four times that number. To make this work more complete and effective, we have to solve several problems which have confronted these Societies during these eight years, such as the problems of of finance, transport, and above all, of trained workers. When we thought of the work before us in 1947, our objectives, as we then saw them, were to eliminate the middle-men, i. e. the forest contractors who exploited the Adivasis, to form Co-operatives for all kinds of forest work of the adivasis, and to bring about the economic, social and moral improvement of the Adivasis, so that they may become a part and parcel of this great society inhabiting India, indistinguishable from the rest and homogeneous. When we wish to judge the progress we have made in this work these are the tests we must apply. Have we done all this? No. So much more has therefore, to be achieved."

The experiment of the organisation of Forest Labourers' Co-operatives in the Bombay State was watched with interest by the Planning Commission. The first Planning Commission referred to the working of these Societies in Para-24 of Chapter-21 of their report. They observed as under :--

"Useful work has been done in Bombay in organising Co-operatives of Forest Tribes to replace the contractors. The number of such Societies increased from 11 in 1947-48 to 58 in 1949-50. The value of forest produce handled by the Co-operatives during 1949-50 rose to Rs. 17.94 Lacs. It should be the object of the State Policy throughout India to organise the Tribes into Co-operatives for the collection of forest produce, and for this, a phased programme should be drawn up."

The Second Five Year Plan has also recommended the establishment of Forest Labourers' Societies in a increasing number in all the States. In para 17 of Chapter 15, the Planning Commission has made the following remarks :---

"The conditions of working and living in or near forests involve usual forms of hardship and the amelioration of the working conditions of staff and labour in the forests, calls for special consideration. The provision of facilities by way of accommodation, drinking water supplies, medical assistance, schooling, etc., will therefore, receive the attention of the State Forest Departments. In order to strengthen the economy of comparatively backward tribal forest workers, Forest Labour Co-operatives may be established on an increasing scale for working forest produce (based on the experience gained in this field in Bombay) so that profits which now go to contractors should accrue to forest labourers. Care should, however, be taken to see that these Co-operatives do not fall into the hands of individuals who may exploit the tribal people."

Again the Second Five-Year Plan has recommended that in Tribal Areas forest contracts should be given to Co-operative Societies, and that such Societies should be assisted in the collection and processing of minor forest produce.

Para-X of Chapter-XXVIII of the Second Five-Year Plan runs as under :--

"A considerable proportion of the Tribal people live in forest areas, so that the manner in which forest resources are exploited has a great deal of bearing on their welfare. Care has to be taken to ensure that regulations relating to the collection of forest produce, grazing, meeting every-day requirements for fire-wood, etc., do not cause hardships. In many ways, the penetration of forest contractors into the tribal economy has been harmful. During the first Five-year Plan 589 Forest Labourers' Co-operative Societies have been established and where necessary assistance and guidance have been given, they have generally succeeded. Increasingly, in tribal areas forest contracts should be given to Co-operative Societies and they should also be assisted in the collection and processing of minor forest produce. Where Co-operatives are established, special care to ensure integrity on the part of officials is of the utmost importance."

From the above extracts it will be clear that the movement of the Forest labourers' Co-operative Societies has been welcomed by the Planning Commission. The Second Five Year Plan has provided special funds for the rapid expansion of the movement, both under Article 275 as well as under development of Co-operatives. Thus considerable impetus has been given to the movement by the Planning Commission, and the movement has attracted attention of several States.

As stated above, the Forest Labourers' Co-operative Societies were first organised in the State of Bombay in the year 1947, as an experimental measure. The experiment has proved highly encouraging as judged from the rapid progress made by the movement. In the year 1947-1948, there were 11 Societies with 508 members and a share capital of Rs, 8,936. After 11 years i. e. at the end of the year 1957-1958, the number of Societies rose to 275 and the number of their members to 42,538 in addition 25,105 nominal members. The share capital of the Societies also rose to Rs. 7,99,580. These Societies have built up a Reserve Fund of Rs. 12,85,087 and other funds amounting to Rs. 22,71,664. The wages and transport charges paid by the Societies to their members were Rs. 97,985 and Rs. 92,169 respectively in the year 1947-1948. These figures rose to Rs. 43,58,603 and Rs. 27,73,816 in the year 1957-1958. It is doubtful if progress on this scale has been achieved by any type of Societies in the co-operative sector. This progress has been due to a variety of factors. The first factor that has contributed to this remarkable growth is the policy of the State and the Central Government which have extended a number of concessions and financial help to the Societies so as to facilitate their smooth working. The second factor is the guidance extended to the movement by the Planning Committee which has promptly solved various difficulties encountered by the Societies in their day-to-day working. The third factor which has paved the way for the successful working as the Societies is the active association with the movement of the numerous social workers representing various Sponsoring Agencies. The officers of the Cooperative and Forest Departments have also made their contribution to the healthy growth of the movement by giving timely guidance and assistance. But the most important factor, however, which has conduced to the rapid development of the movement is the responsive attitude, willing co-operation and active participation of the Adivasis themselves in the working of their Societies.

The business done by the Societies has also grown considerably. In the year 1947-1948 only 13 coupes with an upset price of Rs. 1,39,000 were allotted to the Societies. In the year 1957-1958, the number of coupes allotted increased to 425 excluding 26 coupes given on logging contract basis with an upset price of Rs. 94,96,933. The price of material sold increased from Rs. 3,50,877 in the year 1947-1948 to Rs. 1,62,70,532 in the year 1957-1958. Judging from these figures, the progress made by the Societies in the working of the forest coupes can be considered gratifying. If, however, the benefits of the co-operative movement are to be fully extended to the Adivasis and other forest-dwellers working the forest, the tempo of development would have to be accentuated so that these co-operatives may become the sole agency for exploiting all the forests in the State.



#### CHAPTER III

# ROLE OF VARIOUS AGENCIES IN THE MOVEMENT

Committee for planning the development of the Forest Labourers' Co-operative Societies :--When in 1947 the Government of Bombay decided to organise Forest Labourers' Co-operative Societies for exploiting the forest coupes in the State, one of the first measures it adopted was to set-up a Committee for planning and developing this movement. The first committee consisted of :--

- (1) Shri D. N. Wandrekar, Parliamentary Secretary to the Honourable Minister for Backward Classes (Chairman).
- (2) Shri P. V. Paranjpe, M. L. A., Ambernath.
- (3) The Backward Class Officer, Bombay State.
- (4) Shri A. V. Sahastrabudhe, Representative of the Provincial Industrial Co-operative Association, Bombay.
- (5) The Chief Conservator of Forests, or his Deputy.
- (6) The Joint Registrar, Industrial Co-operative and Village Industries, Poona (Secretary).

The functions of the committee were as under :---

(1) To organise and assist co-operative societies of Forest Labourers and co-ordinate their working.

(2) To provide for their supervison.

(3) To plan for undertaking exploitation of forest coupes and regeneration of forest areas as well as for starting allied industries by or on behalf of co-operative societies.

This committee was reconstituted in 1951-52, and in the reconstituted committee representation was given to the Sponsoring Agencies regionwise as well as to the Apex Co-operative organisations like the Bombay State Co-operative Bank Ltd., and the Bombay State Cooperative Union. The Secretaries of the different departments concerned, namely, Forest and Agriculture, Finance and Development and the Chief Conservator of Forests, Joint Registrar for Village Industries and Industrial Co-operatives and Backward Class Welfare Officer were taken up as members of the Committee. The Deputy Minister for Co-operation was appointed as the Chairman of the committee and the Deputy Joint Registrar Village Industries and Industrial Co-operatives, the Secretary. After the reorganisation of the Bombay State, a separate portfolio was created for the Forest Labourers' Co-operatives and the same was entrusted to a Deputy Minister who automatically became the Chairman of the committee. With the creation of the post of a Special Forest Officer for Forest Labourers' Societies in the Co-operative Department, the duties of the Secretary of the committee were entrusted to that officer. The present personnel of the committee is as follows :--

- (1) Shri Shamrao Patil, Deputy Minister for Forest Cooperative Societies, Sarvodaya, etc. (Chairman).
- (2) Shri Bahadurbhai K. Patel, Deputy Minister for Social Welfare, Bombay.
- (3) Shri D. N. Wandrekar, Swatantrya Mandir, 10th Road Khar, Bombay-21.
- (4) Shri P. K. Bhatt, President, District Local Board, Surat.
- (5) Shri Acharya S. R. Bhise, Sharda Ashram, Bordi (Thana).
- (6). Shri Dahyabhai J. Naik, President, Bhil Seva Mandal, Dohad (Panchmahals).
- (7) The Chairman, Bombay State Co-operative Bank Ltd., 9, Bake House Lane, Fort, Bombay.
- (8) Shri V. G. Yardi, Congress Bhuvan, Handiwala Lane, Nasik.
- (9) The Chairman, Bombay State Co-operative Union, 9, Bake House Lane, Fort Bombay.
- (10) The Secretary to Government, Agriculture and Forest Department.
- (11) The Secretary to Government, Industries and Co-operation Department.
- (12) The Chief Conservator of Forests, Bombay State, Poona.
- (13) The Director of Cottage Industries and Additional Registrar for Industrial Co-operation,
- (14) The Deputy Secretary to Government, Finance Department (F).
- (15) The Director of Social Welfare, Bombay State.

This committee whose main function is to plain the organisation and development of Forest Labourers' Co-operative Societies has played a vital role under the able guidance of its two ex-Chairmen, Shri D. N. Wandrekar and Shri B. D. Deshmukh, in the growth of the movement. The committee meets about 8 to 10 times in a year and discusses all problems relating to the day-to-day working of the societies All the difficulties of the societies in the matter of allotment of coupes, revision of upset prices, ex-gratia payment in the event of heavy losses, transport of materials etc. receive the sympathetic attention of the Committee. The committee also discusses matters releting to finance, accounts supervision, method of fixation of upset price, provision of amenities to workers in the coupes and all other subjects which have a bearing on the working and management of the societies. This committee has been instrumental in giving valuable guidance to the societies and its decisions have carried great weight with the Government. The committee explains whenever necessary the policy of the Government to the societies and represents the difficulties of the societies to the Government and thus it has a pivotal position in the movement.

We consider that the reconstituted committee for planning and development of Forest Labourers' Co-operative Societies is represntative of all interests. The Government attaches great importance to the recommendations of the committee, and has been generally accepting them. Thus the Government has recognised the role the committee has played in the rapid development of this movement for the most backward section of our society. We, therefore, recommend that the committee should continue to function in future as the tasks entrusted to it call for regular joint deliberations of various agencies interested in the development of the Forest Labourers' Co-operatives.

In view of the deliberative nature of the work entrusted to this committee, we consider that the committee should be renamed as "THE STATE COUNCIL FOR FOREST CO-OPERATIVES" In our opinion, the committee should be constituted as under:

- (1) The Deputy Minister for Forest Co-operative and Sarvoday. Chairman.
- (2) The Deputy Minister for Social Welfare.
- (3) Six to eight social workers to be nominated by Government so that all the Regional Divisions are represented.
- (4) The Secretary to Government, Agricultural and Forest Department.
- (5) The Secretary to Government, Industries and Co-operation Department.
- (6) The Secretary to Government, Finance Department.
- (7) The Chief Conservator of Forests, Poona.

(8) The Director of Co-operative Industries and Additional Registrar for Industrial Co-operative, Bombay State, Poona.

(9) The Director of Social Welfare, Bombay State, Poona.

(10) A representative of the State Co-operative Bank Ltd.

The functions of the reconstituted State Council for Forest Co operatives should in our opinion be as follows:--

(a) To formulate plans for the development of the Forest Labourers, Co-operative Societies' Movement.

(b) To give proper guidance to the Divisional Federations in proper functioning of Forest Labourers' Co-operative Societies and in all matters pertaining to the Societies.

(c) To decide the questions and remove the difficulties arising out of working of coupes by the Societies,

(d) To recognise suitable organisations as Sponsoring Agencies of Forest Labourers' Co-operative Societies,

(e) To plan for regeneration, protection and development of forests, and to plan for organising industries based on forest produce,

(f) to give directions as to the manner in which welfare activities should be carried out by the Societies and social service organisations and the manner in which the available profit should be untilised for the benefit of the Forest-Dwellers,

(g) To formulate the phased expansion of the Forest labourers' Co-operative movement in the forest areas so as to entrust fully the work of forest exploitation to Forest Labourers' Co-operatives in due course of time, and

(h) To organise annual conferences of the Forest Co-operatives.

It has been brought to our notice that Government at present take a good deal of time in considering the recommendations of the Planning Committee and issuing orders thereon. Several recommendations of the Committee, however, call for prompt action on the part of Government.

2. In order that the recommendations of the proposed State Council for Forest Co-operatives may be expeditiously considered, we recommend that a high level Committee consisting of the following may be consistuted:--

(1) Minister for Forests,

(2) The Minister for Cottage Industries and Prohibition,

- (3) The Chairman of the State Council for Forest Co-operatives,
- (4) The Secretary to Government, Industries and Co-operative Department,
- (5) The Secretary to Government, Forest and Agriculture Department,
- (6) The Secretary to Government, Finance Department.

We also recommend that this high level Committee may be invested with full powers of taking decisions on the recommendations of the State Council for Forest Co-operatives, and it should be the function of this Committee to pass early orders on the various recommendations of the State Council for Forest Co-operatives.

Sponsoring Agencies.-When Government decided to try the experiment of the Co-operative Organisation of the Adivasis themselves to work the coupes. Government also decided to associate social workers devoted to the cause of the service with the organisation and working of the Societies. The Adivasis were illiterate and ignorant and were obviously not in a position to manage the societies started for working the Coupes. It was, therefore, necessary to bring within the Societies an element which could guide and manage the business of the Societies and train the Adivasis themselves to take up various responsible tasks of the Again, this element should be such as will be in day-Societies. to-day touch with the Adiwasis and also command their good will and confidence. Fortunately in the State of Bombay several organisations for serving the Adivasis had been brought into existence long time back in the different Districts of the State by prominent social workers like the late Thakkar Bappa and the Late Shri Balasaheb Kher. The organisations had concentrated their efforts and resources on the spread of eudcation amongst the Adivasis and on improvement of their economic conditions by freeing them from exploitation of different agencies. As a result of the constant propaganda carried on by these organisations in the Adivasi Areas, the Adivasis had become conscious of their wretched condition and were in a mood to respond to all measures calculated to improve their status and their standard of living. As these organisations were in close touch with the Adivasis and as their main object was to promote their social and economic interests the Government deemed these organisations a suitable agency to conduct the co-operative movement so for as it affected the forest work amongst the illiterate forest labourers. Government, therefore, decided that no Forest Labourers Co-operative Societies could be registered and allotted coupes for working unless an approved

Social Service Organisation sponsored them and accepted the responsibility of giving effective guidance and adequate help in their management. It has also been laid down that every sponsoring body should depute one of its workers to work either as a Chairman or as a Secretary of the Society sponsored by it. One of the reasons why these social service agencies were directed to be associated by the Government with this movement was that these cooperatives should not fall into the hands of unscrupulous persons who may exploit these societies for their own ends and give a setback to the movement.

Another reason was that these organisations were expected to train up the Adivasis in the task of conducting the business of the Societies. The policy of Government in associating social service organisations with the Forest Labourers' Co-operative Societies stands amply justified as judged from the successful working of a large number of societies.

A list of the approved Social Service Organisations recognised as Sponsoring Agencies is given in Appendix-IV.

The duties and functions of the Sponsoring Agencies are as under:--

(1) They should spare their tried workers for the management of Forest Lobourers' Societies.

(2) The worker of the Sponsoring Agency should be associated with the working of the Society either in the capacity of the Chairman or the Secretary,

(3) The Sponsoring Agency should see that the Society is managed well and efficiently, and that its accounts are properly maintained,

(4) They should see that the capital raised on the strength of Government guarantee for working the coupe is utilised for the purpose for which it is given,

(5) They should see that all sale-proceeds are deposited with the Bank and that the amount due to Government on account of upset price is paid without delay,

(6) They should watch over the working of the Society closely and should arrange for periodical checking of accounts,

(7) They should see that the Societies start Welfare Activities for the benefit of their members,

(8) They should see that the members of the Societies are trained gradually to undertake the responsibilities of management of their Societies without the aid of any external agency, (9) They should see that out of the Adivasi and other labourers working in the coupes, suitable young persons are selected for training and appointment as Secretaries, Managers, Accountants and Salesmen, and

(10) They should arrange for working capital required for Societies till funds are available from Central Financing Agencies on the strength of Government guarantee.

We have found that Sponsoring Agencies are generally alive to their responsibilities in regard to the working and management of the Forest Labourers' Societies and that they have made commendable efforts to discharge the various duties assigned to them. We, however, feel that some of the Sponsoring Agencies have not paid adequate attention to the periodical checking of accounts of the Societies. The accounts of Forest Labourers' Societies are complicated and require periodical checking by a qualified agency. It is necessary that till a federal body of the Forest Labourers' Societies comes into existence in each Division, the Sponsoring Agencies should arrange for such periodical checking. We also noticed that a few of the Sponsoring Agencies did not adequately discharge their responsibilities in regard to provision of adequate amenities in the coupes. A sponsoring Agency, therefore, has to be specially careful in sceing that reasonable amenities are provided by Societies for the workers in the coupes.

It is gratifying to note that the Sponsoring Agencies have succeeded in training a large number of Adivasi workers who have been appointed to do various jobs in Forest Labourers' Co-operative Societies. Out of the total staff, numbering 1959 of Forest Labourers' Societies at present as many as 1,285 are Adivasis. These are employed as Coupe Agents, Secretaries, Mukadams, Depot Clerks, Accountants, etc. In the annual report of the working of the Forest Labourers' Co-operative Societies for the year 1955-1956, the following significant passage appears as under :---

"In this regard the Panchmahals District outbids others by employing 170 Adivasis in responsible posts while the next place is occupied by Surat District in which 158 Adivasis have been so employed by the Forest Labourer's Co-operative Societies".

The progress, however, so far, achieved in educating and training the ordinary members of the Societies has not been very satisfactory. In the coarse of our tours, we contacted a number of such members and questioned them in regard to the objective of the Societies and their participation in their management. The replies received showed that they had no clear idea of the objectives of the Societies. It is desirable that the Sponsoring Agencies should carry on vigorous propaganda amongst the members of Societies and educate them in the aims and ideology of the movement. We do realise that this is a difficult task. Education of the ordinary members, however, in the basic principles of the movement is of primary importance and the Sponsoring Agencies should pay greater attention to it.

The Sponsoring Bodies are expected to carry out duties and functions as mentioned in para. 32. However, we suggest that the duties to be performed by the Sponsoring Bodies should be specificaally laid down by Government and any dereliction in the duties on the part of the Sponsoring Body should be taken due notice of by Government.

Co-ordination Committees.---We realise that a Co-operative Society is a Democratic Organisation and it has got to be managed by those who are served by it. To the extent to which the Forest Labourers' Co-operative Societies have to depend for their management on Social Workers, they may perhaps not be regarded as truely cooperative. In the present social, economic and educational conditions of the Adivasis, however, it would not be desirable immediately to dispense with the participation of social service organisation of long standing now working as Sponsoring Agencies. We, however, realise that steps will have to be taken to relieve the Sponsoring Agencies from the responsibilities they now shoulder for the day-today management and supervision of Societies. We feel that it is essential that a Federal Organisation of the Forest Labourers' Co-operative Societies should be started in every forest Division and that it should undertake the responsibility of guiding, supervising and sponsoring of these Co-operatives. At present there are almost in all Districts Co-ordination Committees whose main function is to inspect, supervise and guide the working of the Societies in the The Co-ordination Committee consists of respective Districts. representatives of (1) Forest Labourers' Co-operative Societies in the District, (2) Sponsoring Agencies and (3) Forest and Co-operative Departments.

The funds of this Committee are derived from contributions made by Forest Labourers' Societies in the District at a rate not exceeding 2 per cent of the total operational cost of the coupe for the year The constitution and rules of business of these Committees are approved by the Committee for Planning the Development of Forest Labourers' Co-operative Societies and the Committee is a kind of a fore-runner of the Federations of Forest Labourers' Co-operative Societies. It is desirable that steps should now be taken to convert these Committees into Federation with the additional representation of the social service organisation and Central Financing Agencies working in the area. The Federation should have as its object, the

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organisation and supervision of affiliated Societies. It will assist, guide and develop the affiliated Societies. The funds of the proposed Federations should be derived from contributions by the affiliated Societies but in the initial stages i.e. during the first five years Government may subsidise these organisations in order to enable them to employ adequate trained staff for purposes of supervision. We suggest that model bye-laws of the proposed Federations may be framed by the Co-operative Department with the approval of the State Council for Forest Co-operatives and provision made therein for nomination of the first Managing Committee which should hold office for a period of atleast three years. We consider that this body should undertake all responsibilities for guiding the business transactions of Forest Liabourers' Co-operative Societies. Their working, however, should be co-ordinated with the social service organisation working in the area, so that the latter can have full scope for carrying on the essential welfare activities amongst the members of the Societies and for educating and training the members and workers. It is not unlikely that with the establishment of Federation some of the workers of the Sponsoring Bodies may be released for welfare and educational activities amongst Adivasis.

We visualise that with the establishment of the Federations, there will be an intensification of welfare and educational activities by the Social Service Organisations now working as Sponsoring Bodies amongst the Adivasi and other forest-dwellers-members of Societies. As a result of such activities, the position of the Societies is expected to be strengthened considerably. The Societies should make it a point to build up out of their profits an Adivasi Welfare Fund, to contribute from it and also from their Charity Fund for the purpose of carrying on social activities undertaken by Social Service Organisations or Forest Societies as formulated by the Divisional Federations.

In view of the observations made above we recommend early establishment of Divisional Federations of Forest Labourers' Co-operative Societies on the following lines :--

Such Federations should be brought into being within one year to replace the District Co-ordination Committees and the State Council may review the question in respect of such areas where Federations cannot be constituted within the stipulated time.

(1) Area of operation.—We consider that a Federation should be ordinarily organised for a Forest Division. Where, however, the number of Societies in a particular Division is small and where the forest in a particular Division is not so extensive, a Federation may be organised for more than one Division. But normally a Federation for a Forest Division will be a suitable arrangement. (2) Membership.—The membership of the Divisional Federations should be restricted to the following :—

(a) All primary Forest Labourers' Co-operative Societies registered in the area of the Federation.

(b) Sympathisers interested in the Co-operative movement and/or in the economic and social welfare of the Forest Labourers. The number of such sympathisers should normally be five, or 10 per cent of the member Societies, whichever is less.

(c) Social Service Organisation approved by Government,

(3) Committee of Management.—The Committee of Management of the Federation should consist of the following :—

(1) Five representatives of affiliated Forest Labourers' Cooperative Societies.

(2) Two members from amongst sympathisers and/or Social Service Organisations.

(3) One nominee of the Forest Department.

(4) One nominee of the Cottage Industries Department.

(5) One nominee of the Central Financing Agency operating in the area.

(6) One nominee of the Social Welfare Department.

The first Committee of Management with a non-official Chairman, however, should be nominated by Government for a period of three years, and this period may be liable to be extended by one year at the discretion of Government.

The Managing Committee will transact the business according to the bye-laws of the Federation. But the Cottage Industries Department's nominee or the Forest Department's nominee or nominee of the financing institution may have a right of appeal to the State Council in the event of Managing Committee deciding an issue by majority of votes which according to them is against the interest of the Government or of the financing institution. The differing nominee will normally get his opinion recorded in the proceedings and in case he finds that the Managing Committee's resolution is against the interest of the Government or of the banking institution, then only such a member will have a right to make an appeal to the State Council whose decision in the matter should be given as quickly as possible and should be treated as final. To avoid delays in deciding such matter, the Council may appoint a Sub-Committee and the resolution of the Federation may not be implemented till the matter is disposed off by the sub-committee.

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(4) Functions.—The functions of the Divisional Federations will be as under :—

(1) To sponsor, supervise and guide Forest Labourers' Cooperative Societies,

(2) To recommend allotment of coupes to the affiliated Societies to the Forest Officers concerned. In case an affiliated Society is not satisfied with the allotment, it may bring the fact to the notice of the Federation and the Federation may refer the matter to the State Council if it considers necessary.

(3) To render advice and guidance to the Societies in the maintenance of accounts, in the proper exploitation of coupes, in the sale of Forest Produce and in all allied matters.

(4) To create and maintain a cadre of Secretaries and Accountants and to arrange for their training.

(5) To formulate a programme of welfare activities for Forest workers in accordance with the directives of the State Council and to evolve arrangements for the execution of the same, and

(6) to educate and train forest workers in the principles and practice of co-operation, thrift and mutual help.

(5) Secretary.—At present the District Officer of Cottage Industries and Industrial Co-operatives, functions as a Secretary of the Co-ordination Committees in several districts. When the Divisional Federation is formed he will function as the Secretary of the Federation and his' services will be at the disposal of the Federation.

(6) Funds of the Federation.—The Federation shuld collect 2 per cent. of the operational cost of coupes from the affiliated Societies, in addition to such annual fees as it may prescribe. Government should also meet the cost of management of the Federations on a sliding scale. For the first year Government should bear full expenditure and it may go on reducing its grant by 20 per cent. every year till it comes to 50 per cent. of the cost of management of the Federation.

As soon as Divisional Federation is registered, and starts working responsibility of Sponsoring Forest Labourers' Co-operatives should be transferred to it from the Social Service Organisations and the Social Service Organisations should continue to work for the social and economic welfare of the forest dwellers.

Annual programme of welfare activities.--The Federation should chalk out annual programme of welfare activities based on the resources available for the same, and such programme should be implemented both by the Societies and the Social Service Organisations.

The present system of allotment of coupes at times leads to certain delay which causes inconvenience both to the Forest Department and the Co-operative Societies and it also affects regeneration of the forest. It is, therefore, suggested that allotment of coupes should be taken up one year in advance of the time of felling in order to enable the Federation to pass on the information to the member Societies and to enable them to decide as to which coupes they would have to work. The actual handing over of the coupes will be done on the due date by the Forest Department on Societies fulfilling the necessary obligations. This preplanning by one year may not be applied to the new Societies which are to be given coupes on logging contract basis.

The District Co-ordination Committee will obviously cease functioning when the federation comes into being. In the Divisions or Districts, however, where Federations are not formed, the Sponsoring Agencies and District Co-ordination Committees will continue to function as at present.

Supply of trained Secretaries and Accountants.—It will be the duty of the Federation to supply trained Secretaries and Accountants to Forest Labourers' Co-operative Societies. The Model Service-Rules for the Staff of the Societies may be framed by the State Council and the same may be adopted with suitable modifications necessitated by local conditions by the Federations. Powers for transfers of Secretaries and Accountants should vest in the Divisional Federation, for it is desirable that Secretaries and Accountants should not normally be retained in a Society for more than three years.

Annual Conferences of Forest Labourers' Societies.—Another agency which has provided proper guidance to the movement and shapped and strengthened its course is the Annual Conferences of the Forest Labourers' Societies. These Conferences are held annually in the Adivasi area and they go a great way in awakening interest amongst the local Adivasis in their Co-operative organisations. The Conferences are held in jungle area where a temporary township is put up with the active assistance and co-operation of the local Adivasis and all civic amenities suck as tap-water, electricity etc. are provided. This serves to \*enlarge and broaden the outlook of the local Adivasi population. The Adivasis of the District in which the Conference is held attend in large numbers, and they participate with enthusiasm in the deliberations of the Subject Committee and of the open Conference. The Adivasis present at the Conference relate their difficulties, experiences and views on different subjects, and do influence the decisions arrived at. The annual Conference has, become a potent instrument for stimulating the intellectual capacity of Adivasis and provides suitable forum for ventilating their grievances. These Conferences in our opinion have done more than anything else to ensur lively and enthusiastic participation of Adivasis, in the management of Forest Labourers' Co-operative Societies. Shri V. L. Mehta, while welcoming the delegates at the 8th Conference of Forest Labourers' Co-operative Societies held at Kasa in April 1956 made the following remarks:—

"Throughout my long connection with the Co-operative movement. I have not known of any branch of the movement or of the movement as a whole, in any part of India, workers in which meet together with the regularity with which this particular coference is being held from year-to-year. This is as it should be, because the movement it represents is both novel and unique. Hardly any where else in the world shall we find the proto-type of a Forest Labourers' Co-operative Society. Bombay State is indeed a pioneer in this field. It is but appropriate, therefore, that the members, the field workers, the representatives of social service organisations and the Officers of the concerned Government Departments should meet annually for the exchange of experiences, for the discussion of problems of common interest and for consideration of plans of developments. Held as these sittings are in Adivasi areas, the Conferences are helpful in awakening interest among the Adivasi population in the local area, in the Co-operative approach to the solution of their problems."

These Conferences have also created interest amongst other sections of the Sociéty in regard to the Forest Labourors Co-operative Societies movement and have attracted the attention of people interested in the study of the life and conditions of Adivasis.

These Conferences are attended by prominent social workers and officers from other States.

These Conferences are presided over by the eminent social workers of repute who in their Presidential addresses have expressed ideas which have influenced the development of the movement. These Conferences have always been inaugurated by Ministers of the State and were attended by Officers and Social Workers.

These Conferences have been held and are being held under the auspices of the Bombay State Co-operative Union, which has actively assisted the growth of this movement by its educational and propaganda activities. The various classes for employees of Forest Labourers' Co-operative Societies organised under the auspices of this organisation have served to strengthen the movement to a considerable extent.

We recommend that Annual Conferences of Forest Labourers' Co-operative Societies which are instrumental in awakening interest among the Adivasis and Forest-folks for the Co-operative movement should be held regularly.

Details of important subjects discussed and important resolutions passed at these Annual Conferences of Forest Labourers' Co-operative Societies are given in Appendix V.



# OHAPTER IV

# APPRAISAL

In this chapter we propose to deal with the salient features of the working and management of Forest Labourers'. Co-operative Societies. We would also point out the defects noticed by us and indicate the ways and means to improve the same. We will also offer our suggestions for placing the Forest Labourers' movement on a better footing.

In our assessment of the working of the Societies we have noticed several defects which are (1) irregular issues of passes, (2) contents not agreeing with the entries in the counterfoils, (3) delay in calculation and payment of wages to labourers and cartmen, (4) unscientific operation in coupes, (5) heavy expenditure in some cases, (6) maintenance of accounts in an unsystematic manner, etc. These defects can be remedied by provision of constant supervision by supervisors employed under the Divisional Federations proposed by us.

The classification which is given by the Auditors of the Co-operative Department to the Societies audited by them is a reliable indicator of the quality of management of the Forest Labourers' Co-operative Societies. In the year 1954-55 out of 123 Societies which were audited, 22 were classed as 'A' and 65 as 'B'. The number of Societies classed as 'C' was 23 and the number classed as 'D' was 13. 22 Societies were not audited. This shows that 67 Societies were in 'A' and 'B' class and were well managed. The number of grossly mismanaged Societies was 13 in 'D' Class which is 10 per cent of the total number of Societies audited. In the year 1956-57, out of 159 Societies, which were audited the number of Societies which were classed as 'A' was 16 and the number in 'B' class was 99. The number of well-managed Societies was 115 which is 72 per cent. The number of Societies in 'C' class was only 35, and the mismanaged Societies in 'D' Class were only 9, i. e. 6 per cent of the total number of Societies audited. The corresponding figures in the year 1957-58 are given below. It will be seen that the number of well-managed Societies i. e. 'A' and 'B' Class

			170				
	_	275	26	144	36	9	60
Marathwada		1				***	1)
Vidarbha	•••	5	•••		4	•••	1
Saurashtra		15	•••	4	5	1	5
Old Bombay	• • •	254	26	140	27	8	58
			A	в	C	D	New or not audited

Societies is 170 out of 215 audited Societies, which works out at 80 per cent. of the Societies audited.

While we consider this aspect of the movement satisfactory, we cannot ignore the fact that in this movement there are a few Societies which are a disgrace to the movement. It should be the endeavour of the social Service Organisations and of the Departments concerned to see that the Forest Labourers' Co-operative Societies, consisting, as they do, of illiterate and ignorant Adivasis and Forest folks receive the services of trained and tried honest workers and that the danger of their being mismanaged is minimised. We have examined the figures relating to the liquidation of the Co-operative Societies including Forest Labourers' Co-operative Societies and we find that the number of Forest Labourers' Co-operative Societies liquidated compares very favourably with the number of other Co-operative Societies liquidated. This shows that in spite of all its defects, the Forest Labourers' Co-operative Societies movement has intrinsic strength and vitality.

Standard forms.—We have noticed that there is no uniformity in the maintenance of accounts of the Forest Labourers' Co-operative Societies. Standard Forms should be prescribed for all Registers and Books to be maintained by the Societies in the coupes, at the Depots and at the Offices. The State Council should examine this question and prescribe necessary standard forms.

We consider that time has now arrived for giving greater representation to the Adivasis on the Managing Committees of the Societies and for modifying the composition of the Managing Committee and making certain alterations in the bye-laws so as to ensure better management and to minimise chances of mismanagement. It will be desirable to have the Chairman and Secretaries from amongst Adivasis so as to make them conscious of their dufies and responsibilities. It has also been represented to us that the advice or suggestion offered by officers of Government on the Managing Committees of the Societies have sometimes not received at the hands of the Committee the attention they deserved. In this connection we would suggest that if the Managing Committee of the Societies feel that they cannot accept the advice or suggestions of the Officers they should clearly mention in the proceedings, the reasons why the particular advice or suggestion has not been accepted. It will then be open to the Officer concerned to report the matter to the Divisional Federation for further action.

Area of operation-The eighth Conference of Forest Labourers' Co-operative Societies held at Kasa in April 1956 had recommended that the area of operation of the existing Forest Labourers' Cooperative Societies should, if necessary, be revised in consultation with the Sponsoring Agencies and suitable adjustments should be made in order to prevent over-lapping of the activities of the various We understand that this has since been done in regard to Societies. existing Societies. So far as the existing Societies are concerned, we do not propose any change in their areas of operations which have been alredy fixed up by the Planning Committee. For new Societies, however, it is desirable to demarcate areas of operations. We feel, that it is not possible to lay down any hard and fast rules in regard to the area of operation of a Forest Labourers' Co-operation Society or in regard to the numerical strength of the members. Ordinarily the numerical strength of the members of a Society should not be inordinately large and its area of operation should be so fixed as to make it an economic unit.

We would suggest that the Societies should adopt a policy of enrolling actual workers as their members. If under certain circumstances they are required to employ labourers who are not members they should generally make the necessary deductions from the wages paid to such labourers and enroll them as members within a reasonable period.

We apprehend that in implementing the policy suggested in the above paragraph, there is a danger of increasing inordinately the numerical strength of a Society. In such cases the labourers working the coupes may be enrolled as nominal members but provision should be made in bye-laws for holding such nominal members eligible for bonus and other benefits allowed to members.

We have noticed that some Societies insist on allotment to them of coupes which they may not be capable of working within the prescribed time. This tendency on the part of the Society needs to be discouraged. If our recommendation regarding area of operation of newly registered Societies is strictly followed no such anomally would arise. As a matter of fact the Societies should take up all the work within their respective areas of operation, so that they become the sole agency for carrying out all work whether of exploitation or regeneration or development.

The machinery of the Co-operative movement for exploitation of forest coupes and for regeneration and development of Forests depends for its functioning on financially sound, well-managed and efficiently worked Co-operative Societies of Forest Labourers. Though the movement has brought considerable consciousness and enlightment amongst the forest labourers as a result of 10 years of working, it is necessary to give the Societies proper advice and guidance and to provide for adequate supervision. It is also necessary to keep a watch on the working of new as well as old Societies.

How such supervision and guidance can be made available to these Societies by enlightened, selfless social workers in the field and by the Co-operative type of the Federal Organisation constituted by the Primary Forest Co-operatives is recommended in paragraph 36.

With a view to improve the working of the Societies we make the following recommendations on the Constitution and Management of Societies :---

(a) Area of operation.—Area of operation of each newly registered Forest Labourers' Co-operative Society will have to be carefully defined. Ordinarily there may be one Society for one felling series, but in the areas where the tree-growth is thin, a society may be permitted to have more than one felling series, as its area of operation. The exact area of operation of each new society which may hereafter be formed should be recommended by the Divisional Forest Officer in consultation with the Federation and the Director of Cottage Industries and Additional Registrar should prescribe the area of operation in bye-laws of the Society at the time of its registration.

In the event of difference of opinion between the Divisional Forest Officer and the Federation, the matter may be referred to the State Council, if necessary, and its decision may be final.

(b) Members of a Forest Labourers' Co-operative Society.—The following may be the members of a Forest Society:—

(a) Forest workers residing in the area of operation of the Society.

(b) Social workers attached to the Social Service Organisation interested in Forest Co-operative movement and connected with the social and economic welfare of the Forest folks. Number of members under (b) should be restricted to five or 10 per cent. of the total number of members of the Society whichever is less.

Every forest labourer residing in the area of operation of a Society should normally be held eligible to be a member of the Society. The Society should not ordinarily refuse admission for membership to a bona fide forest labourer. In case of refusal, on the part of the Society to admit a bona fide labourer as a member there should be provision for an appeal to the Assistant Director of Cottage Industries and Assistant Registrar for Industrial Co-operatives who will decide the matter in consultation with the Divisional Federation or the Coordination Committee as the case may be.

Coupe operations by members.—Unless there are exceptionally strong reasons a Society should carry out all the coupe operations and other forest work with the help of its labourer-members. In case it is necessary to engage more labourers, the forest-folks residing in the area of the operation of the Society should normally be employed. General or specific approval of the Divisional Federation or Co-ordination Committee should invariably be obtained in the Society has to engage labourers from places out-side its area of operation.

A provision in the bye-laws of the Society should be made for admission of nominal members on payment of Re. 1. If the nominal member agrees to become a full-fleged member, he should be enrolled as such as soon as his contribution from deduction of wages amounts to the full value of one share.

It is observed that all the members of a society who are willing to work do not get employment in the coupes worked by the Society and that some members have to seek other employment. When coupe operations during a particular period can absorb only limited number of workers, preference for employment should be given to labourer members including nominal members, who reside in places nearest to the coupe. Normally, the Managing Committee of a society should be able to regulate assignment of work to its members, but in case of dispute Divisional Federation or the Co-ordination Committee, as the case may be, will decide to matter and to decision of that body will be final.

Registration of Societies.—A Forest Labourers' Society may ordinarily be registered on the recommendations of the Divisional Federations, if one is formed. Where, however, the promoters of a proposed Society are dissatisfied with the decision of the Federation in the matter of registration they may appeal to the State Council for Forest Co-operatives, whose decision may be accepted by the Department of Cottage Industries. In areas where Federations are not formed but where there are Social Service Organisation approved by Government, new societies may be registered, if they are sponsored by such organisation.

There may be areas where it may not be possible to form Divisional Federations and where Social Service Organisations also do not exist. In such areas societies may be registered if they are sponsored by (1) Sarvodaya centres (2) Multi-purpose Development Blocks or Community Development Blocks.

In areas where the various agencies mentioned above do not exist, a Society may be registered on the merits of the proposal, provided the State Council for Forest Co-operatives recommend the same. It may be that sponsorship of a Society may be refused by agencies competent to do so on grounds which may not be tenable. In such cases the aggrieved Society may appeal to the State Council for Forest Co-operatives and the decision of the Council shall be binding on the agencies competent to sponsor the Societies.

Work for Newly Registered Societies .- It may be that newly registered Forest Labourers' Societies may not be in a position to undertake full-fledged coupe work involving sales of materials from the beginning. Such Societies in the initial stages may not have the competence or the experience to do full-fledged coupe work. It is well known that due to lack of experience, some newly registered Societies incurred heavy losses in exploiting Forest Coupes. It would, therefore, be desirable to entrust such Societies only with logging work for a period of one or two years in the beginning. During this period Societies will built up its capital and will gather the necessary experience for working the coupes. After examining the performance of the Society during first one or two years the Society may be given full contracts for coupes, so that it may have opportunities of further development.

We would also suggest that old Societies which because of losses incurred in the past have not sufficient borrowing capacity or old societies which because of mismanagement are classed 'D' may be required to work on logging contract basis, till they are rehabilitated and their capital structure is strengthened.

Composition of Managing Committees.—The Managing Committee of a Society may consist of 9 to 11 members depending on the size of the society as under:—

4 to 6 representatives of labourer members.

2-nominees of the Social Service Organisations.

1-Range Forest Officer or a nominee of the Forest Department.

1-nominee of the Cottage Industries Department.

1-nominee of the Central Financing Agency.

The Managing Committee will meet and transact business according to the provisions of the bye-laws of the Society. In case where nominee of the Forest Department or Co-operative Department or the Financial Agency feels that a resolution of the Managing Committee is against the techical working of the forest, or is against the provision of its bye-laws and Co-operative Societies Act and Rules or against the financial interest of the Financing Agency respectively, he has a right to get his opinion clearly recorded in the proceedings and if he considers the matter as sufficiently important, he may make an appeal to the Federation whose decision should be deemed to be final. Pending decision of the Federation which should be arrived at within a reasonable time not exceeding seven days, the resolution of the Managing Committee may not be implemented.

Secretaries and Accountants.—Services of trained Secretaries and/ or Accountants should be made available to the Societies by the Divisional Federations after the cadre is formed. Bigger Societies may have a Secretary as well as an Accountant but the Smaller Societies may in the interest of economy emply a Secretary-cum-Accountant. Some-times one Secretary-cum-Accountant may be able to look after more than one Society if the Societies are small and other conditions are favourable.

The Secretaries and Accountants dealing with cash should be required to give security in the form of personal sureties or fidelity bonds as is done in case of Government servants of similar status and responsibilities.

Formula (Current).—A number of defects such as delay in handing over and working of coupes, financial losses due to these and other causes relating to wrongs estimates etc. which have crept into the working of Societies are in our opinion due to some extent to the present formula for fixation of upset price. We narrate below the circumstances which led to the adoption of the present formula for fixation of upset price.

When the organisation of Forest Labourers' Co-operative Societies was first initiated, if was decided that Forest Coupes should be given to the Societis of what is termed the upset price. This upset price is the yield from the particular coupes as also a rough estimate of expenses that may be incurred for working the coupe and the price that will be realised by the sale of the estimated material. After taking into account all these factors a rough price of the coupe is worked out. This price is termed as the upset price. It was kept confidential and served as a guide to determine whether the price quoted by the contractors in their tenders should or should not be accepted. It was found that the contractors generally offered a price which was higher than the upset price. There were also cases in which the tender price was lower than the upset price, and though the coupes were put up for re-sale they did not fetch a higher price. In the case of Societies, however with a view to eliminate the factor of competition the Government decided to give them coupes at the upset prices and this was looked upon as a kind of concession.

Several Societies, while working the coupes found that the visual estimate of the yield made by the Forest Officers erred greatly on Sometimes the estimated yield was very low and someboth sides. times it proved very high. The result was that some of the Societies made big profits while some others made heavy losses. Societies which, made heavy losses approached Government for reduction of the price. The Government referred such cases to the Planning Committee, and the question of the consideration of the high upset prices became a regular business of the Planning Committee. Year after year more and more, such cases came before the Committee. and the Committee felt that giving of coupes to Societies at upset price was by no means a satisfactory arrangement. It, therefore, arrived at the conclusion that some definite formula should be drawn up so as to enable the Societies to get the coupes at reasonable prices.

The question of evolving a new formula was considered by the Planning Committee and by the Sponsoring agencies and also Annual Conferences of the Forest Labourers' Co-operative Societies. After considering various aspects of the question, the Planning Committee drew up a formula and submitted the same to the Government. The Governments got this formula examined from all points of view. The financial aspect was closely scrutinised by the Finance Department. Finally, after considerable deliberations, the Government adopted the new formula by its resolution No. Agriculture and Forest Department No. 3952/II/J, dated 25th February 1953. The same is in force at present.

# THE MAIN FEATURES OF THE EXISTING FORMULA ARE SUMMARISED BELOW

(i) Preliminary enumeration of trees and estimation of the quantity of the material jointly by the Forest Department and the representatives of the society concerned, difference of opinion being settled by the Forest Department and the Planning Committee.

(ii) Fixation of standard rates by the Forest Department in regard to the extraction charges coupe depot expenses, transport charges, station or bunder-depot expenses, management charges, all other incidental expenses, all of which put together would be the total operational cost. The Forest Department is authorised to publish standard rates for different area for all such items after taking into consideration the objections from the sponsoring agencies. The total operational cost is allowed only as calculated at these standard rates.

(*iii*) The price of a coupe under the formula is the estimated value of the material minus the total operational cost and a margin of 10 per cent, of the total operational cost to serve as the net profit to the Society.

(iv) At the end of September each year, the estimated value of the estimated material less 10 per cent of the total cost would be checked against the actual realisations from the produce by a Sub-Committee of the Planning Committee and the consequent loss or gain would be shared 50: 50 between the Society concerned and Government provided that in the case of loss, the Chief Conservator of Forests certifies that the loss is not due to mismanagement on the part of the Society.

(v) 2 per cent of the total amount of prescribed wages paid should be included as an item of expenditure for welfare activities.

Under this formula, the Government has in a way became a partner with the Forest Laboures' Societies, sharing both profit and loss and working the coupes though the Agencies of Forest Labourers' The framers of the formula thought that with the in-Societies. troduction of the new formula the difficulties experienced by the Forest Labourers' Societies and their Sponsoring Agencies would be removed, and that the formula would be properly implemented. When however, the formula was put into execution certain defects in its working came to light. The fact that the estimates worked out jointly would not necessarily confirm to the actuals either of the yield or of the price or of both was over-looked by the framers of the formula. In almost all cases in which the new formula was applied, the estimates and the actuals were found to differ. Sometimes the actuals would exceed the estimates and sometimes they would fall short of the estimates. There are no provisions in the formula to meet the excess expenditure in consequence of the excess yield over the estimated yield. This resulted in considerable hardship to the Societies. Under the formula 50 per cent of the profit were claimed by Government as their share. in addition to the upset price. While calculating the profits Government did not take into consideration the extra expenditure on the excess yield, which the societies had to This question was considered by the Conference of Forest incur. Labourers' Societies and the Planning Committee which after long deliberations made certain recommendation to the Government for removing this serious lacuna in the formula. It is but fair that the extra expenditure on the extra yield at the prescribed rates should
be allowed. At the matter has been referred to this Committee for opinion we recommend as under :---

For the purpose of reimbursement of extra expenditure on extra yield the cases of the Societies in which the extra yield is more than 10 per cent of the estimated yield and in which the share of the Society in profit is less than 40 per cent of the total actual profit earned by the Society should be considered and 50 per cent of such extra expenditure on extra yield as per standard rates should be given to the Societies from the share of profit accruing to Government as per existing formula. This should be made applicable in respect of Societies claiming extra expenditure on extra yield from the year 1954-55 and onwards.

Under the existing formula some of the Societies have incurred losses. Government is a sharer in this loss to the extent of 50 per cent. We have found that the share in loss has not been paid by Government so far, as the matter is still under consideration.

Thus the working of the existing formula has resulted in stranger anomalies and anticipated by the framers of the formula. In Appendix VI are given some typical instances of the strange result of the working of the formula. We recommend that Government share of the loss incurred by Societies should be paid as early as possible provided it is certified that it is not on account of mismanagement.

From the experience gained during the last five or six years of the working of the formula, it has become necessary to have a new formula which will be free from the defects of the current one and which would be very simple in working. The existing formula is based on the estimated quantity of the material produced, the estimated realisation therefrom and the estimated experinditure thereof as per standard rates. In its place it would be desirable to adopt the basis of actual yield actual realisation and actual expenditure at standard rates in framing a new formula. The Planning Committee has given careful consideration to this question and it has prepared a new formula based on actuals. This new formula has been under the consideration of the Government for a pretty long time. We feel confident that if this new proposed formula is adopted it will go a long way in removing many of the existing defects in the working of the Societies.

We recommend that Government may accept the new formula as recommended by the Committee for planning the development of Forest Labourers' Co-operative Societies. The new formula is given in Appendix—VII.

Commission and Dalali.—It has been observed that some Co-operation Societies have to give certain commission to the Dalali engaged

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in the timber trade at the time of sale of timber and other materials by auction. This system ought to be discouraged, for it would not be difficult for the Societies to conduct the sales without paying any commission to the Dalals, as it is done in the case of sale of timber and other materials by the Forest Department. This will bring better sales realisation which will benefit Government and the Societies.

Penalties and Extension Fees. - The Co-operative Societies are at times subjected to the payment of extension fees and penalties when they are not able to complete coupe operations in time. The quantum of extension fees has been decided in the Senior Forest Officers Conference and this is being charged at present on the Societies. The delay in completing coupe operations within the prescribed time limit is due to special factors some of which are beyond the control of the Co-operative Societies. It may be due to late handing over of coupes or delay in getting necessary finance from the central Financing agencies. Under the new Formula, it is hoped that as coupe operation is to be carried out with the guidance, supervision and active help of the Forest Department, the question of extending the period beyond the due date will not arise. However, before any Co-operative Scciety is asked to pay any penalty or extension fees for late operation, the matter should be investigated and if it is found that the Society has delayed operation deliberately, the penalty may be levied on the same basis as is levied ordinarily from the contractors. The Society in the event of being aggrieved by the decision of the Forest Department may appeal to the State Co-operative Council,

Sureties.—According to the existing practice, the Forest Labourers' Co-operative Societies are required to furnish sureties for an amount which is equal to the price of the coupes plus 1/10th of such price by way of Deposit in respect of the coupes allotted to them. As a result of this, the Societies are obliged to approach landlords for obtaining such sureties.

As a result of recent agrarian legislation, there have been revolutionary changes in the ownership of land and the Societies find it difficult to get proper sureties. Every year, the No. of Societies is increasing and the member of coupes allotted to them and the upset price of such coupes are also increasing. It is, therefore, becoming more and more difficult for Societies to secure sureties commensurate with their growing requirements. This causes considerable delay in coupes being handed over to the Societies. Again, delay in the handing over of coupes results in uneconomic working of the Societies. At present those Societies which have a reserve fund to the extent of Rs. 25,000 each, or those societies which are classed 'A' or B' are exempted to the extent of 50 per cent, of the upset price, in securing sureties. New Societies, however, and those classed as C', cannot avail of this concession. We consider that co-operative organisations of Forest Labourers' ought not to be treated on a par with forest contractors, and the regulations meant for individual contractors ought not to literally applied to the Societies. After all the Societies are in some measure subject to the control and supervision of the forest and co-operative departments and to exempt them from the obligation to furnish sureties would not result in any loss to Government. We would, therefore, suggest that the demand for personal sureties for the price of coupes should be dispensed with in case of societies.

Under the new formula, the condition of offering sureties is removed. We recommended that Government should not insist upon personal sureties for the price of coupes.

Finance.--When the Forest Labourers' Societies were started, the question of financing them for meeting the expenses of working the coupes presented great difficulties. The societies had in the initial stages, a meagre share-capital and no other funds. In the first year of the working of the Societies, the Sponsoring Agencies managed to secure the requisite funds by their own influence. In some case the Government made loans to Sponsoring Agencies for financing The question of finance was discussed by the the Societies. Planning Committee and it recommended that Forest Labourers' Co-operative Societies should be financel by the Co-operative Financing Agencies. It also recommended that the Central Government should stand as a guarantee for a suitable marginal amount of the total loans advanced by Central Financing Agencies to the Forest Labourers' Co-operative Societies. Government accepted the recommendations of the Planning Committee and in 1949 passed orders agreeing to stand guarantee for a margin of 40 per cent, of the total loan advanced to a Society subject to the condition that the total advances to all Forest Lobourers' Cooperative Societies should not exceed five lacs. This maximum was extended to 15 lacs in the subsequent year, and further additions were made to it as the number of Societies and volume of their operations increased. This guarantee was given by Government on certain conditions, one of which was that an approved social service organisation would have to guarantee good management of the Societies and that the worker of such an organisation would have to be associated with the management of the Society either in the capacity of the Chairman or the Secretary. Subsequently, the Central Financing Agencies asked for an overall guarantee on their aggregate advances. This too was granted by Government in the year 1954 and the Joint Registrar for Industrial Co-operatives was

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authorised to allow an overall guarantee of 20 per cent, in respect of the total credits recommended by him to the Forest Labourers' Co-operative Societies. Among the conditions attached to this guarantee, there was one to the effect that the sale proceeds of the exploited materials should be distributed in the proportions of 75 per cent, to the Forest Department and 25 per cent, to the Central Financing Agencies concerned. This new arrangement worked satisfactorily though there were occasional complaints from the Societies to the effect that they did not get the finance either promptly or adequately.

Though the complaints of the Societies had some force, it must be pointed out that the Central Financing Agencies particularly the Bombay State Co-operative Bank Ltd., have played a very useful role in facilitating the working of the Societies by grant of the necessary finance. In the initial stages the Societies had small guarantee funds and on the security of these it was diffiult to obtain large finance for working the coupes. The Government of Bombay and the Central Co-operative Banks, one by giving the guarantee and the other by providing funds have substantially contributed to the rapid development of the movement.

The arrangements for finance mentioned above are no longer in The Government of Bombay, has now placed large funds at force. the disposal of the various central financing agencies and advances to' Forest Labourers' Societies are made out of these funds at a concessional rate of 21 per cent. Applications for loans for working the coupes are made by the Societies to the District Officer for Cottage Industries and Industrial Co-operatives and he forwards the application with his remarks to the Assistant Director for Cottage Industries and Assistant Registrar for Industrial Co-operatives. Powers of recommending loans up to Rs. 5,000 are delegated to the Assistant Director and applications for loans in excess of this limit are forwarded by him so the Deputy Director of Cottage Industries and Deputy Registrar for Industrial Co-operatives who has powers to recommend loans up to Rs. 10,000. All applications for loans in excess of this amount are dealt with by the Director of Cottage Industries and Additional Registrar, Industrial Co-operatives. The applications recommended by these officers are considered by the Boards of Directors of Central Financing Agencies, which finally sanction the loans. This procedure for sanction of loans necessarily involves delay in the grant of loans and the Societies are considerably inconvenienced in the matter of working the coupes. This delay can be obviated if the Societies send two applications, one to the Central Financing Agency and the other to the District Officer. On receipt of the application, the Central Financing Agency may make the necessary inquiries and if the Society is credit worthy it should

immediately sanction a loan of cash credit equal to three times the paid up share capital of the Society or 50 per cent of its requirements for operation of coupes whichever is less so that the requisite working capital for exploitation of coupes is immediately made available to We recommend that institutional finance should be the Society. preferred to Departmental finance which is the accepted policy of Government in respect of Co-operative Societies. The Central Financing Agencies or Industrial Co-operative Banks should, therefore, provide necessary finance to the Forest Co-operative Societies, and to the Federation. In order to build up the borrowing capacity of the Forest Societies, Government is contributing an amount of Rs. 3,000 to the share capital of a Forest Co-operative Society of the Scheduled Tribes (Adivasis). Share capital contribution on a reasonable scale should also be made available to Forest Co-operative Societies of other Backward Classes residing in the Forest areas, as in case of other Industrial Societies. Government may also consider the question of giving liberal management grants to Forest Co-operative Societies of non-Adivasi Forest dwellers.

The Committee feels that the Co-operative way of exploitation of coupes need not be confined only to Adivasis, but it should be extended to all forest-dwellers who depend for their maintenance to a certain extent on forest labour. The economic condition of the persons working in the forest areas whether Adivasis or not is bad and all of them deserve to be uplifted by the grant of giving such financial assistance and such organisational strength as may be possible in the initial stages. The Forest Labourers' Co-operative Societies of such persons should get the coupes either on logging basis or on upset price basis or according to the new formula as may be applicable to other Societies of Adivasis. Government may consider sympathetically to what extent Societies composed of non-Adivasi Forest Labourers should be given (a) contribution to their share capital and (b) management grant.

The Central Financing Agencies should be authorised to advance loans upto three times the owned funds of a Society minus its accumulated losses or upto 50 per cent, of its requirements for operation of coupes whichever is less well in time before commencement of the coupe operation without waiting for recommendations of the Officers of the Department of Cottage Industries. The balance amount may be made available to the Society after preceipt of the recommendation of the Officers of the Cottage Industries Department. This is necessary to ensure adequate and prompt finance to Forest Labourers' Co-operative Societies.

In the event of the Co-operative Societies not getting the required finance from the financing agencies in time and with a view not to delay coupe operations, the Forest Department may advance from its own funds necessary amounts to the Co-operative Societies against proper securities according to the rules.

that the audited balance-sheet of a Forest We recommend Labourers' Co-operative Society should be furnished to the Officer of the Forest Department simultaneously with the balance sheet to be submitted to the Officer of the Cottage Industries Department, The Officer of the Forest Department can settle the accounts with the Forest Society on the basis of the balance sheet. This will greately help in settlement of accounts between the Society and the Forest Department If there any further adjustments or reconciliations to be done subsequently, it is possible to do so with the help of the Department of the Cottage Industries and the Divisional Federation. The Forest Officer can also consult the Assistant Director. Cottage Industries about the question of settlement of accounts based on the audited balance sheet and in the event of difference of opinion between these two Officers, the matter may be referred to the Director of Cottage Industries and the Chief Conservator of Forests whose decision in respect of settlement of accounts will be final.

We have noticed that Forest Labourers' Societies are not allowed to maintain local sale depots and to sell in retail so as to meet the demands of the local population This is responsible for much of the ill-informed criticism against the working of the Societies. The local demand can be met if the Forest Labourers' Societies are allowed to maintain Sale Depots at two or three Centres in each taluka and to sell at least 10 to 15 per cent, of the material in retail to local population at the rates prescribed by the Forest Authorities. Depots which are opened in the coupes may supply materials for bona fide consumption, at concessional rates approved by the Forest Authorities, to the Forest population. This would help in checking illegal cutting. In this connection, we may quote a relevant extract from the Presidential Speech of Shri V. L. Mehta, an eminent authority on Co-operation delivered at the 5th Tribal Welfare Conference held at Bordi, District Thana, on the 12th January 1959.

"If they (Tribals) help in expliciting the wealth of forests they should be enabled to share in the wealth some-what in the manner I have indicated above. Their well-being as much as the preservation and augmentation of these valuable national resources should be the primary concern of the Forest Department, just as the Welfare of the minors should be the principal concern of the Department of Mines. It is only when the outlook undergoes a change and opportunities for seeking the wherewithal of bare sustenance are opened out to forest-dwellers that offences against Forest Laws will cease. It is only then that Adivasis feel as much interested in planting and nurturing trees as in cutting them ". Attitude of contractors.—The main opposition to the working of the Forest Labourers' Co-operative Sceleties comes from the forest contractors and their Associations. In response to the circular issued by us we received written statements from a number of contractors and their Associations. We have very earnestly considered the views expressed in these statements. We agree that there are defects in the working of several Forest Labourers' Co-operative Societies, and we have referred to such defects in our report. We are, however, convinced that the opposition of contractors to the working of Societies is based not so much as on the defects of the Societies as on the fact of their being removed from positions of profit.

The Forest Contractors are exploiting the coupes on contract basis since the establishment of the Forest Department. The organisation of Forest Labourers' Co-operative movement has affected their privileged position. As the Government has adopted a policy of establishment of socialistic pattern of society, it is essential to bring into existence system under which wealth instead of being allowed to be concentrated into the hands of few individuals is distributed equitably amongst the largest number of people who produce it by their own sweat and labour. It is better that the contractors appreciate this new approach of Government, and adjust themselves to the new social order which is coming into being. The Co-operative movement in every field of life and also in the Tribal areas is being implemented for establishing a socialistic pattern of society by democratic means. The only object of the movement is of raising the economic and social condition of Forest-dwellers and to train them in Co-operative way of life and to make them useful citizens in the new pattern of society. The Contractor's however, will have a role to play till the whole forest area is covered by Cooperative movement, under the phased programme. The contractors may continue to get coupes as heretofore in those areas where the societies have not come into existence or where the Department does not work the coupes departmentally.

It is the established policy of the Government to encourage forest labourers to organise their co-operative societies and to give work to such co-operative societies. Wherever societies are formed, utmost care will have to be taken to see that they get enough work to provide employment to their members. In case where a society is not in a position to cope with all the coupe operations in its area of operation or where the Forest Department decides to work the coupes for certain specific purposes, the Department should entrust logging work to the co-operative societies functioning in the area. Private Contractors should be given coupes only where the societies are not formed or not able to cover the whole area of their operation or where the Department does not work the coupes Departmentally.

# CHAPTER V

# SUPERVISION AND TRAINING

The Forest Labourers' Co-operative movement in Bombay State has now been established on a sound basis. On 30th September 1958, there were in the State 275 Forest Labourers' Co-operative Societies with a membership of 46,776. The total paid up sharecapital of the Societies stood at Rs. 7,99,580 and their Reserve and other funds at Rs. 12,85,087 and Rs. 22,71,664 respectively. Thus within a decade the movement has made an appreciable progress. In the Second Five Year Plan of the Bombay State, it is proposed to organise 125 Forest Labourers' Co-operative Societies at the rate of 25 Societies per year. We are in agreement with the proposed extension of the movement, though we consider that the proposed extension is rather moderate and cautious. The Societies promoted under the Plan will receive from the Central Government contribution to the share-capital at the rate of Rs. 3,000 per Society and a further contribution for welfare activities at the rate of Rs. 1,500 per annum per Society per 3 years. The Societies will also receive grant-in-aid for management expenses at the rate of Rs. 1,200 per year per Society for the first 3 years of their working. We consider that the financial assistance proposed to be given to the Societies under the Second Five Year Plan, which is to the tune of Rs. 12,18,000, is adequate, and will be helpful in strengthening the financial position of the Societies. The funds provided on a liberal scale by the Central Government on the recommendations of Shri L. M. Shrikant, Commissioner for Scheduled Castes and Scheduled Tribes for newly Registered Forest Labourers' Co-operative Societies in their infant stages represent, in our opinion, an important step in the development of this movement.

The extension of the movement contemplated in the Second Five Year Plan points to the imperative need for strengthening arrangements for supervision. The Forest Labourers' Co-operative Societies consist largely of Adivasis who are illiterate and ignorant, and the need for constant supervision of their Societies cannot be over-emphasised. At present there are no definite arrangements for supervision of these Societies. The Sponsoring Agencies which are instrumental in promoting these Societies updertake in some measure to supervise their working. Their resources, however, are far from adequate nor have they at their disposal the requisite personnel qualified and trained for supervision work. The Departments of Co-operation and Forests also undertake, in some respects, the duties of supervising and guiding the working of the Societies. The staff, however, of both the Departments are saddled with other responsibilities and the time they can spare for supervision of Societies, is necessarily limited. We consider that the working of

Forest Labourers' Co-operative Societies is complicated and in the absence of a special agency which is trained for this work, adequate supervision over the working of Societies cannot be ensured. The persons who are charged with the work of supervision of these Societies should have training in a number of subjects as Co-operation accounts, forestry, elements of mercantile law, knowledge of psychology of Adivasis and their social and economic conditions etc. and such staff is not at present available.

Forest Labourers' Societies are dealing in large sums of money and the need for constant supervision and check up of these Societies is essential. Again, the Societies require technical guidance in the matter of coupe working and such guidance can only be provided by the staff technically trained. It is necessary that a special cadre of Supervisors possessing the qualifications and training indicated above should be created by Government for supervision of those Societies. Until this is done, the movement cannot be placed on a better footing. We understand that Agricultural and Industrial Societies are at present supervised by the Staff trained in Co-operative Schools and such supervision is expected to ensure satisfactory working of the Societies. Forest Labourers' Societies too need constant and close supervision by staff suitably trained for the purpose and the absence of such staff is a great handcap. It is necessary that a special cadre of supervisons should be created to guide and watch over the working of Forest Labourers' Societies.

We consider that one such supervisor would be able to look after 10 to 15 Societies. He will have to contract the labourers and find out if wages are regularly paid to them. He will also look into the arrangements for provisions of aminities in the coupes. He will also be responsible for visiting the Depots and check the various records maintained at the Depots. In fact he should be responsible for continuous checking of the accounts of the Societies and should function as an Internal Auditor. Another important duty of the Supervisor would be to attend the meetings of the Committee of the Societies and guide the management in regard, to transactions of business of the meeting.

We are of opinion that these supervisors though they would be appointed and paid by Government will have to be attached to the Co-ordination Committee or to Divisional Federations when these are formed. They will place their diaries and reports of Inspection before Divisional Federations and keep them in touch with the working of the various Societies in the area. They will also bring to the notice of the Divisional Federations the special difficulties and problems of the Societies in their charge.

We feel that selection of persons to be trained as supervisors will call for special care on the part authorities. These persons after their training is over, will have to work amongst Forest Tribes and may have to undergo the rigorous of jungle-life. Selection of these persons for training should, therefore, be made in consultation with the Social Service Organisations.

# TRAINING

Now that Forest Labourers' Co-operative Societies have been established in large numbers and further extension of the movement has been planned, it would be necessary that officers of the Forest Department who in course of their duties, are called upon to deal with the Societies should have some training in co-operative principles and practice in order that they may have the necessary outlook for encouraging co-operative development. In this connection we may point out the following observations of the Planning Commission :—

(Para. 22 of Chapter X of the First Five Year Plan).

"In the past there have been occasional complaints to the effect that while state generally sponsors co-operative societies and desires to accord them a preference, in actual practice agencies other than co-operatives often receive better treatment from a number of depart-There is also a tendency, in some of them, to regard only the ments. Co-operative Department as responsible for co-operative development. It has already been indicated that various forms of co-operatives impinged on number of departments. Therefore, unless every department and every Minister accepts and adopts policy of fostering cooperative method of business, repaid and enduring results cannot be obtained. For instance, the Central and State Public Works and Irrigation Departments spent fairly large amount on work programme every year. Except in one or two States most of the works are entrusted to contractors. We consider that every Department should follow the policy of building up co-operatives which may eventually replace the contractors and other middle-men".

If the policy favoured by the Planning Commission is to be implemented it would be necessary to train forest officers in cooperative principles and methods. We understand that Forest Department is running classes for training of its subordinate officers at places like Bordi, Chhota Udepur, etc. We recommend that in the syllabus of these classes, the subject of co-operation and organisation and management of Forest Labourers' Co-operative Societies should be introduced so that these officers are adequately equipped for the implementation of the policy of Government in this behalf.

We have indicated several defects in the working of Forest Labourers' Co-operative Societies. Most of this defects are due to the fact that the members of the staff of the societies are not properly trained. The policy in this movement is to employ progressively larger number of Adivasis as Secretaries, Accountants, Agents, Depot Clerks, Mukadams, etc. Unless these persons are suitably trained they cannot give a good account of themselves, and cannot improve the working of the societies. It is, therefore, essential that classes of atleast four months duration should be run for the training of these Office-Bearers or prospective Office-Bearers of societies. They would have to be instructed in elements of forestry in addition to all other subjects which are taught at the Co-operative Training Schools. In each Linguistic Region of the State, one such class would suffice and it would train about 60 persons in the course of a year. Candidates or admission to these classes should be selected in consultation with the leading social service-organisation of repute and 80 per cent. of the prospective trainees should be selected from amongst Adivasis possessing the required qualifications. We recommend that the State Co-operative Union should conduct these Training Schools on the lines suggested above.

Training of Secretaries, Accountants, Agents and Mukadamas will have to be properly plannel so as to make their services available to the existing Co-operative Societies and to the new societies that will be formed according to the phased programme of Development.

We suggest that organisation of refresher course is necessary for the staff of societies. These classes may be of short duration but they should be held every year particularly in the monsoon when the staff have little work and the operations of the societies are at rest. The workers of the Social Service Organisations and the officers of the Co-operative and Forest Department should be invited to address these classes.

It should be incumbent on the societies to appoint only such trained persons as members of their staff. Societies which do not follow this practice may be denied coupe or may not be held eligible grant-in-aid.

We recommend that a Divisional Cadre of Secretaries and Accountants of Forest Labourers' Co-operative Societies should be created. The Co-ordination Committee or the Divisional Federation, when it is formed, should create this Cadre and the powers of appointment, control and transfer of the Secretaries and Accountants in the Cadre should vest in the Federal Body.

We have noticed that Forest Labourers' Co-operative Societies are not regularly audited. In the year 1953-1954 the number of societies not audited stood at 17. In the subsequent year it rose to 22 and in the year 1955-56 the number of unaudited societies was as large as 50. Societies which are not regularly audited show a tendency to deteriorate. Arrangements should, therefore, be made to see that the accounts of the societies are audited regularly once a year, immediately at the end of the year.

# CHAPTER VI

# WELFARE ACTIVITIES OF SOCIETIES

The Evaluation of the work of Forest Labourers' Societies cannot be completed without a review of the various welfare activities amongst members started by these societies. The organisation and conduct of welfare activities forms one of the important items in the work of these societies. The social workers associated with the working of such societies have to pay proper attention not only to their efficient and economic working but also to promoting the other aspects of social welfare of their members.

The welfare activities which may be undertaken by societies are divided into two parts viz, (1) the activities which the society should undertaken during coupe operations, and (2) the activities which the societies can undertake provided their bye-laws permit them to do so and they have sufficient funds for undertaking such activities outside the coupes. The activities which fall under these two categories are as under:—

(1) (a) to provide properly planned clean, spacious and habitable sheds, (b) to arrange for the supply of good-water, (c) to keep a medicine chest containing elementary medicines such as quinine, iodine, purgative, bandages, etc., (d) to provide sanitary arrangements like urinals and latrines and see that the Adivasis use them hygienically, (e) to depute one of the social workers to stay with the coupe-workers and organise social education amongst them and to inculcate in them the habits of discipline and cleanliness, (f) to arrange for educational and recreation at programmes, (g) to provide supplementary nourishing food such as Gur, oil, vegetables, etc.

(2) (a) to conduct or help other organisations in conducting Ashram-schools, hostels, etc., (b) to arrange for educational camps and tours, (c) to supply medicines to the people staying in the villages within the area of operation of the society, (d) to provide facilities for the development of agriculture carried on by the members of the society, (e) to give loans for carts, etc.

It is recognised that the Forest Labourers' essential need is of food-grains during the monsoon, specially during scarcity conditions. For want of any alternative suitable arrangement, the forest labourers become prey of Money-lenders. This can be avoided if Co-operative Societies or District Federations run Grain-Banks in forest areas. The other requirements of forest labourers are agricultural implements and timber for repairs or construction of their houses. The above needs can be met with either from the resources of the societies and/or Federations or from the profits that the societies earn by coupe operations. The present distribution of profits between the reserve fund, bonus on wages, dividend to the Shareholders, etc. seems to be fair. But it is necessary that additional funds should be earmarked from the profits to meet with the above requirements. It is, therefore, recommended that instead of giving brass utensils to the forest workers for the bonus amount, supply of agricultural implements or supply of timber for construction of houses and repairs to houses will serve better their needs. In the event of giving bonus and dividend in cash, it will be desirable if the amount is given to the members in the form of National Saving Certificates.

We noticed that a large number of societies now realise their responsibilities for carrying on welfare activities amongst their members and spend a considerable portion out of the amount provided for the purpose in the operational cost, and from their profits for such activities. In the beginning, the societies did not pay sufficient attention to this aspect of their work but the Planning Committee and the Forest Labourers' Societies Conferences repeatedly impressed on them the necessity to devote greater attention to these As a result of the ceaseless efforts of these Agencies the activities. societies are now appreciating the need and advantages of such activities. It is noticed that 45 Forest Labourers' Co-operatives in Surat District spent from the beginning up to the end of the year ending 30th September 1957 Rs. 1,12,466 on welfare activities. During the year 1957-58, however, the societies spent Rs. 74,479 in that District for the purpose. This shows that larger amounts are now being spent by the societies on these activities. We were well impressed with work done in this behalf by the societies in the Districts of Thana, Surat, Panchmahals and Dangs. We would like to point out that what distinguishes the Forest Labourers' Societies from the Forest Contractors is the human outlook of the societies and the social welfare activities undertaken by them. Any default on the part of the societies in organising such activities is in our opinion, a serious dereliction of their duties and should be scrupulously guarded against. We, therefore, impress on all Forest Labourers' Societies and secial service organisations the necessity to devote their special attention to this aspect of the societies work. Social Welfare activities undertaken by societies provide the greatest justification for the existence and development of this movement and the successful conduct of these activities is an essential as the financial success of the societies.

# CHAPTER VII

### CONCLUSION

We have attempted to give in the body of this Report the various defects in the working of Forest Labourers' Co-operative Societies. We have suggested ways and means to remove these defects. We have also offered various suggestions calculated to place the Forest Labourers' Co-operative Societies movement on a better footing. We consider that the healthy development of this movement depends on a variety of factors, chief of which is the policy pursued by the Central and State Governments. The credit for intiation of this movement goes to the Government of Bombay which conceived the organisation of Forest Labourers' Co-operative Societies, not merely as agencies for working the forest coupes in place of Contractors, but as instruments for the alround advancement of the The movement has a physiological and a moral Forest-folks. aspect and one of its important aims is the development of the individual and collective capacities of a section of the community which has long been subjected to ruthless exploitation by vested interests. In giving coupes to the societies at upset prices Government has obviously subordinated consideration of revenue to the moral and material well being of the Forest-folks, and so long as this policy is followed, the progress of the movement is assured. In pursuance of the above policy, both the Central and State Governments have granted to these Societies financial assistance and administrative concessions and these have materially helped the development of the societies. We consider that these measures should continue. We have no doubt that the policy followed by Government is correct and has yielded desirable results. We would suggest that in considering the question regarding the introduction of the new formula for giving coupes Government will bear in mind this aspect of their policy and give the societies opportunities for rendering greater services to the forest tribes. We would urge that the State Government should reaffirm their policy in unambiguous terms so that the Executive Officers who are responsible for implementing this policy can play their appropriate role in the development of the movement.

Apart from Government, the Social Service Organisations who have contributed to the development of this movement, have in our opinion, great responsibilities. We need hardly impress on them, the necessity to build up, by their selfless efforts, healthy Co-operative organisations of Forest folks for working the coupes, and to create conditions for early formation of Federal Organisations of such societies, so that, their working are freed from the obligations to look after the day-to-day working of the societies and they have more scope for putting in the much needed social, work. One of the objects in associating social service organisations with the working of Forest Labourers' Societies was that their workers would make all efforts to train adivasis as early as possible in undertaking responsibilities for management of their societies, and to the extent to which this is done, the participation of social service organisations which have played a unique role in the building up of this movement will concentrate all their attention in training office-bearers and members of societies in the various aspects of management of their societies.

The Forest Labourers' Co-operative Societies movement, though it is hardly ten years old has come to stay. It represents an effort in the direction of creating a socialistic pattern of society which means 'that the basic criteria for determining the lines of advance must not be private profits but social gain''. In a socialistic pattern of society the benefits of economic development must accrue more and more to the relatively less privileged classes of society and there should be progressive reduction of the concentration of income, wealth and economic power. Judged in the light of these criteria the active promotion of Forest Labourers' Co-operative Societies movement is a step in the right direction. We hope that the various suggestions we have made in the body of this Report, if and when they are implemented will go a long way in strengthening small decentralised units of Forest Labourers' Co-operative Societies.

The movement of the Forest Labourers' Co-operative Societies will expand at a considerable speed during the third and subsequent plans. There may be certain problems arising out of the implementation of the new formula as well. The growth of movement creates its own problems. It is, however, necessary to assess whether the desired objectives of the movement are achieved and it so, to what extent. It is, therefore, suggested that Government may get the assessment of the movement done periodically at an interval of 5 years.

Secretary, Evaluation Committee. D. J. NAIK, Chairman, Evaluation Committee, Bombay State.

# SUMMARY OF THE RECOMMENDATIONS OF THE FOREST EVALUATION COMMITTEE FOR FOREST LABOURERS' CO-OPERATIVE SOCIETIES IN BOMBAY STATE

# Formation of the "State Council for Forest Co-operatives"

No. 1.—The Committee for Planning the Development of Forest Labourers' Co-operative Societies may be renamed as "The State Council for Forest Co-operatives" and constituted as under :—

- 1. The Deputy Minister for Forest Co-operatives and Sarvodaya, Chairman.
- 2. The Deputy Minister for Social Welfare.
- 3. Six to eight social workers to be nominated by Government so that all the Regional Divisions are represented.
- 4. The Secretary to Government, Agriculture and Forests Department.
- 5. The Secretary to Governments, Industries and Co-operation Department.
- 6. The Secretary to Government, Finance Department.
- 7. The Chief Conservator of Forests, Poona.
- 8. The Director of Cottage Industries and Additional Registrar for Industrial Co-operatives, Bombay State, Poona.
- 9. The Director of Social Welface, Bombay State, Poona.
- 10. A representative of the State Co-operative Bank Ltd.

# Functions of the State Council

No. 2.—The functions of the reconstituted State Council for Forest Co-operatives should be as follows—

(a) To formulate plans for the development of the Forest Labourers' Co-operative Societies movement;

(b) To give proper guidance to the Divisional Federations in proper functioning of Forest Labourers' Co-operative Societies and in all matters pertaining to the societies;

(c) To decide the questions and remove the difficulties arising out of working of the coupes by the societies;

(d) To recognise suitable organisations as sponsoring agencies of Forest Labourers' Co-operative Societies;

(e) To plan for regeneration, protection and development of

forests and to plan for organising industries based on forest produce;

(f) To give directions as to the manner in which welfare activities should be carried out by the societies and social service organisations and the manner in which the available profit should be utilised for the benefit of the forest dewellers;

(g) To formulate the phased expansion of Forest Labourers' Co-operative movement in the forest areas so as to entrust fully the work of forest exploitation to Forest Labourers' Co-operatives in due course of time; and

(h) To organise annual conferences of Forest Co-operatives.

# Formation of a high-level committee

No. 3.—With a view to arrive at expeditious disposal of the recommendations of the above council, a high level committee consisting of the following may be constituted :—

- 1. The Minister for Forests.
- 2. The Minister for Cottage Industries and Prohibition.
- 3. The Chairman of the State Council for Forest Co-operatives.
- 4. The Secretary to Government, Industries and Co-operative Department.
- 5. The Secretary to Government, Finance Department.
- 6. The Secretary to Government, Agricultural and Forest Department.

The high-level committee may be invested with full powers of taking decisions on the recommendations of the State Council for Forest Co-operatives and it should be the function of this committee to pass early orders on the various recommendations of the State Council for Forest Co-operatives.

# Definition of duties and functions of Sponsoring Agencies

No. 4.—The duties and functions of the Sponsoring Agencies may be well defined so as to give them a clear idea of their role they have to play in the promotion and development of Forest Labourers' Co-operative Societies.

# Building up of a Welfare Funds

No. 5.—The Forest Co-cperative Societies should make it a point to build up out of their profits, an Adivasi Welfare Fund and to

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contribute from the same and also from their Charity Fund sufficient amount for the purpose of carrying on social activities undertaken by social Service Organisations or Forest Labourers' Societies as formulated by the Divisional Federations.

# Formation of Federal Organisation of Forest Labourers' Co-operative Societies

No. 6.—A Federal Organisation of the Forest Labourers' Cooperative Societies should be started in every forest division which should undertake the responsibility of guiding, supervising and sponsoring of these co-operatives. The District Co-ordination Committee, which are functioning at present, will be converted into the federations. Such federations should come into being within a period of one year to replace the District Co-ordination Committees and the State Council may review the question in respect of such areas where the federations cannot be constituted within a stipulated period.

# Model bye-laws of the federation

No. 7.—Model bye-laws of the proposed federations may be framed by the Department of Cottage Industries and Industrial Co-operatives with the approval of the State Council for Forest Co-operatives.

# Area of operation of the federation

No. 8.—A federation should ordinarily be organised for a forest division. Where, however, the number of societies in a particular division is small and where the forest in a particular division is not so extensive, a federation may be organised for more than one division, but normally a federation per forest division will be a suitable arrangement.

# Membership of the federation

No. 9.—The membership of the divisional federation should be restricted to the following:—

(a) All primary Forest Labourers' Co-operative Societies registered in the area of the federation;

(b) Sympathisers interested in the co-operative movement and/ or in the economic and social welfare of the forest labourers. The number of such sympathisers should normally be 5 or 10 per cent. of the member societies whichever is less; and

(c) Social service organisation approved by Government.

# Committee of Management of the federation

No. 10.—The Committee of Management of the federation should consist of the following :---

- 1. Five representatives of affiliated Forest Labourers' Cooperative Societies,
- 2. Two members from amongst sympathisers and/or social service organisations,
- 3. One nominee of the Forest Department,
- 4. One nominee of the Cottage Industries Department,
- 5. One nominee of the Central Financing Agency operating in the area,
- 6. One nominee of the Social Welfare Department. The first Committee of Management with a non-official Chairman however, should be nominated by Government for a period of three years and this period may be liable to be extended by one year at the discretion of Government.

# Business of the federation-How to be transacted

No. 11 .- The Managing Committee will transact the business according to the bye-laws of the federation. But the Cottage Industries Department's nominee or the Forest Department's nominee or nominee of the financing institution may have a right of appeal to the State Council in the event of Managing Committee deciding an issue by majority of votes which according to them is against the interest of the Government or of the financing institu-The differing nominee will normally get his opinions tions. recorded in the proceedings, and in case he finds that the Managing Committee's resolution is against the interest of the Government or of the Banking institution, only then such a member will have, a right to make an appeal to the State Council whose decisior in the matter should be given as quickly as possible and should h *i*e treated as final. To avoid delays in deciding such matter, t' 'nе Council may appoint a sub-committee and the resolution of the federation may not be implemented till the matter is disp. Daed off by the Sub-committee.

# Functions of the federation

No. 12.-The functions of the divisional federations v rill be as under :--

1. To sponsor, supervise and guide Forest Labo purers' Co-operative Societies.

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2. To recommend allotment of coupes to the affiliated societies to the Forest Officers concerned. In case an affiliated society is not satisfied with the allotment, it may bring the fact to the notice of the federation and the federations may refer the matter to the State Council if it considers necessary.

3. To render advice and guidence to the societies in the maintenance of accounts, in the proper exploitation of coupes, in the sale of forest produce and in all allied matters.

4. To create and maintain a cadre of Secretaries and Accountants and to arrange for their training.

5. To formulate a programme of welfare activities for forest workers in accordance with the directives of State Council and to evolve arrangements for the execution of the same and,

6. To educate and train forest workers in the principles and practice of co-operation, thrift and mutual help.

# Secretary of the federation

No. 13.—At present, the District Officer of Cottage Industries and Industrial Co-operatives functions as a Secretary of the Coordination Committee in several districts. When the divisional federations are formed, he will function as the Secretary of the federation and his services may be placed at the disposal of the federation.

# Funds of the federation

No. 14.—The federation may collect 2 per cent of the operational cost of coupes from the affiliated societies in addition to such annual fees as it may prescribe. Government should also meet the cost of management of the federations on a sliding scale. For the first year, Government should bear full expenditure and it may go on reducing its grant by 20 per cent. every year till it comes to 50 per cent. of the cost of management of the federation.

# Allotment of coupes

No. 15.—The present system of allotment of coupes at times leads to certain delay which causes inconvenience both to the Forest Department and the Co-operative Societies and it also affects regeneration of the forest. It is, therefore, suggested that the allotment of coupes should be taken up one year in advance of the time of felling in order to enable the federation to pass on the information to the member solucities. The actual handing over of the coupe will be done on the due date by the Forest Department on societies fulfilling the necessary obligations. This pre-planning by one year may not be applied to the new societies which are to be given c. supes on logging contract basis.

### Annual programme for welfare activities

No. 16.—The federation should chalk out annual programme of welfare activities based on the recources available for the same and such programme should be implemented both by the societies and the Social Service Organisations.

# Sponsoring Agencies-District Co-ordination Committees to function in special circumstances

No. 17.—The District Co-ordination Committee will obviously cease functioning when the federation comes into being. In the divisions or districts, however, where federations are not formed, sponsoring agencies and District Co-ordination Committees will continue to function as at present.

# Supply of trained Secretaries and Accountants by federation

No. 18.—It will be the duty of the federation to supply trained Secretaries and Accountants to forest labourers' Co-operative Societies. The Model Service Rules for the staff of the societies may be framed by the State Council and the same may be adopted with suitable modifications necessitated by local conditions by the federations. Powers for transfers of secretaries and Accountants should vest in the divisional federation, for it is desirable that Secretaries and Accountants should not normally be retained in a society for more than three years.

# Annual conferences

No. 19.—Annual conferences of the Forest Labourers' Co-operative Societies which are instrumental in awakening interest amongst Adivasis and forest folks for the co-operative movement should be held regularly.

# Standardisation forms and registers

No. 20.—In order to maintain uniformity in the system of accounts of the Forest Co-operatives, standard forms and registers to be maintained by the societies should be prescribed by the State Council.

### **Primary Forest Labourers' Co-operative Societies**

No. 21.—With a view to improve the working of the Forest Labourers' Co-operative Societies, following recommendations are made in respect of constitution and management of the societies:—

(a) Area of operation :--- Area of operation of each newly registered Forest Labourers' Society will have to be carefully

defined. Ordinarily there may be one society for one felling series, but in areas where the tree growth is thin, a society may be permitted to have more than one felling series as its area of operation. The exact area of operation of each new society which may hereafter be formed should be recommended by the Divisional Forest Officer in consultation with the federation and the Director of Cottage Industries and additional Registrar for Indusrial Cooperatives should prescribe the area of operation in bye-laws of the Society at the time of its registration. In the event of the difference of opinion between the Divisional Forest Officer and the federation, the matter may be referred to the state Council, if necessary, and its decision may be final.

(b) Membership :--- The following may be the members of a Forest Labourers' Co-operative Society :---

(i) Forest workers residing in the area of operation of the society,

(ii) Social workers attached to the Social Service Organisation interested in Forest Co-operative movement and connected with the social and economic welfare of the forest folks.

Number of members under (ii) should be restricted to 5 or 10 per cent of the total number of members of the society, whichever is less.

(c) Every forest labourer residing in the area of operation of a society should normally be held eligible to be a member of the society. The society should not ordinarilly refuse admission for membership to a *bona fide* forest labourer. In case of refusal on the part of the society to admit a *bona fide* labourer as a member, there should be a provision for an appeal to the Assistant Director of Cottage Industries and Assistant Registrar for Industrial Co-operatives who will decide the matter in consultation with the Divisional Federation or the Co-ordination Committee as the case may be.

(d) Society to carry out coupe operations within its jurisdiction.— Unless there are exceptionally strong reasons, a society should carry out all the coupe operations and other forest work with the help of its labourer-members. In case, it is necessary to engage more labourers the forest folks residing in the area of operation of the society should normally be employed. General or specific approval of the Divisional Federation or Co-ordination Committee should be obtained if the society has to engage labourers from places outside its area of operation.

(e) Nominal membership.—A provision in the bye-laws of the society should be made for admission of nominal members on payment of Re. 1. If the nominal member agrees to become a fullfiedged member, he should be enrolled as such, as soon as his contribution from deduction of wages amounts to the full value of one share.

(f) Distribution of work between members of the Society.—It is observed that all the members of a society, who are willing to work do not get employment in the coupes worked by the society and that some members have to seek other employment. When coupe operations during a particular period can absorb only a limited number of workers, preference for employment should be given to labourer members including nominal members, who reside in places nearest to the coupe. Normally, the Managing Committee of a society should be able to regulate assignment of work to its members but in case of dispute, the Divisional Federation or the Co-ordination Committee, as the case may be, will decide the matter and the decision of that body will be final.

(g) Registration of new Societies.—A Forest Labourers' Cooperative Society may ordinarily be registered on the recommendation of the Divisional Federation, if one is formed. Where however the promoters of a proposed society are dissatisfied with the decision of the federation in the matter of registration, they may appeal to the State Council for forest co-operatives, whose decision may be accepted by the Department of Cottage Industries.

(h) In areas where federations are not formed but where there are Social Service Organisations approved by Government new societies may be registered, if they are appointed by such organisations.

(i) There may be areas where it may not be possible to form Divisional Federations and where Social Service Organisations also do not exist. In such areas societies may be registered if they are sponsored by (1) Sarvodaya Centres, (2) Multi-purpose Development Blocks or Community Development Blocks.

(j) In areas where the various agencies mentioned above do not exist, a society may be registered on the merits of the proposal, provided the State Council for forest co-operative recommand the same. It may be that sponsorship of a society may be refused by agencies competent to do so on ground which may not be tenable. In such cases the aggrieved society may appeal to the State Council for forest co-operatives and the decision of the council shall be binding on the agencies competent to sponsor the societies.

(k) Composition of Managing Committee of the Forest Labourers Co-operative Society.—The Managing Committee of a society may consist of 9 to 11 members depending on the size of the society as under :---

4 to 6 representatives of labourer members;

2 nominees of the social service organisation;

1 Range Forest Officer or a nominee of the Forest Department;

1 nominee of the Cottage Industries Department;

1 nominee of the Central Financing Agency.

(b) Business of Forest Labourers Co-operative Societies-How to be transacted.—The Managing Committee will meet and transact business according to the provisions of the bye-laws of the society. In case, where nominee of the Forest Department or Co-operative Department or the Financing Agency feels that a resolution of the Managing Committee is against the technical working of the forest or s against the provision of its bye-laws and Co-operative Societies Act and Rules or against the financial interest of the financing agencies respectively, he has right to get his opinion clearly reccorded in the proceedings and if he considers the matter as sufficiently important, he may make an appeal to the federation whose decision should be deemed to be final. Pending decision of the federation which should be arrived at within a reasonable time not exceeding seven days, the resolution of the Managing Committee may not be implemented.

(m) Employment of Secretaries, Accountants etc.—Services of trained Secretaries and/or Accountants should be made available to the societies by the Divisional Federations after the cadre is formed. Bigger societies may have a Secretary as well as an Accountant but the smaller societies may, in the interest of a onomy, employ a Secretary-cum-Accountant. Sometimes one Secretary-cum -Accountant may be able to look after more than one society if the societies are small and other conditions are favourable.

(n) Securities from Secretaries, Accountants, etc.—The Secretaries and Accountants dealing with cash should be required to give security in the form of personal sureties or fidelity bond as is done in case of Government servants of the similar status and responsibilities.

### Work for Newly Registered Societies

No. 22.—It may be that newly registered Forest Labourers' Societies may not be in a position to undertake full-fiedged coupe work involving sales of materials from the beginning. Such societies in the initial stages may not have the competence or the experience to do full-fledged coupe work. It is well-known that due to lack of experience, some newly registered societies incurred heavy losses in exploiting Forest coupes. It would therefore, be desirable to entrust such societies only with logging work for a period of one or two years in the beginning. During this period societies will build up its capital and will gather the necessary experience for working the coupes. After examining the performance of the society during first one or two years the society may be given contracts for coupes so that it may have opportunities of further development.

We would also suggest that old societies which because of losses incurred in the past have not sufficient borrowing capacity or old societies which because of mismanagement are classed 'D' may be required to work on logging contract basis, till they are rehabilitated and their capital structure is strengthened.

# Payment of share of losses by Government to: Forest Labourers' Cooperative Society

No. 23.—The working of the present formula has led to certain hardships to the Forest Labourers' Co-operative Societies and needs to be revised immediately. Under the existing formula, some of the societies have incurred losses. Government shares in the loss to the extent of 50 per cent and it is observed that the share in the loss has not been paid by Government so far and the matter is still under Government's consideration. Payment of the amount of share in losses requires to be expedited.

# Extra expenditure on Extra yield and and

No. 24.—For the purpose of reimbursement of extra expenditure on extra yield, the cases of societies in which the extra yield is more than 10 per cent. of the estimated yield and in which 'the share of the society in profit is less than 40 per cent. of the total actual profit earned by the society should be considered and with the sanction of the Government 50 per cent of such extra expenditure on extra yield as per standard rates should be given to the societies from the share of profits accruing to the Government, as per existing formula. This should be made applicable in respect of societies claiming extra expenditure on this ground from the year 1954-55 and onwards.

# New formula

No. 25.—The Planning Committee has very carefully considered the necessity of revising the existing formula which has created certain anomolies and it has prepared a new formula as given in Appendix VI. The new formula may be adopted at an early date and it is hoped that it will remove many of the existing defects in the working of the societies.

# Stopping the Practices of paying Commission to Dalals

No. 26.—It has been observed that some Co-operative Sociites have to give certain commission to the Dalals engaged in the timber trade at the time of sale of timber and other materials by auction. This system is to be discouraged and it should not be difficult for the societies to conduct the sales without paying any commission to the Dalals, as it is done in the case of sale of forest timber and other materials by the Forest Department. This will bring better sales realisation which will benefit Government and the societies.

#### **Extension fees and Penalties**

No. 27.-The co-operative societies are at the times subjected to the payment of extension fees and penalties when they are not able to complete coupe operations in time. The quantum of extension fees has been decided in the Senior Forest Officers' Conference and this is being charged from the societies. The delay in completing coupe operations within the prescribed time limit is due to special factors some of which are beyond the control of the cooperative societies. It may be due to late handing over of the coupes or delay in getting necessary finance from the central financing agencies Under the new formula it is hoped that as coupe operation is to be carried out with the guidance, supervision and active help of the Forest Department, the question of extending the period beyond the due date will not arise. However, before any co-operative society is required to pay any penalty or extension fees for late operation, the matter should be investigated and if it is found that the society has delayed operation deliberately, the penalty may then be levied on the same basis as in levies ordinarily from the contractors. The society in the event of being aggrieved by the decision of the Forest Department may appeal to the State Council.

### Inclusion of certain term in the agreement

No. 28.—A question has been referred to the Committee by Government whether the present agreement should include a condition mentioning that coupes are given to the co-operative societies on the basis of Government sharing 50 per cent. profit or loss with the society. The committee has examined the question and is of the opinion that there is no objection if a clear condition is included in the present terms of agreement.

### Sureties not to be furnished by societies

No. 29.—Under the new formula the condition of offering sureties is removed. We recommend that Government should not insist upon furnishing sureties for the price of coupes.

# Financing societies by Central Financing Agencies

No. 30.—Institutional finance should be preferred to Departmental finance as this is the accepted policy of the Government in respect of co-operatives. The present system of placing necessary funds at the disposal of the various central financing agencies by the Government and advances to the forest labourers' co-operative societies out of these funds at a concessional rate of interest viz.,  $2\frac{1}{2}$ per cent requires to be continued.

# Revising the procedure for sanction of loans

No. 31.—The present procedure for sanction of loans necessarily involves delay which can be obviated if the societies send two applications, simultaneously one to the Central financing agency and the other to the:District Officer of the Cottage Industries Department. On receipt of the application, the central financing agency may make the necessary inquiries and if the society is credit-worthy it should immediately sanction a loan or cash credit equal to three times the paid up share capital of the society or 50 per cent. of its requirements for operations of coupes, whichever is less so that the requisite working capital for exploitation of coupes is immediately made available to the society. The remaining amount can be advanced on getting necessary recommendation or report from the officer of the Department of Cottage Industries.

# Advances to societies by Forest Department

No. 32.—In the event of the co-operative societies not getting the required finance from the financing agencies in time and with a view not to delay coupe operations, the Forest Department may advance from its own funds necessary amounts to the co-operative societies against proper sureties according to the rules.

# Forest Labourers' Co-operative Society of Non-Adivasis to get coupes on the same basis as societies of Adivasis

No. 33.—The committee feels that the co-operative way of giving coupe operations need not be confined only to Adivasis, but it should be extended to all the forest dwellers who depend for their maintenance to a certain extent on forest labour. The economic conditions

of the persons working in the forest areas is almost equally backward and they also deserve to be uplifted by giving such financial assistance and such organisational strength as may be possible in the initial stages. The forest labourers' co-operative societies of such persons should get the coupes either on logging basis or on upset price basis or according to the new formula as may be applicable to other societies of Adivasis. Government may consider sympathetically to what extent societies composed of non-Adivasis should be given (a) contribution to their share capital and (b) management grant.

# Furnishing of audited balance sheet to Forest Department and settlement of accounts

No. 34.-The audited balance sheet of a Forest Labourers' Cooperative Society should be also furnished to the officer of the Forest Department, simultaneously with the balance sheet to be submitted to the officer of the Cottage Industries Department. The officer of the Forest Department can settle the accounts with the forest labourers society on the basis of the balance sheet. This will greatly help in settlement of accounts between the society and the Forest Department. If there are any further adjustments or reconciliations to be done subsequently, it is possible to do so with the help of the Department of Cottage Industries and the Divisional Federation. The Forest Officer can also consult the Assistant Director of Cottage Industries about the question of settlement of accounts based on the audited balance sheet and in the event of difference of opinion between these two officers, the matter may be referred to the Director of Cottage Industries and the Chief Conservator of Forests whose decision in respect of settlement of accounts will be final.

### Depot for sale of fuel, etc.

No. 35.—In order to meet the local demand for fuel, the Forest Labourers' Co-operative Societies may be allowed to maintain sale depots at two or three centres in each taluka and to sell at least 10 to 15 per cent, of the material in retail to local population at the rates prescribed by the Forest Authorities. The depots which are opened in the coupes may supply materials for *bona fide* consumption, at concessional rates approved by the Forest authorities, to the forest population.

## Need for training supervisors

No. 36.—The working of the Forest Labourers' Co-operative Societies is complicated and in the absence of a special agency which is trained for this work, adequate supervision over the working of societies cannot be ensured. The persons to be charged with the work of supervision of these societies should have training in a number of subjects, such as, co-operation, accounts, forestry, elements of Mercantile Law, knowledge of Psychology of Adivasis and their social and economic conditions, etc. A special cadre of Supervisors possessing the qualifications and training referred to above should be created by Government for supervision of these Societies.

One such Supervisor will be able to look after 10 to 15 societies. The supervisors, though appointed and paid by Government, may be attached to the co-ordination Committees or to the Divisional Federations when they are formed.

#### Selections of Supervisors

Selection of persons to be trained as Supervisors will call for special care on the part of the authorities. As they have to work amongst forest tribes and may have to undergo the rigours of jungle life, selection of these persons for training should be made in consultation with the Social Service Organisations.

### Training of Forest Officer in subject of Co-operation

No. 37.—Officers of the Forest Department who in course of their duties are called upon to deal with the societies should have some training in co-operative principles and practice in order that they may have the necessary outlook for encouraging co-operative movement. In the syllabus of the classes run by the Forest Department to train Forest Officers at places like Bordi, Chhota-Udepur etc., subject of co-operative Societies should be introduced.

# Training of Secretaries, Accountants, Agents, etc.

No. 38.—A large number of persons are required to function as Secretaries, Accountants, Agents, Depot clerks, Mukadams, etc. The policy of the Govenment is to employ a progressively lager number of Adivasis to these posts. It is, therefore, essential that classes of at least 4 months duration should be run for the training of these office bearers, or prospective office bearers of the societies. They should be instructed in elements of forestry in addition to all other subjects which are taught at the co-operative training schools. In each linguistic region of the State, one such class would suffice and it would train about 60 persons in the course of a year. Candidates for admission to these classes should be selected in consultation with the leading Social Service Organisation of repute and nearly 80 per cent of the prospective trainees should be selected from amongst Adivasis possessing the required qualifications. The State Co-operative Union should conduct these training classes on the lines mentioned above.

# **Pre-planning of Training Programme**

Training of Secretaries, Accountants, Agents and Mukadams will have to be properly planned so as to make their services available to the existing co-operative societies and to the societies that will be formed according to the phased progremme of development.

# **Refreshers'** Courses

No. 39.—We suggest that organisation of refreshers' courses is necessary for the staff of societies. These classes may be of short duration, but they should be held every year particularly in the monsoon when the staff have little work and the operations of the societies are at rest. The workers of the Social Service Organisations and the officers of the Co-operative and Forest Department should be invited to address these classes.

### Employment of trained staff by Societies

No. 40.—It should be incumbent on the societies to appoint only such trained persons as members of their staff. Societies which do not follow this practice may be denied coupe or may not be held eligible for grant-in-aid.

# Cadre of Secretaries and Accountants, etc.

No. 41—A Divisional Cadre of Secretaries and Accountants of Forest Labourers' Co-operative Societies should be created. The Co-ordination Committee or the Divisional Federation, when it is formed, should create this cadre and the powers of appointment, control and transfer of the Secretaries and Accountants in the cadre should vest in the Federal Body.

#### Audit

No. 42.—It is noticed that the Forest Labourers' Co-operative Societies are not regularly audited every year which develops a tendency for deterioration. Arrangements should, therefore, be made to see that the accounts of the societies are audited regularly once a year.

# Future Pattern of working of the coupes

No. 43.—It is the established policy of the Government to encourage forest labourers to organize their co-operative societies and to give work to such co-operative societies. Wherever societies are formed, utmost care will have to be taken to see that they get enough work to provide employment to their members. In case where a society is not in a position to cope with all the coupe operations in its area of operation or where the Forest Department, decides to work the coupes for certain specific purposes, the department should entrust logging work to the co-operative societies functioning in the area. Private contractors should be given coupes only where the societies are not formed or not able to cover the whole area of their operation or where the department does not work the coupes departmentally.

### Scope and nature of Welfare Activities

No. 44.—A large number of societies have realised their responsibilities for carrying on welfare activities amongst their members and have spent considerable portion of the amount provided for the purpose in operational cost and from their profits for such activities. The District Co-ordination Committee or the Divisional Federation would be well advised to formulate a programme for welfare activities. The following items should find a place in the programme of welfare activities :—

(1) (a) To provide properly planned clean, spacious and habitable sheds.

(b) To arrange for the supply of good water.

(c) To keep a medicine chest containing elementary medicines such as quinine, iodine, purgative, bandages, etc.

(d) To provide sanitary arrangements like urinals and latrines and see that the Adivasis use them hygienically.

(e) To depute one of the social workers to stay with the coupeworkers and organise social education amongst them and to inculcate in them the habits of descipline and cleanliness.

(f) To arrange for educational and recreational programme.

(g) To provide supplementary nourishing food such as gur, oil, vegetables, etc.

(2) (a) To conduct or help other organisations in conducting Ashram-Schools, Hostels, etc.

(b) To arrange for educational camps and tours.

(c) To supply medicines to the people staying in the villages within the area of operation of the society.

(d) To provide facilities for the development of agriculture carried on by the members of the society.

(e) To give loans for carts etc.

# Meeting essential needs of Forest Labourers from their own Funds or profit

No. 45.—It is recognised that the essential needs of forest labourers is of food grains during the monsoon, specially during scarcity conditions. For want of any alternative suitable arrangement, the forest Labourers become prey of money-lenders. This can be avoided if co-operative societies or District Federations run grain banks in forest areas. The other requirements are agricultural implements and timber for repairs or construction of their houses.

The above needs can be met with either from the resources of the societies and/or federations or from the profits that the societies earn from coupe operations. The present distribution of profits between the reserve fund, bonus on wages, dividend to the share holders etc., seems to be fair.

But it is necessary that additional funds can be earmarked from the profits to meet with the above requirements. It is, therefore, recommended that instead of giving brass utensils to the forest workers as bonus, supply of agricultural implements or supply of timber for construction of houses and repairs to houses will serve better their needs. In the event of giving bonus and dividend in cash, it will be desirable if the amount is given to the members in the form of National Savings Certificate.

# Periodical Evaluation of the movements

No. 46.—The State Council for forest co-operatives will formulate a programme for the Forest Labourers' Co-operative movement in the forest areas so as to entrust fully the work of forest exploitation to the Forest Labourers' Co-operative Societies in due course of time. The movement of the Forest Co-operatives will expand at a considerable speed during the third and subsequent five-year plans. There may be certain problems arising out of the implementation of the new formula. It is, therefore, necessary to assess as to how far the desired objectives of the movement are achieved and if so, to what extent. Government may, therefore, get the assessment of the movement done periodically at an interval of five years.



# APPENDICES TO THE REPORT

सन्यमेव जयते



# APPENDIX I

# Circular No. 1

Poona, March 1958.

The Government of Bombay has set up a Committee with the non-officials and officials listed in the margin to study the working of the Forest Labourers' Co-operative Societies in the State and to suggest to Government ways and means to remove defects, if any in their working and also organise the forest Co-operative movement on a better footing.
Shri J. N. Korpe.

on the present working of the Forest Labourers' Co-operative Societies and suggestions for removal of the defects and difficulties, if any in order to ensure improvement and development in the future working of these societies so that the object of Government viz., the all round advancement of the forest folks is achieved.

J. A. SINGH,

Chief Conservator of Forests,

Bombay State,

(CONVENOR).

# APPENDIX I-A

Circular No. 1 of March 1958' issued by the Chief Conservator of Forests and Convenor. Evaluation Committee to the following, inviting suggestions for improvement and development in the working of the Forest Labourers' Co-operative Societies in Bombay State.

1. All Sponsoring Bodies of Forest Labourers' Co-operative Societies in Bombay State.

2. All Conservators of Forests.

- 3. All Divisional Forest Officers.
- 4. Collectors of District concerned.

5. The Director of Cottage Industries and Additional Registrar for Industrial Co-operatives, Bombay State, Poona-

(a) Deputy Directors of Cottage Industries and Deputy Registrars of Industrial Co-operatives, Bombay, Nagpur, Poona, Rajkot, Ahmedabad and Aurangabad.

(b) Assistant Directors of Cottage Industries and Assistant, Registrars for Industrial Co-operatives, Jalgaon, Nasik, Poona, Kolhapur, Ahmedabad, Baroda, Surat, Jamnagar, Nagpur, Chanda, and Thana.

(c) District Officers of Cottage Industries, and Industrial Cooperatives, Dhulia, Alibag, Ahmednagar, Satara, Dangs, Palanpur, Himatnagar, Godhra, Broach, Junagadh and Amreli.

6. The Director of Social Welfare Department and the Local Officers of the Department.

7. Members of Parliament and Members of the Legislative Assembly of the Districts where the movement of Forest Labourers' Co-operative Societies is in progress.

8. Forest Contractors Association in the Districts concerned.

सत्यमंब जयत

9. The Director of Publicity.
| 8. No. | Name of<br>District | it of | Date                        | Coupes visited                                                                                                         | Meetings held with                                                                                                             |
|--------|---------------------|-------|-----------------------------|------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| -      | Kolaba              | :     | 6th April 1958.             | (1) C. No. 7-B of F. S. XVI. Worked                                                                                    |                                                                                                                                |
|        | £                   | :     | <b>7th April 1</b> 958,     | by Lamariov Boolety.<br>(1) C. No. 7-B of F. S. XXX Worked                                                             |                                                                                                                                |
|        | 2                   | :     | 7th April 1958.             | by Buanagaa Soolery. (1                                                                                                | (1) Meeting with workers of the Societics                                                                                      |
| 61     | Nagik               | :     | <b>29th Oct</b> ot er 1958. | H 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1                                                                                | Agency at Pen.<br>Mesting with workers of So                                                                                   |
|        | =                   | ÷     | 29th October 1958.          | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1                                                                                  | Sponsoring Agency held at Naik.<br>(3) Meeting with the Forest Contractors                                                     |
|        | r                   | ÷     | 30th October 1958.          | (3) C. No. 26 of F. S. No. 8. Worked                                                                                   | 10-010 BU IN BOIR.                                                                                                             |
| နာ     | Burat               | :     | 4th November 1968.          | UT ALL UN VIULAR DUCIENY. (4                                                                                           | (4) Meeting with Forest Contractors held                                                                                       |
|        | =                   | :     | 5th November 1958           |                                                                                                                        | (5) Meeting with the workers of Societies in<br>Decommend of D of Polyton Lange                                                |
|        | *                   | ł     | 6th November 1958.          |                                                                                                                        | Dhatamput and rut i fatha utu a<br>Dhatamput<br>(6) Meeting with the workers of Scotefies<br>in Unai and Pan da Ranges and the |
| Ŧ      | Thana               | ł     | 18th November 1958.         | (4) C. No. 42 of F. S. 2. Worked by (7)                                                                                |                                                                                                                                |
|        | 2                   | Ŧ     | 19th November 1958.         | (f) Plantation of Vada Khadkona                                                                                        | Ur up Societics Deld at lalasari.                                                                                              |
|        | £                   | :     | 19th November 1958.         | <ul> <li>V. M. at U. F. S. 34.</li> <li>(6) Vada Khandkene C. No. 42 of<br/>F. S. 34. Worked by Kondhan Gut</li> </ul> | :                                                                                                                              |
|        |                     |       |                             | Society.                                                                                                               |                                                                                                                                |

APPENDIX II

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<b>S.</b> No. Name of District	t d	Date	Coupes visited	Meetings held with
4 Thana	:	1944h November 1958.	(7) Bharad Coupe. Worked by Ran- (8)	Meeting with the workers of Ranshet
conta.	÷	19th November 1958.	ader viture Sourcey. (9)	
2	:	19th November 1958.	(10)	
•	ł	19th November 1958.	(11)	
£	:	20th November 1958.	A 12 12 12 12 12 12 12 12 12 12 12 12 12	
•	ł	20th November 1958.	(g1)	
5	:	20th November 1958.	(FT)	
5 Dangs	ł	3rd December 1958,	(8) Baj C. No. 32 of R. F. S. 17. (15) Worked by Waghai and Sakari- natal Societies.	
£	:	3rd December 1958.	(16)	Meeting with the Forest Contractors
	ł	3rd December 1958.	(9) Sati C. No. 32. Worked by Ahwa (17) Vitheor Society	
£ ₹	÷÷	4th Decomber 1958. 4th Decomber 1958.	(18) (19)	
6	:	4th December 1958.	(20)	) Meeting with the workers of Societies and Snonsoring Agency hald at Wadhai.

APPENDIX II—contd.

### APPENDIX III

# List of Officers and Representives of various Organisations examined by the Evaluation Committee

# Officers of the Forest Department

- 1. Shri R. R. Chaudhari, Deputy Chief Conservator of Forests, Bombay State, Poona.
- 2. Shri J. V. Karamchandani, Conservator of Forests, Bombay Circle.
- 3. Shri R. D. Joshi, Conservator of Foreste, Baroda Circle, Baroda.
- 4. Shri V. D. Mehendale, Conservator of Forests, Nasik Circle.

# Officers of the Cottage Industries Department

- 5. Shri M. V. Patel, Deputy Director of Cottage Industries, Ahmedabad Division.
- 6. Shri V. K. Bhandare, Deputy Director of Cottage Industries, Poona Division.
- 7. Shri G. P. Vaishnav, Deputy Director of Cottage Industries, Bombay Division.

Officers of the Social Welfare Department

8. Shri V. D. Karkhanis, Assistant Director of Co-operation, Social Welfare Department, Poona.

Representatives of Central Financing Agencies

- 9. Shri Y. D. Gaitond, Manager, Bombay State Co-operative Bank Ltd., Bombay-1.
- 10. Shri R. T. Popawala, Chairman, Southern Gujarat Industrial Co-operative Bank Ltd., Surat.
- 11. Shri Ratilal N. Trivedi, Managing Director, District Central Co-operative Bank, Godhra.

Representatives of the Spons<sup>o</sup>ring Agencies of Forest Labourers' Societies

- 12. Shri Jugatram Dave, Raniparaj Seva Sabha, Vedchhi.
- 13. Shri P. K. Bhatt, Surat.
- 14. Shri R. L. Shinde, Adiwasi Seva Mandal, Bombay.
- 15. Shri Gopaldas N. Dalal, Bhil Seva Mandal, Dohad.

### APPENDIX IV

## Sponsoring Agencis for Forest Labourses' Co-operative Societies in Bombay State

- 1. The State Industrial Co-operative Association Ltd., 9-Bake House Lane, Fort, Bombay-1.
- 2. The Adiwasi Seva Mandal, C/o. M/s. Patel Bros. Elphinstone Building, 6-Veer Nariman Road, Bombay-1.
- 3. The Dang Seva Mandal, Sharanpur Road, Nasik.
- 4. The Swaraj Ashram, Vedcnhi, Post Valod, (T. V. Railway), District Surat.
- 5. The Bhil Seva Mandal, Nandurbar (West Khandesh).
- 6. The Bhil Seva Mandal, Dohad (Panchmahals District).
- 7. The Sarvaday Kendra, Rajur, Taluka Akola, District Ahmednagar.
- 8. The Sarvodaya Kendra, Mahabaleshwar, District North Satara.
- 9. The Sarvodaya Kendra, Khiroda, Taluka Raver, District East Khandesh.
- 10. The Sarvodaya Kendra, Khandbara, District West-Khandesh.
- 11. The Sarvodaya Kendra, Sanali, (Banaskantha).
- 12. The Sarvodaya Kendra, Babapur, District Amreli.
- 13. The Director, Prohibition and Excise, Bombay.
- 14. The Broach Jilla Adivasi Seva Sangh, Rajpipla, District Broach.
- 15. The Baroda Jilla Pachhat Varg Seva Mandal, Sardar Bhuvan, Baroda.
- 16. The Sarvodaya Kendra, Post (Mahal) Ajra, District Kolhapur.
- 17. The Satara District Industrial Co-operative Association, Ltd., Satara.
- 18. The Kolaba District Industr al Co-operative Association Ltd. Pen, District Kolaba.
- 19. The Sarvodaya Kendra, Pirangut, Taluka Mulshi, District Poona.
- 20. The Servants of India Society, Deccan Gymkhana, Poona-4.
- 21. The Sarvodaya Kendra, Kasa, District Thana.
- 22. The Sarvodaya Kendra, Shirala Petha, District South Satara.
- 23. The Sarvodaya Centre, Harmadia, District Sorath.
- 24. The Sarvodaya Centre, Jalgaon Tehsil, Khamgaon, District Buldhana.
- 25. The Sarvodaya Centre, Sevagram, District Wardha.
- 26. The Sarvodaya Centre, Post Mendaki, District Chanda.
- 27. The Sarvodaya Centre, Karamada Circle, District Aurangabad.
- 28. The Sarvodaya Centre, Jahore Circle, District Nanded.
- 29. The Bharat Sevak Samaj, Nagpur Pradesh, District Nagpur.

### APPENDIX V

# Important subjects discussed at the Annual Conferences of the Forest Labourers' Co-operative Societies and the Resolutions passed thereon.

Conference of the F. L. O. Societies

Subject and Resolution passed

Third Conference held at Bansda on 20th and 21st January 1951. (4) The ideological basis of the movement and organisation of welfare activities amongst the members and workers of the Societies.—This Conference recognises that the ultimate objective of Government policy and of the Social Workers engaged in reconstruction activities amongst persons connected with jungle life must be to make them sufficiently self-reliant, resourceful and progressive to achieve their own social, economic and cultural progress in the shortest possible time.

- With a veiw to helping all concerned to achieve this, the Forest Workers' Cooperative Societies should continue for some time at least to be formed and worked, as hitherto, under the auspices of the recognised social service organisations.
- To enable these Societies to achieve their objects with the greatest speed, this Conference recommends further that workers engaged in their activities should pay the utmost attention not only to the efficiency, integrity and economy of the day-to-day administration of their business but also to promoting other aspects of the welfare and progress of their members by organising activities covering social, educational, hygienic and public health programmes.
- (5) Forest Regeneration.—With a view to conserve the develop the forest resources of the State, this Conference recommends to the Government that a

Subject and Resolution passed

programme of conservation, afforestation and regeneration and utilisation should be carefully prepared and strictly followed. This Conference recommends that the details of this programme as laid down from time to time should as far as possible be implemented with the help of the Forest Labourers' Co-operatives.

- (6) Organisation for sales, upset price provision of finance and formation of Federations of Forest Labourers' Cooperative Societies.—(a) This Conferece welcomes the proposal to settle the upset prices of the coupes to be granted to the Forest Labourers' Co-operative Societies by mutual consultation amongst the representatives of the Forest Department and of the Cooperative Society concerned.
- (b) It also recommends to the Co-operative Societies which find it difficult to sell their produce at the proper time and at the proper price, to get into touch with one another and with the Forest Department so that the two together might devise a dependable and profitable method of selling the produce of the coupes worked by Societies.
- (c) In regard to transport, the Conference suggests that the Government of Bombay should take up the matter with the Railway authorities of the Union Government so that the legitimate claims of the Co-operative Societies will be granted by the Railway Authorities favourably.
- (d) The Conference appeals to the Centra: Financing Agencies that they should make available to the Forest Labourers'

Conference of the F. L. C. Societies

#### Subject and Resolution passed

Co-operative Societies timely finance for which they are adjudged creditworthy.

- (e) To enable the Societies to meet their common difficulties more readily and successfully it is desirable that an organisation of Societies either on a District or Regional basis should be set up as early as possible.
- (1) (a) The Plan for the organisation of the Forest Labourers' Societies, during next fifteen years.—The Conference wel-comes the plan and generally approves of the procedure suggested therein for carrying on the work of organising Forest Labourers' Co-operatives in the State of Bombay during the next 15 years. It welcomes the plan as it embodies some fundamental views regarding the approach to the problem of utilising to the full the human and material resources of the forests. It regards the plan as a step in the right direction towards the achievement of the goal of establishing a social welfare State carrying on all social transactions in a spirit of cooperation and not of competition. It also welcomes the plan as it lays down the definite policy of the Government under which the co-operation of intelligent, zealous and devoted social workers with the Government Departments is solicited and needed in carrying on successfully the different operations connected with the most advantageous conservation, utilisation and reproduction of the forest weath of the Society.
- (b) How to implement it successfully.— Though the plan is quite good in conception and potentially very advantageous still there are a number of

Fourth Conference of the F. L. C. Societies held on 8th and 9th March 1952 at Narsinhpura, District Belgaum.

Subject and Resolution passed

difficulties which unless they are removed speedily, would seriously hamper the progress of the movement. They are lack of adequately and comprehensively trained workers, lack of adequate and timely finance, lack of speedy and adequate transport facilities, lack of proper and effective sale organisation in some of the areas.

- As far as the first difficulty is concerned the Conference looks up to the social agencies to secure adequate number of workers and to organise such training for them as may be necessary. As far as the other difficulties are concerned the Conference requests the Government to take them up at a higher level and to bring about their speedy solution.
- (3) Consideration of the new formula for the fixation of upset prices.-The Conference notes with satisfaction that Government has accepted the main suggestions of the Planning Committee and has revised the formula for the fixation of upset prices in the manner suggested by it. This Conference agrees with the Planning Committee, that Government should be moved to include under working expenses provision for welfare activities originally suggested by the Planning Committee The Conference also endorses the suggestion of the Planning Committee that the power of certifying that the losses incurred by the Co-operative Societies are not due to mismanagement, proposed to be given to the Chief Conservator of Forests should actually be vested in the Sub-Committee contemplated under clause (f) of the G. L., A. & F. D., No. 3952/II/J, dated 25th February 1953.
- Fifth Conference of F. L. C. Societies held at Mulher, District Nasik on 25th and 26th April 1953.

Sixth Conference of F. L. C. Societies held at Deogadh Baria, District Panchmahals in May 1954. Subject and Resolution passed

- (4) Method of Transporting Forest Produce.—This Conference is of the opinion that in such areas of the Bombay State, as it is practicable to do so, increasing use should be made of carts for the transport of timber and forest produce in preference to the use of mechanical transport, in view of the necessity of relieving unemployment among the Adivasi owners of carts and developing Cottage Industries.
- (7) Welfare activities.—This Conference urges upon the Forest Labourers' Societies to pay more and more attention to the activities for the welfare of their Adivasi members. Such activities can be divided into two parts, viz.
  (A) the activities which the Forest Labourers' Societies can and should undertake during the coupe operation, and (B) the activities which the Societies can undertake provided their byelaws permit them to do so and they have sufficient funds for undertaking such activities.
- The activities which fall under these two categories are as below :---
  - (A) (i) To provide clean, spacious and habitable sheds.
  - ii) To arrange for the supply of good water. Especially water for drinking must be boiled and disinfected.
  - (*iii*) To keep a medicine chest containing elementary medicines such as quinine, iodine, purgative, bandages, etc.
  - (iv) To provide good urinals, latrines and dustbins and see that the Adivasis use them hygienically.

Subject and Resolution passed

- (v) If possible, to depute one of the social workers to stay with the labourers and teach them rudiments of reading and writing and to inculcate in them the habits of discipline, cleanliness and co-operation. Such a worker should also pay attension to teaching the members games, physical exercises and also arrange for Bhajans recreation programme, etc.
- (vi) To see that the Adivasis who have to put in hard toil in the exploitation of the forest coupes, take nourishing food, which will include gar, oil vegetables, etc.
- (B) (i) To provide training in subsidiary occupations such as spining, weaving, cane and bamboo work pottery, carpentry and smithy, tanning and leather work, tailoring, crushing of oil-seeds etc. by appointing local persons as instructors, with the benefit of stipends to the trainees who can also be helped, if possible in the purchase of tools and equipment after training.
- (ii) To conduct or help other organisations in conducting schools for basic cultural and social education.
- (*iii*) To arrange for educational camps and tours.
- (iv) To sell wood required by their Adivasi members for building their houses at concessional rates. If possible, the Adivasi members may be allowed to take away wood required for this purpose free of charge, if they cut it themselves and transport the same by their own carts.

Conference of the F. L. C. Societies

Subject and Resolution passed

- (v) To supply medicines to the Adivasis staying in the villages within their jurisdiction.
- (vi) To provide facilities for the development of agriculture, carried on by the Adivasi members such as repairing of wells, digging of new wells, construction of bunds to stop soil erosion, purchase of good bullocks, bulls and cows and purchase of tools and equipment required for agriculture.

It would be possible for the Forest Labourers' Co-operative Societies to under-take most of the activities mentioned above, except a few which can only be undertaken in consultation with the appropriate Departments of the Government of Bombay.

- (4) Increasing participation of Adivasis. in the affairs of the Forest Labourers' Societies .- This Conference reiterates the view that the main idea in the establishment of Forest Labourers' Co-operative Societies of the jungle folk for the purpose of exploiting forest coupes is to train the jungle workers in the management of their own institutions and to prepare them for effective participation in the affairs of the Societies. The Conference therefore resolves that the tempo of such participation by the jungle workers themselves in the affairs of these societies be increased and the jungle workers associated in the increasing proportion in their management and administration. The Conference therefore, requests the Planning Committee to prepare a phased progra-' mme for the realisation of this objective.
- 7th Conference of the F. L. C. Societies held at Ankola, District North Kanara in May 1955.

8th Conference of the F. L. C. Societies held at Kasa, District Thana in April 1956. Subject and Resolution passed

(1) To consider the question of expansion Forest Labourers' Co-operative Societies.—

The conference notes with satisfa-1. ction the programme prepared by the Committee for Planning the Development of Forest Labourers' Co-operative Societies for the expansion of the Forest Labourers' Co-operative movement during the Second Five Year Plan, by the registration of 125 Forest Labourers' Co-operative Societies and by assisting them by various forms of grants-in-aid. The conference is of the view that the programme of expansion must be carried on in such a manner as to cover as large an area as possible of the forests under the Forest Labourers' Co-operative movement.

2. With a view to carrying out the above programme the Conference recommends that the areas of operation of the existing Forest Labourers' Co-operative Societies may be, if necessary, revised in consultation with the Sponsoring Agencies and suitable adjustments made in order to prevent overlapping of the activities of various Forest Labourers' Societies.

3. In the case of Forest Labourers' Co-operative Societies to be registered hence forward, the Conference recommends that the principle that should be followed is that the local works should be got done by Forest Labourers' Societies of that particular locality. The area of operation of such societies should ordinarily correspond to two felling series, provided it becomes an economic unit the principle idea being to provide employment for the members

### Subject and Resolution passed

of the society which should not exceed 200 in number. The Conference also recommends that in these areas where the tree-growth is thin and felling series are of inferior type and the coupes in two or three felling series would not provide adequate work to the members of the society, the area should be more than three felling series extending even to the whole range.

- (2) Forest Labourers' Co-operative Societies undertaking Labour Contract Works.-The Conference is of the view that the concessions extended to the Forest Labourers' Co-operative Sccieties undertaking labour contract works of partial exemption from deposits and allotment of works costing upto Rs. 20.000 at estimated rates are not adequate. The Conference therefore, recommends that minor works costing upto Rs. 50,000 should be allotted at estimated rates to Forest Labourers' Co-operative Societies undertaking labour contract works.
- (4) Supervision over the Forest Labourers' Co-operative Societies by the Sponsoring Agencies and Ad-Hoc Committees (now Co-ordination Committee for Forest Labourers' Co-operative Societies).—The duties of the Sponsoring Agencies include close Supervision over the work of the Forest Labourers' Co-operative Societies for which purpose the Sponsoring Agency is expected to depute one of its tried social workers to be either the Chairman or the Secretary of the Societies sponsored by such an agency. The pay of the Secretary so deputed is borne by the sponsored society. If the Chairman of the

#### Subject and Resolution passed

Society is a social worker deputed by the Sponsoring Agency, his T. A. and Daily Allowances and other incidental expens s are also borne by the Society. The Ad-Hoc Committees in the Districts on which all the Sponsoring Agencies, Forest Labourers' Co-operative Societies, the Forest and Co-operative Departments are represented, are also expected to supervise the day-to-day working of the Societies.

- In order that such supervision may be close and effective this Conference is of the view that the expenditure incurred by the Ad-Hoc Committees should be reimbursed by the Forest Labourers' Co-operative Societies represented on such Ad-Hoc Committees by a contribution which should not exceed 5 per cent of the total operational cost of the coupes allotted to such Societies. The Conference at the same time expresses the hope that as a result of this arrangement, it would be possible to have more effective Supervision over the management and administration of the Societies, more close attention to their day-to-day problems and the consequent increase in the efficiency of such Societies.
- (5) Providing additional employment to the members of the Forest Labourers' Co-operative Societies.—The conference is of the view that as the exploitation of coupes by the Forest Labourers' Co-operative Societies, cannot provide full time employment to the members of such Societies, a comprehensive programme for providing additional employment to these members by training and enabling them to persue subsidiary cottage and village industries

Subject and Resolution passed

should be prepared. In particular the members of the Forest Labourers' Co-operative Societies can be helped to persue village industries such as handpounding of rice, de-husking of paddy, bee-keeping, cottage match manufacture of furniture and other articles out of forest produce, cane and bamboo work, hand-spinning, fibre industry etc., etc.

(7) Formula for fixation of upset price.— The conference considered the difficulties experienced by the Forest Labourers' Societies in the implementation of the New Formula, particularly regarding the absence of the provision for sharing excess of the expenditure as a result of extra yield. The absence of such a provision results in hardships to some Forest Labourers' Societies which are called upon to pay profits to Government above those earned by them. The conference therefore recommends that the Committee for Planning the Development of Forest Labourers' Societies may consider the revision of the Formula with a view to avoiding such hardships.

2.As it was brought to the notice of the Conference that there was no provision for certain items of legitimate expenditure in the Formula, the Planning Committee should consider the revision of the formula in the light of the suggestions made. The Conference is of the view that cartain items such as salaries and allowances of Mukadams etc. can be fixed and would therefore recommend that the scales in such cases should be fixed in consultation with the Forest and Cooperative Departments.

Subject and Resolution passed

- (8) Social and Cultural Advancement of Adivasis.-In keeping with the basic objectives of the movement for the organisation of the Forest Labourers' Co-operative Societies, it is the considered opinion of this Conference that increasing importance should be attached to the promotion of better-living among Adivasis through these Societies, besides the promotion of better production and better business. The Sponsoring Agencies should, the Conference recommends, help the Societies in drawing up, well designed programmes for the provision of facilities for social education, the extension of necessary amenities of life and the organisation of cultural activities. The Conference considers that it would be legitimate for Co-operative Societies to incur expenditure for these purposes out of their own common good or other special funds as provided for under Section-42 of the Bombay Co-operative Societies Act. It further urges that in recognition of the essential nature of this programme of Forest Labourers' Co-operative Societies, the Government of Bombay may be pleased to supplement the resources provided by the Societies, themselves by subventions to be made out of Government's share of the profits of the Societies or out of the grants obtained from the Central Government.
- (3) To evaluate the progress made so far by the Forest Labourers' Co-operative Movement and to devise a definite plan for the alround advancement of jungle folks through the medium of Forest Labourers' Co-operative Movement.— After the attainment of political freedom
- 9th Conference of the F. L. C. Societies held at Khandbara (District West Khandesh) on the 22nd, 23rd and 24th November 1957.

#### Subject and Resolution passed

the Government considered it necessary to make certain revolutionary changes in the various walks of life, so as to enable the people to enjoy the fruits of social and economic independence. With this object in view, the Late Shri B. G. Kher, when he was the Chief Minister of the Bombay State. introduced certain novel experiments. As he was closely associated with the life of the Adivasis, he considered it essential to eliminate the present system of contractors in the field of forest exploitation and to arrange for getting all the forest work done in the best interest of the jungle folks living in the Forest Areas. The State Government, therefore, launched the novel experiment of organising the jungle folks into Forest Labourers' Co-operative Societies with a view to get all the jungle operations carried out through this agency.

2. This novel experiment has now completed its ninth year. A review of the progress the movement has so far made as well as the various stages through which it has passed would make it quite clear that the movement has now definitely passed through the experimental stage and has come to stay.

3. The ideology underlying this movement has attracted new social workers and created many new organisations. This has not only given a great impetus to the movement but it has fostered an unshakeble faith that it is possible to create a social order entirely free from exploitation at least in the field of the Adiyasi life.

Conference of the F. L. C. Societies Subject and Resolution passed

4. This Conference is, therefore, of the opinion that the State Government should evaluate the progress so far made by this movement and devise a definite plan so that this movement of the Forest Labourers' Co-operative Societies would be the medium for the alround advancement of the jungle folks.

(4) Revision of the present formula for fixation of upset prices adopting the basis of actual yield, actual realisation and actual expenditure.—A formula for the fixation of the prices of the coupes allotted to the Forest Labourers' Co-operative Societies was evolved sometime back. But from the experience gained during the last 5 or 6 years of the working of the formula, it seems that the purpose for which the formula was evolved, has not been achieved. This Conference, therefore, feels that it has become necessary to change the formula redically. The Present formula is based on the estimated quantity of the forest produce. the estimated realisation therefrom and the estimated expenditure thereof as per the standard rates. In its place it would be desirable to adopt the basis of actual yield, actual realisation and actual expenditure in framing a new formula. There should be no objection to the adoption of any other simpler formula, if such formula can safe-guard the interests both of the Government and the Forest Labourers' Co-operative Societies. This Conference, therefore, requests the Government to take immediate steps to evolve a new formula on the lines suggested above.

Subject and Resolution passed

(5) To do away with the system of furnishing of sureties by the Forest Labourers' Societies respect of coupe prices.-According to the existing practice the Forest Labourers' Cooperative Societies are required to offer sureties for an amount which is equal to the price of the coupes plus 1/10th of such price by way of deposit in respect of the coupes allotted to them. In compliance of this system, the Forest Labourers' Co-operative Societies are obliged to approach rich people for obtaining such sureties. It is becoming increasingly difficult for the Forest Labourers' Co-operative Societies to secure such sureties from these people in respect of the prices to be paid by them.

2. Now that the Forest Labourers' Cooperative movement has attained sufficient stability, it is not desirable for the Forest Labourers' Co-operative Societies to approach these rich people and request them to stand as sureties. Moreover, the work of bringing the forest produce from the coupes and arranging for its sale at the depots is being carried out under the strict supervision of the Forest Department Officers, who have also full control over the entire produce of such Societies.

3. In view of the position as explained above, this Conference requests the Government to stop the present practice of furnishing of sureties by the Forest Labourers' Co-operative Societies and to hand over the coupes to them without such sureties. Subject and Ri clution passed

- Contarence of the F. L. C. Societies
- (6) Reimbursement of extra expenditure on extra yield extracted by the Forest Labourers' Co-operative Societies.—It is observed that the Forest Labourers' Co-operative Societies have sustained considerable losses during the last 5-6 years on account of a lacuna in the working of the present formula for the fixation of the prices of coupes, and they have been compelled to pay something more than their 50 per cent. share of profit to Government. This Conference, therefore, request Government.
  - (i) that the Forest Labourers' Cooperative Societies should be reimbursed to the extent of the extra expenditure incurred by them for the additional produce extracted by them.
  - (ii) that this reimbursement should be given retrospective effect from the year 1953-54.
  - (iii) that immediate steps be taken to give effect to the above recommendations as the matter has been pending for a considerable time.



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## APPENDIX

Statement showing the details of some few cases of the losses due to the extra expenditure on extra yield

<b>8r.</b> No.	Name of the Socie	ty	Name and No. of coupe	Year in which allotted
1	2		8	4
1		Sangh	1. Sonpada F S./19. A. B. C.	1956-1957
	Ltd., District West desh.	ияп-	2. Kherva F. S. 18/19.	
		Ess	3. Pipla F. S. 15/19.	Timber tons.
		YE	4. Salwan F. S. 16/19.	Firewood tons.
2	Ken-dungut Adiyasi I Sabakari Sangh Ltd., D Thana.		1. F. S. 31/88, Akegavan.	1954–1955 Timber tons. Charcoal tons.
		A	2. F. S. 32/88, Kondan- gaon.	Timber tons. Charcoal tons.
			3. F. S. 38/38, Pole.	Timber tons. Firewood tons. Charcoal tons.
9	Labourers' Co-op Society Ltd., District	Forest erative Banas-	1. Khara No. 4.	1954-1955 Firewood tons. Charcoal tons.
	kantha.		2. Ghanta No. 8.	Firewood tons. Charcoal tons.
			S. Zanzarva.	Firewood tons. Charcoal tons.

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Forest Labourers Co-operative Societies which incurred extracted by Forest Labourers' Societies

Estimat- ed yield	Actual yield	Extra yield	Extra expe on extra		Profit of the Society	50 per cent Govern- ment share of profits as per formula	Balance left with the Society
5	6	7	8		9	10	11
			43,210	.86	28,293	72,563	**
882-16	1.004	182	AN				
		•	MARK.				
1,050	9,778	1,728	SHE	3223			
78	160	82	39,014	1.81	50,917	<b>56,980</b>	
50	65	15	14141	1.11		- •	
161	311	150	at the second	64143			
83	211	128	1.1168	124			
165.50	295	129.5 <b>0</b>	Here all				
100	891	291	WHICH I AND				
50	136-25	86 - 25	सत्यमंब	जयत			
215	<b>84</b> 3	128	Coupe No. 1	1,067 • 50	115	,209	
81	843	81 <u>1</u>	Coupe No. 2	2,976.75		,	-
232	97.75	(less 134 · 25)	Coupe No. 8	1,287.25	-		
107	167.75			5,281.50			
178	11	(less 159)					
				0,481.00			

### APPENDIX VII

## Formula for fixation of upset prices of coupes recommended by the Planning Committee for Forest Labourers' Co-operative Societies

1. The Conservator of Forests of the respective Circles will allot coupes to the different Forest Labourers' Societies in their Circles according to their respective area of operation.

2. Immediately after allotment the Societies will enter into an agreement with the Forest Department accepting the conditions for the working. The amount to be entered into an agreement as prices of the coupes allotted, will be a provisional amount.

3. The Forest Labourers' Societies will not furnish any sureties either for the amount of prices as shown in the agreement or for the 10 per cent. deposit as hitherto. However, by April, the Assistant Directors should send reports to the Conservator of Forests concerned clearly, indicating which Societies should not be granted coupes. These reports should be based on the financial position of the Societies to safe-guard Government's interest.

4. The actual price of the coupes which will be recovered from the Societies will be Rs. 75 per cent. of the balance of their actual realizations as at 30th June, of the year minus the expenses incurred by the Society upto that date as prescribed in the statement indicating items of expenditure, appended hereto and the remaining 25 per cent of the net realization will be treated as the share of the Societies to be utilized in the matter to be prescribed under their bye-laws.

5. With a view to have the exploited material recorded properly the Forest Department should lend the services of a suitable Officer of the rank of a first grade guard or a Forester or a Ranger as the case may be to the Societies during the period of coupe-working. This Officer will act as coupe agent of the Society and his duties will be to keep proper records of the materials exploited in the coupes and to issue passes for the material.

6. He will be Government servant doing the work of the Society and his pay will be initially paid by Government and will be recovered from the Society subsequently. He will do the work assigned to him in clause-5 and such other additional work as may be assigned by the Society subject to the general supervision and over-all control of the Forest Department.

7. The material brought to the sale-depots will be arranged in lots and the upset price of each lot will be fixed jointly by a responsible representative of the Society and the local Range Forest Officer at least a week in advance of the date advertised for sale. 8. The sale will be held in the presence of the local Divisional Forest Officer, or his nominee.

9. Highest bids receive in the sales if higher than the upset price as fixed in Para 8 above should be accepted.

10. In exceptional cases highest bid above the upset price should be rejected only if the Divisional Forest Officer or his nominee as the case may be and the representive of the Society both agree.

11. Seventy per cent of the relization from the sale proceeds should immediately be credited in the Treasury as deposit with the Forest Department and the balance of 30 per cent. may be kept by the Societies for their expenses and repayment of loans to the Central Financing Agencies and/or Go ernment dues as the case may be.

12. The amount payable to Government under clause-4 of this formula will be determined on the basis of the accounts as on 30th June. by the Divisional Forest Officer in consultation with the representative of the Societies by 31st July. This amount will be subject to adjustment on the basis of the audited accounts of the Society. The above referred amount arrived at by the Divisional Forest Officer should be retained from the accummulated sale proceeds by the Divisional Forest Officer for the dues of Government and share of the Society should immediately be paid to the Society without any delay.

13. The rates for the different items of expenditure will be fixed every year in the month of January, by a Board consisting of the following members:—

1. The Conservator of Forests of the particular Circle (CHAIRMAN).

2. The representative of all the Sponsoring Agencies in the Circle.

3. The representatives of all the approved Associations of the Forest Contractors in the Circle.

14. The items to be taken into account for calculating expenses are listed in the accompanying schdule.

Statement indicating the items of expenditure

(A) Extraction Charges :---

1. Clearing the area of bush wood and bamboos if necessary. (The amount provided under this item would be on an Ad-hoc basis depending on the nature of growth in a particular coupe ).

2. Felling of trees and trimming of stools (in view of item 1 above trees below 9" girth would be excluded from this item). The rates would be per 100 trees and not by girth classes.

3. Fashioning.

4. Polishing.

The expenditure under items (3) and (4) would be provided separately or for both according to the practice prevailing in the locality.

5 Wages for billeting and stacking of firewood.—The rates should be fixed per 100 cubic feet by volume or per ton by weight.

6. Dragging of timber.—(Clearance of bush-wood has been omitted from this item in view of item 1).—The rate for this item would be fixed per 50 cubic feet, and would also include collection charges of firewood in hilly areas if necessary and for this purpose the rate would be per ton by weight or per 100 cubic feet, by volume.

7. Charcoal manufacturing charges.—The rates under this item would include from billeting to the final delivery of charcoal. The rate for manufacture of charcoal should be per bag which is normally used by a Society in the locality. The question of standardization of the sizes of the bags may be considered by the Forest Department.

8. Pay of Mukadam.—Normally, one Mukadam per coupe may be provided but if more than one Mukadam is required it may be left to discretion of the Divisional Forest Officer.

9. Preparation of Rabs.

10. Fire tracing.

(B) Coupe Depot Expenses :--

11. Errection of Mandav:—Actual expenses limited to Rs. 50 but the material from the coupe to be used.

12. Pay of agent.-( Sutiable Forest Officer's Pay ).

13. Loading of timber, charcoal and firewood in the coupe if transported by trucks.

(C) Transport Charges:-

14. Transport of forest material to the sale depot.—1 imber will be transported by bullock carts or by trucks preferably by bullock carts and rates per mile per cubic feet of timber or per mile per bengali maund may be provided. Charcoal will be transported in trucks and for this purpose rate auction should be held and the rate should be fixed per bag of charcoal. Rate auction should include loading. Charcoal may be allowed to be transported by bullok carts in cases where it could be done without incurring extra cost and causing considerable damage to the material. This may be done in consultation with the Divisional Forest Officers concerned. Where the Forest Labourers' Societies own trucks the minium rates quotations received in rate auction should be given to the Forest Labourers' Societies. Firewood may be transported by carts wherever economical, otherwise it should be transported by trucks. The rate should be per mile basis by weight.

15. Construction of Kutcha Tracks.—Actual expenses limited to rate per mile fixed by the Board constituted under item-15.

16 Cost of transit Pass-Books.—Actual expenses.

17. Octori and Ferry Charges.-Actual expenses.

18. Ground Rent.-This should be limited to a reasonable rent.

19. Office Rent.-A reasonable Office Rent should be allowed.

20. Sales Depot expenses.—This may include expenses for arranging the material in lots, numbering the logs, printing of sale notices charges for advertising in newspapers, if necessary and other miscellaneous items such as lighting. water, sanitation, etc. This will also include charges for moals and refreshment wherever necessary. limited to 1/4 per cent. of the total sales amounts.

21. Watchman.—One night Watchman for the night per Depot. If, however, the material is in large quantity so as to call for services of more than one Watchman, the local Divisional Forest Officer may allow two Watchman per Depot.

22. Measuring of materials.—The expenditure on this item is incurred after the sale is held and may be fixed on per ton of 50 cubic feet limited to the actuals.

23. Weighing of materials.-Actuals.

24. Loading of Material in trucks; wagons or country crafts.— Where the practice of payment of loading charges by the party selling the material is in vogue, rate auction may be held and lowest quotation accepted.

25. Pay of Staff.—Staff should include a Supervisor for a group of 4 to 5 Societies, a man-in-charge of general work of Society called as Secretary-cum-Accountant for each Society a Clerk in the Depot and an additional Clerk in the Office if need be depending on the turn-over and volume of work.

26. Stationery.—Printed forms, registers, etc. required to be kept by the Society should be prescribed by the Forest Department in consultation with the Department of Cottage Industries and Industrial Co-operatives. for supply of these printed forms, registers, etc., rate auction should be called for. For other items of stationery, cost on an *ad-hoc* basis may be provided according to the classification of the Societies, such as new Societies, established Societies and old Societies etc.

27. Postage.-Actuals.

28. Travelling Expenses.-Actuals limited to Rs. 250 per Society.

29. Taxes.-Actuals.

:80. Interest on Loans.-Actuals.

31. Commission and Dalali.—As fixed by the Forest Department (but actuals should be allowed).

32. Depreciation on Dead-Stock.—The Dead-Stock Articles should be listed and a suitable depreciation on each type of Dead-Stock articles according to its need should be given.

88. Welfare activities such as water supply, Medical aid and construction of hutments to the labourers etc.—This should be 2 per cent of the wages and transport charges paid. In case this amount is not spent to the full or if medicine and water required are not kept by any Society in the coupe, the whole amount allowed under this item should be recovered from the Society.

34. Audit Fees.-Actuals.

35. Contribution to Provident Fund of the staff.-As per rules.

36. Insurance charges.—Actuals.

37. Contribution to the Co-ordination Committee.—1 per cent of the operational cost subject to actuals.



#### APPENDIX VIII

## Brief notes of visits of coupes

## (1)

The Evaluation Committee visited on the 6th April 1958, coupe No. 7-B of the F. S. XXI worked by the Kamarley Adivasi Jungle Kamgar Sahakari Society. The number of members is 80 out of which 16 are Harijans. It was noticed that felling work was not done by Harijan members but they did the dragging work and road construction work which the Society has taken as a contract from Public Works Department. The Society had engaged non-members also for coupe operation. The usual procedure of effecting one anna cut from daily wages for converting non-members into members was not followed; but it was explained by the Chairman that the non-members would be adopted as members in the next General Meeting.

One Adivasi who was asked as to whether he was a member, whether he had purchased a share and was doing coupe work stated that he was a member, he had paid Rs. 13 towards shares, and had done felling and dragging work in the coupe. It was observed that the workers were paid on daily wages basis as per standard rates. Advances were given to Adivasi members whenever asked for and the same were recovered from wages.

It was noticed that the Chairman Shri Tukaram Patil had advanced an amount of Rs. 5,000 to the Society at 6 per cent interest. When asked as to why he had advanced a loan to the Society he explained that as the society did not get; loan from the Central Financing Agency in time, he had to advance it.

It was noticed by the Committee that an educated Katkari member named Shri Arjun Raghu was not entrusted with any responsible work like that of a Mukadam, though he was found to be capable of doing such type of work.

The District Officer for Industrial Co-operatives stated that the records and registers prescribed by the Co-operative Department were properly maintained. It was however noticed that a yield register was not maintained by the Society. The Society was advised to maintain a record of yield from each tree.

As regards the welfare activities it was observed that the Society had not made arrangements for supply of drinking water to the labourers. No shelter huts were constructed for rest or stay.

S (H) 642-7

The members told the Committee that the system of working coupe through the society was good. They also opined that the working conditions under the Society were good and they were paid more wages and had a share in the profit also.

(2)

The Evaluation Committee visited Chikhalgaon Coupe No. 7-B of F. S. XXX worked by the Sudhagad Adivasi Sahakari Society on the 7th April. This Society is registered in August 1956, and is sponsored by the District Industrial Co-operative Association.

It was noticed that the shelter huts for Katkari labourers, were very poorly erected, and not fit for staying. The Committee emphasised the need of immediately constructing huts for the labourers; the Chairman promised to do so.

One Katkari Shri Gopal Rama when asked told that he was not a member of the Society and he was doing the work of filling charcoal bags, at the rate of two annas per bag. He further told that he was getting food-grains towards his wages plus Rs. 1-8-0 per week for other expenses. The Chairman explained that the arrangement for giving food-grains in lieu of cash-wages was in the interest of the labourers as they got food-grains at cheap rate.

During the course of inspection it was noticed that goat grazing was allowed which had caused damage to the coppice growth. It was also noticed that the stools were not properly trimmed. Fire tracing was not done before due date.

Felling work was done on piece work basis and out side labourers were employed for felling work. It was found that piece works rates did not correspond with standard rates.

The members could not say what amount was earned by them and was credited towards the advance given to them.

Drinking water and first-aid were provided. Khakhi Shirts and Sarees to workers were distributed by the Society.

As the Society did not get loan from the Central Financing Agency a loan of Rs. 10,000 was advanced by two sympathiser members at a rate of  $7\frac{1}{2}$  per cent interest.

It was noticed that efforts were not made to train Adivasis to enable them to take up responsible posts of Secretaries and Chairmen.

(3)

The Committee visited Kaire Coupe No. 26 F. S. No. VIII worked by the Ambe Vibhag Adivasi Jungle Kamgar Sahakari Sangh Ltd., on 20th October 1958. This Society is a new one being registered in June 1957. The accounts of the Society have been audited and it has been classed as 'B'. There are six Adivasis out of seven employees of the Society. The Society was working the coupe on logging contract basis.

It was told by the Mukadam and some members that the rate for felling hundred trees was given at Rs. 37-8-0. The Divisional Forest Officer, however, told that rates that were concedeed for felling are on the basis of girth and number of trees and on an average would work out at Rs. 49 for 100 trees. While observing the work of conversion it was noticed that a cut given to one felled tree was not at a proper length. The Society was advised to do the work of conversion according to the instructions of the Forest Department and use saws instead of axes to minimise waste.

One member Shri Rajaram Pandu told that he had not received share certificate or receipt for the amount of Rs. 6 paid by him. The Secretary explained that share certificates are now ready and will be distributed.

One member Shri Lahanu Kalu complained that he had not received Rs. 15 which were his dues of the last year for doing the dragging work. On being questioned he told that he could not meet the Secretary and as such the amount remained to be paid.

One member told that as the contractor advanced money for Khavti it was easy for them to pull on during the monsoon.

One member complained that he had not received the wages which he earned for felling trees in a coupe worked by a Contractor. The Contractor had agreed to pay at the rate of Rs. 40 for 100 trees on an average but he was not prepared to pay at the same rate but at the rate varying from Rs. 10 to Rs. 20 for 100 trees according to their girth.

It was observed that amenities like medical aid, erection of huts for shelter were not satisfactory.

On being asked whether the members have got any benefit over and above the wages they carned, one member told that he had received Rs. 12 as benus when he was working in the Barhe Society. Members expressed that they never got such type of bonus from the contractors.

One member complained that he had to walk to distance of 20 miles to receive his wages. The Society was asked to make payment on the spot by even taking risk to carry cash to the forest coupe Depot.

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The Evaluation Committee paid a visit to coupe-42 of F. S. II worked by the Talasri Vibhag Adivasi Jungle Kamgar Sahakari Sangh Ltd., on 18th November 1958. It was noticed that rab was filled in and stumps were well trimmed. A Mandav was crected for the use of the labourers and a part of it served as an office.

One member named Jethu said that he had worked as Chairman and also as an Agent. There was improvement in their work and advances for Khavti and purchase of carts were given. Medical aid was also given. On the whole, he considered, they were benefitted.

Shri Ratna, another member, said that the contractors were paying less wage: and were not treating them well. He further said that their earnings have increased and they are now wearing better clothes.

One Adivasi who was a member of the Local Board said that the Adivasis were benefitted by the Society.

To the querry made by the Chairman of the Committee as to whether they knew whose Society it was and whether they received proper wages. The workers replied that the Society was theirs and they received proper wages, drinking water and medical aid were provided and education was imparted to their children. The Secretary and the Accountant were non-adivasis. The Chairman who was an Adivasi narrated the duties he had to perform. He further told that one or two Adivasi workers should be trained every year at the Bunder. Materials for construction of houses should be given at concessional rates.

(5)

The Evaluation Committee visited the plantation raised by the Kondhan Gut Society in coupe No. 41 of F. S. XXXIV, Vada Khadkona. It was noticed that growth of plants was uniform and good on account of proper rab and application of amonium sulphate at the rate of one tola per plant after rains. The Committee felt that this was a good experiment to be emulated by other Societies.

(6)

The Evaluation Committee visited Vada Khadkona Coupe No. 42 of F. S. XXXIV worked by Kondhan Gut Adivasi Jungle Kamgar Sahakari Sangh Ltd., on the 19th November 1958. About 35 workers were working in the coupe. The Chairman of the Scciety Shri Nathu Damedar Patil said that the coupe was handed over lats and that the expenditure allowed was less particularly in dragging. One Adivasi said that he was the member of the Society for the last 10 years. He was getting wages regularly and bonus varying from Rs. 5 to Rs. 10 every year according to the wages he carned.

The Society has invested Rs. 30,000 in Small Savings and Rs. 2,000 in National Savings.

One worker said that about 25 workers stayed in the coupe. Drinking water was provided.

The Society was advised to maintain yield register wherein yield from each tree should be recorded.

### (7)

The Evaluation Committee visited Bharad Coupe worked by the Ranshet Vibhag Adivasi Jungle Kamgar Sahakari Ltd. During the visit, discussion on new classification adopted for calculating yield was ensued.

The Chairman of the Society was Shri Dhaku, an Adivasi. One worker said that Sowkars were still exploiting Adivasis.

It was suggested that material required for *bona fide* consumption should be supplied as per their requirements; and the Society should be allowed to sell fire-wood, charcoal to the local people in retail.

## (8)

The Evaluation Committee visited Baj Coupe No. 32 of R. F. S. XVII which was worked by the Waghai and Sakarapada Vibhag Jungle Kamgar Sahakari Sangh Ltd., on logging basis. It was noticed that wages were paid monthly and not weekly. 'The Chief Conservator of Forest inquired whether material was allowed to be left in the coupe. Shri Dixit told that last year no material was left in coupes. The Conservator said that due to starting of Saw Mill from last year there is no possibility of allowing any material to be left in coupes. It was also told that even the contractors left very inferior material in the coupes. The Chief Conservator of Forests told that the material should be extracted fully and lowest quality material also should be extracted on no-profit-no-loss basis.

The Committee visited Sati Coupe No. 32 worked by Ahwa Vibhag Society on 4th December 1958, where felling and fashioning was in progress. The coupe was being worked on logging basis. On being asked a labourer replied that he was getting Rs. 1.50 as daily wages. The Chief Conservator of Forests advised the Society to supply saws to the labourers for sawing logs into suitable pieces in order to minimise wastage.

It was observed that yield register was maintained and yield from each tree was recorded.





Recommendations of the Evaluation Committee for Forest Labourers' Co-cperative Societies and action taken by Government thereon.	ttee for Forest Labourers' Co-cperative y Government thereon.
Recommendation of Evaluation Committee	Action taken by Government
1	6
Recommendation No. 1; Formation of the "State Council for Forest Co-operative".	
The Committee for planning the Development of Forest Labourers' Co-operative Societies may be renamed as "the State Council for Forest Co-operatives'' and constituted as under :	1 & 2 Government had carefully considered the two reco- mmendations and has directed that they should be accepted subject to the following modifications
(i) The Deputy Minister for Forest Co-operatives and SarvodayaChairman.	<ul> <li>(a) The composition of the State Council for Forest Co-operatives chould be as under :</li> </ul>
(ii) The Deputy Minister for Social Welfare, "	(1) The Deputy Minister for Co-operation (Chairman).
(iii) Six to eight social workers to be nominated by Govern- ment so that all the Regional Divisions are represented.	(2) The Deputy Minister for Forests.
(iv) Secretary to Government, Agriculture and Forest Department.	(3) Six to eight social workers to be nominated by Government so that all the forest areas where Forest Labourers' Co-operative Societies are in existence are
(v) Secretary to Government, Industries and Co-operation Demachment	suitably represented.
(vi) Secretary to Government, Finance Department.	(4) The Secretary to Government, Agriculture, Food and Forests Department.
(vii) The Chief Conservator of Forests, Poona.	(5) The Secretary to Government, Co-operation and
(viii) The Director of Cottage Industries and Additional Registrar for Industrial Conservations Downs	Kural Development Lepartment. (c) The Density Constant to Constant in charge
(ix) Director of Social Welfare.	
(x) The representative of the State Co-operative Bank Ltd."	(7) The Chief Conservator of Forests. Poons.

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	(8) The Registrar of Co-operative Societies or the Joint Registrar of Cc-operative Societies, (Industrial Co-operatives).
	(9) The Director of Social Welfare.
	(10) A representative of the State Co-operative Bank.
	(11) The Special Forest Officer for Forest Labourers' Co-operative Societies (Scoretary).
	The Deputy Secretary, Finance Lepartment may be invited to attend the meetings of the Council whenever his presence is considered essential.
Recommendation No. 2: Function: of the State Council for Vorest Co-operatives.	
The functions of the reconstituted State Council for Forest Co-operatives should be as follows :	(b) The functions of the State Council should be as under:
(a) to formulate plans for the development of the Forest Labourers' Co-operative Societies movement.	(1) to give dire tions to plan for the development of the movement of the Forest Labourers' Co-operative Societies;
(b) to give proper guidance to the Divisional Federations in proper functioning of Forest Labourers' Co-operative Societies and in all matters pertaining to the Societies;	(2) to give proper guidance to the Divisional Federa- tions in proper luccificning of the societies in all matters rettaining to the Societies.
(c) to decide the questions and remove the difficulties arising cut of working of the coupes by the Societies;	(3) to dealde through a Committee of certain members of the Council, questions in respect of working of coupre to the council, questions in the second se
(d) to recognise suitable organisations as sponsoring agencies of Forest Labourters' Co-operative Societies.	by the societies and removal or unitedifies atistic criticity working of coupes;
(e) to plan for regeneration, protection and development of forests and to plan for organising industries based on forest produce;	(4) to recongnise suitable organisations as sponsoring agencies of Forest Labourers' Co-operative Societies;

Recommendation of Evaluation Committee	Action taken by Government
1	3
(f) to give directions as to the manner in which welfare activities should be carried out by the societies and social service organisations and the manner in which the available profit should be utilised for the benefit of the forest dwellers;	(5) to give directions as to the manner in which the Welfare activities should be carried out by the societies and the sponsoring agencies and the manner in which the available profits should be utilised for the benefit of the forest dwellers;
<ul> <li>(b) to tormulate the phased expansion of Forest Labourers</li> <li>(c) to tormulate the phased expansion of Forest Labourers</li> <li>(c) thrust fully the work of forest exploitation to Forest Labourers</li> <li>(d) to organise annual conferences of Forest Oc-operatives.</li> <li>(h) to organise annual conferences of Forest Oc-operatives.</li> </ul>	(6) to formulate a phased expansion of the Forest Labourers' co-operative Sociefies movement in the forest areas go as to fully entrust the work of forest exploi- tation to the Forest Labourers' Co-operative Sociefies in due course of time;
परिस्ति रिविन्देर्थ रमेव जयने	(7) to prescribe service and conduct rules of Sccieties, Accountants and other office bearers of the societies to be trained and sppointed by the Divisional Federations;
	(8) to lay down principles and policies for the guidance of the Divisional Federations, Sponsoring Agencies, etc., and
	(9) to give directions in respect of organisation of annual conference of the Forest Labourers' Oc- operative societies.
	The State Council may meet as often as is necessary.
	Government in the Co-operation and Rural Develop- ment Department has recently issued orders regarding the formation of the State Council for Forest Co-operative accordingly.

Recommendation No. 8: Formation of a High Level Committee.

With a view to arrive at expeditious disposal of the recommendations of the State Council, a High Level Committee of the following may be constituted:----

- 1. Ministar for Forest;
- 2. Minister for Cottage Industries and Prohibition.
- 8. The Chairman of the State Council for Forest Co-operatives
- 4. Becretary to Government, Industries and Co-operation Department.
- 5. Secretary to Government, Finance Department.
- 6. Becretary to Government, Agriculture and Forests Departments

The High Level Committee may be invested with full powers of taking decisions on the recommendations of the State Council for freest Co-operatives and it should be the function of this commitee to pass early orders on the various recommendations of the State Council for Prorest Co-operatives. Recommendation No. 4 : "Defination of duties and functions of Sponsoring Agencies."

The duties and functions of the Sponsoring Agencies may be well defined so as to give them a clear idea of their role they have to play in the promotion and development of Forest Labourers Co-operative Societies.

3. After careful consideration of this recommendation Government has decided that it should not be accepted. Government has further directed that the recommendations of the State Council for Forest Co-operatives, on which orders of Government are necessary should be referred to Government as was done hitherto.



4. Government has accepted this recommendation and has decided that the following should be the duties and functions of the Sponsoring Agencies of Forest Labourers' Oc-operative Societies:... (1) They should spare their tried workers for the management of the Forest Labourers' Oo-operative Societies.

Recommundation of E valuation Committee	Action taken by Government22(2) Workers of the Sponsoring Agencies should be associated with the working of the society either in the capacity of Chairman or the Secretary.(3) The Sponsoring Agency should see that the Society is managed well and efficiently and its accounts are properly maintained.(4) They should see that the Capital raised on the trength of the Government guarantee for working the couper is utilised for the purpose for which it is sanotioned.(4) They should also see that the Societies for working the couper is utilised for the purpose for which it is sanotioned.(b) They should see that the Societies pay to the Forest propertunent from time to time.(b) They should see that the Societies pay to the Forest Department certain portions of the sale proceed according to orders issued by Government from time to time.
Ο ἀ « <i>U</i> ἀ ↔ Ϸ Ϸ. ΞΟ	(6) They should watch over the working of the societies closely and should arrange for periodical obeoking of accounts. (7) They should see that the societies undertake welfare activities in accordance with the general derectives of the State Cannoti for Porest Labourers' Co-operative Scieties and according to the programme thereunder prepared by the Divisional Federations or by the Sponsoring Agencies, wherever Divisional Federations are onto active and the second by the Divisional Federations are not exist.

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(8) They should see that the members of the society are trained gradually to undertake the responsibilities of management of their Societies without the aid of any external agency.	(9) They should see that out of the Adiwasis and other labourers working in the coupes, suitable young persons are selected for training and are appointed as Secretaries, Managers, Accountants and Salesmen etc. (10) They should carry ou vigorous propoganda amongst the members of the society and educate them in the aims and ideology of the movem.nt.	(11) They should carry out intensive propogands amonget not only the members of the socieities but also amongs the other Adiwasi forest Jwellera, against the evils of illicit cutting and theirby secure active co-opera- tion of the public in the protection of forest from illicit cutting.	Government has further diracted that the Sponsoriog Agencies should function till the formation of the proposed Divisional Federations of Forest Labourers' Co-operative Societies which will supervise, guide and sponsor the Forest Labourers' Co-operative Societies.	The Ragistrar of Co-operative. Societies has been requested to take suitable action to implement the recommendation.	5. After careful consideration Government has accepted this recommendation.	The Registrar of Co-operative Societies has been requested to take requisite action to implement the recommendation.
		सवमे	व जयते		Recommendation No. 5: Building $u_P$ of welfare funds.	The Forest Labourers, Co-operative Societies should make it a point to build up <i>out of their profit an Adiwast Welfare Flund</i> , and to contribute from the same and also from their charity fund suffi- cient amount for the purpose of carrying on S.ceial activities under taken by Social Service Organi ations or Forest Labourers' Co-operative Societies as formulated by the Divisional Federa- tions.

Recommendation of Evaluation Committee	Action taken by Government
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Recommendation No. 6: Formation of Federal Organisation of Forest Labourers' Co-operative Societies. A Federal Organisation of the Forest Labourers' Co-operative Societies should be started in every Forest Division which should undershe the responsibility of guiding, supervising and sponsor- ing of these Co-operatives.	<ol> <li>Government has carefully considered the recommen- dation and has accepted it.</li> <li>Government has further directed that the Divisional Fede- rations should disoharge the functions not only of the existing District Co-ordination Committee but also of the Sponsoring Agencies for Forest Labourers' Co-operative</li> </ol>
The District Go-ordination Committees which are functioning at present will be converted into the Federations. Such Federations phould come into being within a period of one year to replace the District Co-ordination Committees and the State Gouncil may review the guestion in respect of such areas where the Federa- tions cannot be constituted within a stipulated period.	Societies. The Divisional Federations are yet to be formed. Their formation is now to be considered by the State Council for Forest Oo-operatives.
Recommendation No. 7: Model Bye-laws of the Federation: Model Bye-laws of the proposed Federation may be framed by the Department of Cottage Industries and Industrial Co-operatives with the approval of the State Council for the Forest Co-opera-	7. After careful consideration Government has decided that this recommendation should not be accepted. It has been decided that the hys-laws of the proposed Divisional Fede- rations should be approved by the Registrar of Co-opera- tives Societies as hitherto.
Recommendation No. 8: Area of operation of the Pederation:	8. After careful consideration of this recommendation Covernment hes directed that Federations of Proceed
A Federation should ordinarity be organised for a forest division. Where however, the number of societies in a particular division is small and when the forest in a particular division is not so extensive. federation may be organised for more than 1 division, but normally a federation per forest division will be a suitable arrangement.	Taboures' Co-operative Societies should be formed genera- lly on the basis of Forest Divisions, the minimum number of societies to form an independent Federation being ten in such a Division. In case the number of societies in a Division is less than ten, a Federation should be formed of two neighbouring Forest Divisions to make it aviable unit. If there is more than one Divisional Federations in a district the Federation in such a district should have a common staff of Secretaries etc.

Recommendation No. 9 : Membership of the Federation

The membership of the Divisional Federation should be restricted to the following.--- (a) All primary Forest Labourers' Co-operative Societies registered in the area of Federation. (b) Sympathisers interested in the Co-operative movement and/or in the sconomic and scoilal welfare of the Forest Labourers. The number of such sympathisers should normally be five or 10% of the member societies whichever is less.

(c) Social Bervice Organisation approved by Government.

Recommendation No. 10 : Committee of Management of the Federation. The Committee of management of the Federation should consist of the following.

 Five representatives of affiliated Forest Labourers' Cooperative Societies.

(ii) Two members from amongst sympathisers and/or Social Service Organisations.

(iii) One nominee of the Forest Department.

(iv) One nominee of the Cottage Industries Department.

(v) One nominee of the Central Financing Agency operating in the area.

(vi) One nominee of the Social Welfare Department.

The first committee of Management with a non-official Chairman, however, should be *nominated by* Government for a period of **3 years and this** period may be liable to be extended by one year at the disorction of Government.

The Registrar of Oo-operative Societies has been requested to take requisite steps to implement the recommendation.  Government has accepted this recommendation and directed the Registrar of Co-operative Societies to take requiste steps to implement it.

10. Government has carefully considered the recommendation and has directed that it should be accepted with the modification that the Managing Committee of the Divisional Federations abouid consist of the following.

(1) Five representatives of the affiliated Forest Labourers' Co-operative Societies. (2) Two members from amongst aympathisers and/or Social Service Organisations; and (3) One nominee of the Central Financing Agency operating in the area.

The Registrar of Co-operative Societies has been requested to take requisite steps to implement the foregoing decision of Government.

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Recommendation No. 11: Transaction of business by the Divisional Federations.

ing to the hye-laws of the Federation. But the Contage Industries Department's nominee or the Forest Department's nominee mittee deciding an issue by majority of votes which according to Institutions. The differing nomines will normally get his opinions matter, the Council may appoint a Sub-Committee and the resoappeal to the State Council in the event of the Managing Comthem is against the interest of Government or of the flaunding recorded in the proceedings and in case he finds that the Managment or of the Banking Institution, only then such a member will have a right to make an appeul to the State Council whose decision in the matter should be given as quickly as possible and should be treated as final. To avoid delays in deciding such The Managing Committee will transact the business accord. or nominee of the Financing Institution may have a right of ing Committee's resolution is against the interest of the Governlution of the Federation may not be implemented till the matter a disposed of by the Sub-Committee.

Recommendation No. 12 ! Functions of the Federation.

The Functions of the Divisional Federations will be as under : (1) To sponsor, supervise and guide Forest Labourers' Co-

(1) I a provisor, sufervise and guide roles Laboures Of

(3) To recommend allotment of coupes to the affiliated Societies to the **F**orest Officers concerned. (3) In case an affiliated society is not satisfied with the allotment, it may bring the fact to the notice of Federations and the Federation may refer the matter to the *State Council*, if it considers necessary.

.. After careful consideration of this recommendation, Government has directed that it should be accepted with the modifications that if the Forest Department or the Co-operation Department find any of the decisions of the Managing Committees of the Divisional Federations to be against the interests of Government or if the mominees of the Central Financoing Agencies on the Managing Committees of the Divisional Federations or the Managing Committees of the Pivisional Federations or the Managing Committees of the Pivisional rederations of the Managing Committees of Divisional rederations to be against their interest, then the appeals against such decisions shall be decided by the State Council of Forest Uo-operatives.

12. After careful consideration Government has directed that this recommendation should be accepted with the modification that the functions mentioned below should be substituted for the functions mentioned at item numbers (3) and (7) of the recommendations :--- (3) To entertain complaints from affiliated Societies as regards the allotment of coupes made by the Forest authorities and to refer them, if considered necessary, to the Committee constituted by the State Council for Foresta Co-operatives, whose decision shall be final.

(4) To render advice and guidance to the Societies in the maintenance of accounts in the proper exploitation of coupes,
 in the sale of forest produce and in allied matters.

(5) To create and maintain a cadre of Secretaries and Accountants and to arrange for their training. (6) To formulate a programme of welfare activities of Forest workers in accordance with the directives of State Council and to evolve arrangements for the execution of the same; and

(7) To educate and train forest workers in the principles and practice of Co-operation, thrift and mutual help.

Recommendation No. 13 : Secretary of the Federation

At present, the Distriot Officer of Cottage Industries and Industrial Co-operatives functions as a Secretary of the Oc-ordination Committee in several districts. When the Divisional Federations are formed, he will function as the Secretary of the Federation and his services may be placed at the disposal of the Federation.

Recommendation No. 14 : Funds of the Federation

The Federation, may collect 2 per cent of the operational cost of coupes from the affiliated societies in addition to such annual fees as it may prescribe. Government should also meet the cost of management ef the Federation on a sliding scale. For the first part, Government should bear full expenditure and it may go on year, Government by 20 per cent every year till it comes to 50 per cent at the cost of management of the federation.

(7) To educate and train forest workers in the principles and practice of Co-operation, Forest Consrration and Exploitation and thrift.

13. Government has carefully considered this Recommendation and has directed that it should be accepted with the modification that the services of the officers of the Co-operation Department should be placed at the disposal of the Divisional Federations for a limited period for appointment as Secretaries of the Federations, and that if non-officials, preferably from amongst the Adivasis, having aufficient experience of the working of the Forest Labourers' Co-operative Societies are available, they Federations.

The Registrar of Co-operative Societics has been requested to take requisite steps to implement the recommendation as accepted by Government.

14. Government has carefully considered this recommendation has directed that the recommendations of ar as it relates to the collection of 2 per cent of the operational cost of coupes and annual foes from the affiliated societies only should be accepted.

Recommendation of Evaluation Committee	Action taken by Government
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Recommendation No. 15:Alloiment of Coupes at times leads to The present system of alloiment of coupes at times leads to certain delay which causes incorvenience both to the forest Depart- ment and the Ga-operative Societies and it also affects regeneration of the forest. It is, therefore, suggested that the allotment of coupes should be taken up one year in advance of the informa- tion to the member societies. The aotual handing over of the coupes will be done on the due date by the Forest Department on societies fulfiling the necessary obligations. This pre-planning by one year may not be applied to the new societies which are to be given coupes on logging contract basis.	<ol> <li>Government has carefully considered the recommendation and has directed that it should be accepted subject to the following:-         <ul> <li>(a) the change-over to the new system of allotment of coupes should be made after a period of three years;</li> <li>(b) though the allotment of coupes may be made one year in advance, it should not necessarily mean that the coupe laying and marking will be completed before the societies apply for the coupes; and</li> <li>(b)-in the case of newly registered societies, if they are given coupes in the very first year of their registration or given coupes in the very dirt be accelted societies if they are too noted be counted for the purpose of sharing net realisation number on the revised formula not from the year of they from the year of they are given coupes in the very dirt be accelted societies is should be counted for the purpose of the revised formula.</li> </ul> </li> </ol>
Recommendation No. 16:—Annual Programme for Welfare activi- ties. The Federation should chalk out annual programme of Welfare activities based on the resources available for the same and such programme should be implemented both by the societies and the Social Service Organisations.	16. Government has accepted this recommendation with the modification that the Divisional Federation of Forest Labourers' Co-operative Societies should formulate its annual budget of expenditure on establishment and its annual programme of welfare activities on the basis of the directives that may be issued from time to time by the Biate Council of Forest Co-operatives (if and when formed) and within the resources available with the Federation.
	Government has further directed that pending the forma- tion of the proposel Divisional Federations and the State Council of Forest Co-operatives, the existing District Co-ordination Committees should formulate the annual programme of welfare activities on the basis of the

	directives issued and that may be issued from time to time by the State Committee for planning the develoment o Forest Labourers' Oo-operative Societies. The registrat of Oo-operative societies has been requested to take requisite steps to implement the recommendation as modified by Government.
Recommendation No. 17Sponsoring Agencies, District Co- ordination Committees to function in special circumstances. The District Co-ordination Committee will obviously cease functioning when the Federation comes into being. In the divisions or districts, however, where federations are not formed, Sponsoring Agencies and District Co-ordination Committee will continue to function as at present.	17. After careful consideration of this recommendation, Government has directed that the same should be accepted with the modification that the State Council for Forest Co-operatives should review the position in respect of such areas where the Divisional Federations cannot come into existence within the stipulated period and fix adequate time limit for which the Corrdination Committees and Sponsuring Agencies would continue to operate.
Recommendation No. 18.—Supply of trained Secretaries and Accountants by federation	
It will be the duty of the Federation to supply trained Secretaries and Accountants to Forest Labourers' Co-operative Societies. The Model Service Rules for the Staff of the Societies may be framed by the State Council and the same may be adopted with suitable modifications necessitated by local conditions by the Fede- rations. Powers of transfers of Secretaries and Accountant should vest in the Divisional federations, since it is desirable that Secretaries and Accountants should not normally be retained in a society for more than three years.	18. Government has accepted this recommendation with the modification that it any changes in the model rules preacribed by the State Council for Forest Cocperative for the discipline and conduct of these services are found neces- sary to suit local. conditions, the some should be adopted only subject to piror approval of the State Council.
Recommendation No. 19Annual Conferences	
Annual Conferences of the Forest Labourers' Co-operative Societies which are instrumental in awakening interest amongst Adivasis and Forest folks for the Co-operative movement should be	19. Government has accepted this recommendation and the Registrar of Oc-operative Sccietles has been requested to take suitable action to implement the recommendation.

Societies which are instrumental in awakening interest amongst Adivasis and Forest folks for the Co-operative movement should be held regularly. Annual Cc

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Recommendation of Evaluation Committee	Action taken by Government
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Recommendation Nu. 20 : Standardisation of forms, registers.	
In order to maintain uniformity in the system of account of the Forest Co-operative standard forms and registers to be main- taired by the Sccieties should be prescribed by the State Council.	20. No specific action on this recommendation was found necessary as the Ravised Formula for fixation of upset prices of coupes alloted to the Forest Labourers' Co-operative Socie- ties, sanctioned under Government Resolution No. FLC-1058 (111123-E(II), dated the 9rd December 1959 (Reproduced in p. 193,195) in Appendix I, already provides for prescribing of forms registers, etc. by the Forest Department in consulta- tion with the Co-operation Department.
Rec. mmendatcin No. 21: Primary Forest Labourers' Coopera- ive Societies. (a) Area of Operation.—Area of operation of each newly registered Forest Labourers' Cooperative Sciety will have to be carciulty defined. Ordinarily there may be the scoriety for one telling series, but the areas where the more than one felling a Society may be permitted to have more than one felling arth new Scoiety which may horeafter be formed, should be constructed by the Divisional Forest Officer in consultation with the Federation and the Director of Octage Industries and Additional Registrar for Industrial Co-operatives should prescribe the area of operation in bye-laws of the Scoiety was the time of its figitration. In the event of the difference or opinion between the Divisional Forest Officer and the rederation, the matter may be referred to the State Council, if necessary, and its decision may be final.	21. (a) Government has accepted this recommendation.

(b) Membership.—The following may be the m<sup>3</sup> unbers of a Procest Labourers? Co-operative Society. (i) Forest Workers residing in the area of operation of the Bociety.

(ii) Social workers attached to the Social Service Organisation interested in Forest Co-operative movement and connected with the Social and economic welfare of the forest folks. (iii) Number of members under (ii) should be restricted to 5 or 10 per cent of the total number of members of the society, whichever is less. (c) Enrolement of members of the Forest Labourers' Co-operative Societies.—Every forest labourer residing in the area of operation of Society should normally be held eligible to be a member of the society. The society should not ordinarily refuse admission for membership to a boun-fide forest labourer and in case of refusal on the part of the society to admit a boun fide labourer as a member there should be a provision for an appeal to the Assistant Director of Cottage Industries and the desidenthe matter in consultation with the Divisional Federation or the Cordination Committee as the ease may be. (d) Society to carry out coups operations within its jurisdiction.—Utless there are acceptionally strong reasons, a Society with the help of its labourer members. In case, it is necessary with the help of its labourer members. In case, it is necessary to engage more labourers, the forest folk residing in the area of operation of the society should normally be employed. General or specific approval de obtained if the society in the asso is committee would be obtained if the society has to engage area to engage more the society is and perturbed.

21. (b) After carreful consideration of this recommendation (tovernment has directed that it should be accepted with the modification that the membership of social workers abound berubiest to the approval of the Divisional Federations of the society.

21. (c) Government has accepted this recommendation with that the apreal against the refusal for admission of membership of a *boua-fide* forest labourer shall be with the Assistant Registrar of 00-operative Societies of the area concerned who shall decide the matter in oonsultation with the Divisional Federation and pending the formation of the Divisional Rederation in consultation with the Coordination Committee.

The Registrar of Co-operative Societies has been requested to take requisite steps to implement the recommendation as modufied by Government. (a) Works such as construction of roads and their repairs, fire tracing, construction and repairs of buildings, construction of wells etc. in forests should be assigned to the Forest labourers' Co operative Societies provided they have suitable working members to perform such works;

(b) works such as raising plantations, coupe working etc. which are of a very technical nature and are required to be completed in a limited period should not be assigned to the forest Labourers Co-operative Societies but should, as at present be done departmentally and

Recommendation of Evaluation Committee	Action taken by Government
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	(e) the employment of non-members, if any, by the forest Labourers' Co-operative Societies, as labourers, either from places outside their area of operation or within in the area of operation, should be restricted to three years, during which period, the Forest Labourers, Co-operative Societies should train their own members and progressively decrease the number of non-members employed by them.
ACT R	The Registrar of Co-operative Societies has been request ed to take requisite steps to implement the recommenda- tion as modified by Governmert.
(e) Nominal membership.—A provision in the bye-laws of the Society should be made for admission of nominal members of paymont of Ra. 1. If the nominal member agrees to become a full-fledged member, he shoul the currolled as such as soon as his contribution from deduction of wages amounts to the full value of one share.	21. (e) Government has accepted this recommendation and the Registrar of Co-operative Societies has been requested to take suitable action to amend the bye-laws of the Forest Labourers' Co-operative Societies accord- ingly.
(f) Distribution of work between members of the society.—It is observed that all the m.u.bers of a society who are willing to work do not get employment in the coupes worked by the society and that some members have to seek other employ- ment. When coupe operations during a particular period can absorb only a limited number of workers preference for employ- ment should be given to labourer member including nominal members who reside in places nearest to the coupe. Normally the managing Committee of a society should be able to regulate assignment of work to its members but in case of dispute, the Divisional Federation or the Co-ordination Committee, as the oase may be, will decide the matter and the decision of that body will be final.	21. (f) Government has accepted this recommendation and the Registrar' of Co-operative Societies has been requested to bring the recommendation to the notice all Forest Labourers' Oc-operative Societies and to ensure that it is implemented by them.

(g) Registration of New Societies.— A Forest Labourer's Cooperative Society may ordinarily be registered on the recommedation of the Divisional Federation if normed. Where, however, the promoties of a proposed society are dis-satisfied with the decision of the Federation in the matter of Registration they may appeal to the State Council for Forest Oo-operatives, whose Industries. (h) Registration of New Societies in the areas where federations are not formed.—In areas where federations are not formed but where there are Social Service Or±anisations approved by Government, new societies may be registered, if they are appointed (sponsored) by Such organisations. (i) There may be areas where it may not be possible to form Divisional Federations and where Social Service Organisations also do not exist. In such areas societies may be registered if they are sponsored by (1) Sarvodaya Centres (2) Multipurpose Development Blocks or Ocmmunity Development Blocks. (j) Registration of new Co-operative Societies on merils in the areas where Sponsoring Agencies do not exist.—In areas where the various agencies such as Booial Service Organisations, Barvodaya Gentres, Multipurpose Development Bilooks or Community Development Blocks do not exist, a Society may be registered on the merit of the proposal provided the State Council for Florest Co-operatives recommend the same. It may be that sponsorship of a society may be retused by agences competent to do so on grounds which may not be tomable. In such cases aggreved society may appeal to the State Council for Florest Co-operatives and the devision of the Council aball be binding on the agencies competent to sponsor the societies.

21. (g) Government has not accepted this recommendation as it clashes with the statutory provisions for the registration of new societies

21. (h) & (i) Government has not accepted these recommondations as they clash with the statutory provisions for the registration of new societies.



21 (j) Government has not accepted this recommendation as it clashes with the statutory provisions for the registration of new societies.

Recommendation of Evaluation Committee	A sticn taken by Government
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(k) Composition of the Managing Committee of the Forest Labourers' Co-operative Societies.—The Managing Committee of a society may consist of 9 to 11 members depending on the size of the society as under:—	21. (k) consideration of this recommedation Government Las accepted it with the modification that the Managing Committee of the Forest Labour res' Oo-operative coeleties abould consist of 6 to 9 members as under depending
<ul> <li>(i) 4 to 6 representatives of labourer mombers.</li> <li>(ii) 2 Nominees of the Social Service Organization</li> </ul>	upout the size of the scelety-
(iii) 1 Nominee of the Costage Industries Department.	(2) 1 to 2 representatives of the Social Service Organisations.
(iv) 1 Nomiree of the Central Financing Ageroy.	(3) One nominee of the Financing Agency.
(v) Range Forest Officer or a nominee. of the Forest Department.	
(1) Transaction of business by Forest Labourers' Co-operative Societies.—The Managing Committee will meet and transact busines according to the provisions of the byelaws of the society. In case where nominee of the Freest Department or Go-operation Department or the Financing Agency feels that a resolution of the Manaring Committee is against the that a resolution of the forests or is against the schnical working of the forests or is against the the financial interest of the financing agencies respectively, he has a right to get his opinion clearly recorded in the proceedings and if he considers the matter as sufficiently important he may make an appeal to the Federation whose decision should be deemed to be final.	21 (1.) Government has carefully considered this recom- mendation and has accepted it with the mcdification that since the Managing Committee of a Forest Lab- ourers' Co-operative Society will not have rominees of the Forest and Oc-operation Departments on it, the appeal to the Divisional Federation against a resolution of the Managing Committee of the society, which is against the interest of Government, shall be made by the Forest Department or the Co-operation Department as the case may be.
Pending decision of the Wedowsticn which charles to and is	

Pending decision of the Federation which should be arrived at within a reasonable time not exceeding seven days, the resolution of the Managing Committee may not be implemented.

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(m) Employment of Secretaries, Accountants etc.--Services of trained Secretaries and/or Accountants should be made available to the societies by the Divisional rederations after the cadre is formed. Bigger societies may have a Secretary as well as an Accountant but the smaller cocleties may in the interest of economy, employ a Secretary-cum-Accountant. Sometimes one Secretary-cum.Accountant may be able to look after more than one society if the societies are small and other conditions are favourable.

(n) Securities from Secretaries, Accountants etc. of Forests I abourers' Co-operative Societies.—The Secretaries and Accountants dealing with cash should be required to give security in the form of personal securities of fidelity bond-as is done in ease of Government servants of the similar status and responsibilities.



Recommendation No. 22: Work for Newly Registered Societies:

Newly registered F orest Labourers' Co-operative Societies may not be in a position to undertake full fledged coupe work involving sales of material from the beginning. Due to lack of experience, scome newly registered corieties inourced heavy losses in exploiting Forest coupes. It would therefore be desirable to entrust such societies only while logging work i or a peri<sup>o</sup> of one or two years in the beginning. During this period Sc. ties will build up its coupes. After the ecessary experience for working the oupes. After the ecessary experience of the Societies during first one cr two years, the Society may be given contracts during first one cr two years, the Society may be given contacts ment.

21. (m) Government has accepted this recommendation and has further directed that the Divisional Forest Officers concerned should decide, on the basis of the work involved in the outpe working by a society during the year, whether it is necessary for a Society to appoint a Secretary and  $\lambda$  counting or a Society to appoint a Secretary and  $\lambda$  counting or a Society to appoint a final Forest Officer, the Divisional Federation shull decide the matter.

Government has accepted this recommendation and has further directed that the amount of scorrities to be taken from the office bearers of the Forest labourers' Co-operative Scoriet is handling cash should be decided by the respective Divisional Federations and, till the formation of the Divisional Federations by the respective CO ordination Committee.

Government has also directed that till the formation of Divisional Federations of Fo est Labourera' Co-operative Societies in the Vidarbha and Marathwada areas of the Saste, the Conservators of Forests, Chanda, Nagput, Amravati and Poona Circles should decide in their respective Uircles the amounts of securities to be taken by the Forest Labourers' Co-operative Societies in the Vidarbha and Marathwada areas from their office Posters. 21. Government has after careful consideration accepted this recommendation subject to the modifications that :----

(i) The Divisional Federation should decide whether the newly registered socieles should be given coupes on the terms of the "! evised Formula" or on higging contract, after the first one or two years; and

(ii) In the case of the old societies which have incurred losses and do not have sufficient berrowing capacity or which are classified .D' on account on mismanagements the Divisional Federation should decided in consultation with the District Deputy Registrar of Co-operative Societies in regard to the financial position of such coeffies, whether the societies, should be allotted coupes under the terms of the revised formula cr on logging constrate.

Auction taken by Gevernment	2	Government has further directed that where a newly registered society is not found fit enough to be entrated with the full contract even atter two years' working, the Divisional Federation should take special care to take such a society under its close supervision, change the Managing Committee's personnel and take such other measures which will make the society fit to take up coupe operation at least after the third year of its registration.	The Registrar of Oo-operative Societies has been requested to take requisite action to implement the recommendation as modified by Government.	28. Government has taken a note of this recommendation.		24. No specific action on this recommendation was found in more of the called of the c	The view of the orders arready issued in the matter under Government Resolution, Agriculture and Freests Depart- ment No. FLG-1056-II (a)/22476-E (II), dated the 12th February 1950 (reproduced in Appendix II p. 197-198/c).
Recommendation of Evaluation Committee	1	Old vooieties which because of losses incurred in the past, have not sufficient borrowing capacity or because of mismanage ment are classed 'D' may also be given coupes on logging contract basis till they are rehabilitated and their capital structure is streegthened.	सयमे	Recommendation No 23: Payment of share of losses by Govern- ment to Forest Labourers' Co-operative Societies.	The working of the present formula has led to certain hardships to the Forest Labcurers' Co-operative Societies and needs to be revised immediately. Under the existing formula some of the societies have incurred losses. Government shares the loss to the extent of 50 per cent and it is observed that the share in the loss has not been paid by Government so far and the matter is still under Government's consideration. Payment of the amount of share in losses requires to be expedited.	Recommendation No. 24: Extra expenditure on extra yield.	For the purpose of re-imbursement of extra expenditure on extra yield tha cases of societies in which the extra yield more than 10 per cent of the estimatel yield and in which the share of the society in profits is less than 40 per cent of the total actual profit earned by the Society should be considered and with

ment No. FLG-1056-II (a)/23476-E (II), dated the 197-198/c). February 1950 (reproduced in Appendix II p. 197-198/c).

the sanction of the Government, 50 per cent of such extra expanditure on extra yield as per standard rates should be given to the scoreties from the share of profits accruing to the Governto the score existing from the share of profits accruing to a protant, as per existing formula. This should be made applicable in respect of societies olaming extra expenditure on this ground from the year 1954-55 and onwards.

Recommendation No. 25 : New Formula,---

The Planning Committee has carefully considered the necessity of revising the existing tormula which has created certain anomolies and it has prepared a new formula as given in Appendix VII (of the Report). The new formula may be adopted at an early date and it is hoped that it will remove many of the existing defects in the working of the societies.

Recommendation No. 26: Stopping the practice of paying commission to Datals.— It has been observed that some co operative societies have to give certain commission to the Dalals engaged in the timber trade at the time of sale of timber and other materials by auction. This system is to be discoursed and it should not be difficult for the societies to conduct the sales without paying any Commission to the Dalals, as it is done in the case of sale of forest times and other materials by the Forest Department. This will bring better sales realisation which will benefit Government and the Societies.

Recommendation No. 27: Extension fees and penalties .---

The Oo-operative Societies are at times subjected to the payment of extension fees and penaties when they are not able you complete coupe perations in time. The delay in completing outpe operations within the presoribed time limit is due to special factors some of which are beyond the control of Oo-operative Societies. However, before any co-operative society is required to pay any penalties of extension fee for late operation the matter should be investigated and it it is found that the Society has delayed the operations deliberately, the penalty may be levied on the same basis as is levied and in the contractors. The Society in the event of being aggrieved by the decision of the Porest Department may appeal to the State Council.

25. Since the revised formula for allotment of coupes to the Forest Labourers' Co-operative .Societies has already been prescribed under Governmert Resolution, Agriculture and Forests Department No. FLG-1058/111124-E [1] dated the 3rd December 1959 (reproduced in Appendix [1] 0.193-195[e). Government has directed that the recommendation should be noted. 26. Government has already issued orders under Govern meat Resolution No. FLC:160(8)34396 E (IV) dated 19th July 1961 (reproduced in Appendix III p. 199-200/e) asking the Forest Labourers' Oc-op rative Societies to adopt the procedure in accordance with the corditions prescribed by the Forest Department for sale of material from the Government Departments as a result of which the Forest Lopartments Societies would not be required to pay commission to Dalals. Government has, therefore, noted this recommendation.

27. After carefulgeonsideration Government has accepted this recommendation subject to the modification that :----

(a) the extension fees should be charged by the Divisional Forest Officer concerned in accordance with the existing new scale of rates for such fees and appeals thereon should be with the Chiel Conservator of Forests whose decision in the matter should be final; and

(b) the procedure for imposition of penality and its recovery should be governed by Section 85 of the Indian Forests Act, 1927.

The Registrar of Co-operative Societies has been requested to bring the foregoing to the notice of all the Forest Labourers' Co-operative Societies.

Committee
Evaluation
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Recommendation

Action taken by Government

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Recourmendation Nc. 28: Inclusion of certain terms in the agreement.

A question was referred to the Committee by Government as to whether the present agreement should include a condition mentioning that cupes are given to the Oc-operative Societies on the basis of Government showing 50 per cent profit or loss with the society. The Committee has examined the question and is of the opinion that there is no objection if a clear condition is included in the terms of agreement.

Recommendation No. 29: Survises not to be furnished by societies.

Under the new formula, the condition of offering surfities is removed. We recommend that the Government should not insist upon furnishing surfites for the price of coupes.

Recommendation No. 30: Financing Societies by central Financing Agencies. Institutional finance should be preferred for departmental finance as this is the accepted policy of the Government in respeot of co-operatives. Present system of placing necessary funds at the disposal of the various central financing agencies by Government and advances to the Provat Labourers" Oc-operative Societies out of these funds at a concessional rate of interest of 2g per cent requires to be continued.

28. The farmula under which there was a provision of sharing of 50 per cent profit or loss between Government and the Forest Labourers' Co-operative Societies has since Appendix I) P. 189-195/c the .net realisations from coupe shared between Government and the Forest Co-operative Societies in certain proportions according to the age of the Societies. Government therefore directed that it is not now necessary to include the condition in question in the agreement with the Forest Labourers' Co-operative Societies. sanctioned (reproduced in Government Resolution, No. FLC-1058/111123been changed. Under the revised formula dated the 3rd December 1958 sales are Laboures' under E(II),

29. In accordance with the orders contained in G overnment Resolution No. FLO-1058/111133-EH, dated 3rd December 1959 (reproduced in Appendix I) P. 189-195/o the Forest Labourses' Co-operative Scotetisa do not have to turnish surficies either for the amount of price shown in the Agreement with the Scotetise *cr* for 10 per cent of deposit. No action was considered on this recommendation in view of the foregoing. 30. Government has accepted this recommendation and the Registrar of Co-operative Societies has been requested to bring the recommendation to the notice of the Forest Labourers' Co-operative Societies.

Recommendation No. 31: Revising the procedure for sanctioning of loans.

The present procedure for sarction of louns involves delay which can be obviated if the Societins send two avplication, simultaneously one to the Contral financing agency and other to the District Officer of the Cottage Industries Department. On make necessary anguires and if the Society is credit-worthy it make necessary anguires and if the Society is credit-worthy it enould immediately sanction a laon or cash credit equal to three times the jaid up share capital of the Society or 50 per cent of its requirements for operation of coupes, whichever is less, so that the requirements for operation of coupes, whichever is less, so immediately made aveilable to the society. Remaining amount can be advanced on getting uscessary recommendation of report from the officer of the Department of Cottage Industries.

Recommendation No. 33: Advance to Societies by Forest Department. In the event of the Co-operative Societies not getting the required finance from the financing agencies in time and with a view not to delay cupe operations the Forcet Department may advance from its own funds necessary funds to the co-operative societies against proper cureties according to rules. Recommendation No. 33: Forest Labourers' Co-operative Societies of Non-Adicasis to get coupes on the same basis as Societies of Adivasis. The Committee fiels that the co-operative way of giving coupes need not be confined to Adivasis, but it should be extended to all forest dwellers who depend for their maintenance to a certain extent on forest labour. The Forest Labourers' Co-operative Societies of Non-Adivasis should get the coupes either on logging basis of or upset price basis as may be applicable to other Societies of AdiGeventment may consider sympathetically to what extent aucieties composed of non-Adiwasis should be given ((s) contribution to their share capital and (b) management grant.

31. After careful consideration Government has accepted this recommendantion and the Registrar of Co-operative Societies has been requested to take steps to implement the recommendation. 92. This recommendation has been accepted by Government in principle and it is being further examined with reference to the financial implications involved and the procedure jregarding grant of advances etc. Necessary Government orders would be issued in due course.

33. After careful consideration Gevernment has accepted this recommendation in so far as it relates to the basis on which coupes may be granted to Societies of non-Adivasis. Bo far as the reocmmendation in the matter of making available financial help to Forest Labourers' Co-operative Bocieties of non-Adiwasis is concerned Government did not consider it necessary to take any separate action in the matter, as financial help is generally granted by the O-operative Department to all Forest Labourers' Bocieties of therefac.

Recommendation of Evaluation Committee.	Action taken by Government
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Recommendation No. 34: Furnishing of Audited balance Sheets to Forest Department and Settlement of accounts.	84. After careful consideration Government has accepted this recomment ation with the modification that the Auditors auditing the accounts of the Forest Latourers' Onemrative Societies stould furnish directly to the Diverse
The audited balance sheet of a Forest Labourers' $\Im$ coperative Society should also be furnished to the officer of the Forest Depart- ment simultaneously with that to be submitted to the Officers of the Cottage Industries Department. The officer of the Forest	sional Forst Ollicers concerned the requisite data relating to the various items of coupe expenditure which are re- levant to the settlement of accounts and are prepared on the basis of the audited accounts of the societies.
Department can see a us anothing wind the forest information of the palance sheet. If there are any further adjustments or the basis of the balance sheet. If there are any further adjustments or reconciliations to be done subsequently it is possible to do so with the help of the Department of Cottage Industries and the Nvisional Federation.	Government has further directed that in case there is no settlement of accounts and there is a dispute, the disputed cases should be referred to Government for final orders.
The Forest Officer can also consult the Assistant Director of Cottage Industries about the question of settlement of accounts based on the audited balance sheet and in the event of difference	The Registrar of Or-operative Societies has been request- ed to take requisite steps to implement the recommenda- tion as modified by Gevernment.
of opinion betw. on these two officers the matter may be referred to the Director of Octtage Industries and the Chief Conservator of Forests whose decision in respect of settlement of account will be final. Recommendation No. 35: Depots for sale of fuel etc.	35. Gevenment has accepted this recommendation, Government however, does not consider it necessary to lay down the condition about the sale of 10 per cent to 15 per cent of the material in retail by the Bocieties to the local ropulation at rates prescribed by the Forest Depart- ment.
In order to meet the local demand for fuel, the Forest Labourers' Co-operative Societies may be allowed to maintain sale Depots at two or three centres in each Taluka and to sell at least 10 to 15 per cent of the material in retail to the local	The Chiaf Conservator of Forests has been requested to take requisite steps to implement the recommendation as modified by Government.
population at the rates prescribed by the Forest authorities. The Depote which are opened in the coupes, may supply materials to forest population for <i>bong fide</i> consumption at concessional rates approved by the Forest Authorities.	36. Gorenment has accepted this recommendation and c Registrar of Co-operative Societies has been requested to take necessary steps to implement it.

Recommendation No. 32: Need for training supervisors.

The working of the Forest Labourers' Co-operative Societies is complicated and in the absence of a special agency which is trained for this work adequate supervision over the working of Stoieties cannot be ensured. The persons to be charged with the work of supervision of these Societies should have training in a number of subjects such as Co-operation, Accounts, Forestry, and their social and economic conditions etc. A special cadre of appervisor possessing the qualifications and training referred to above should be oreated by Government for supervision of these societies. The supervisor will be able to look after 10 to 15 societies. The supervisor will be able to look after of the Divisional Federations when they are formed and or the Divisional Federations when they are formed and

Selection of persons to be trained as supervisors will call for special care on the part of the authorities. As they have to work amongst forest these and may have to undergo rigorous jungle attic, selection of these persons for training should be made in consultion with the Social Service Organisations. Becommendation No. 37 ; Training of Forest Officers in Co-operation. Offloers of Forest Department who in course of their duties are called upon to deal with the Societies, should have some training in Co-operative principles and practice in order that they may have the necessary outlook for encouraging Co-operative movement. In the syllabus of the classes run by the Forest Department to for the syllabus of the classes in bordi, Ohnota Udepur, etc. the subject of Co-operative and Organisation and Management of Forest Labour Co-operative Societies should be introduced.

37. Government has accepted this recommendation and the Chief Couservator of Forests has been requested to take action to implement it.

Action taken by Government	61	38. Govarnment has accepted this recommedation and the Registrat of Co-operative Societies has been requested to take the necessary steps to implement it.	39. Government has accepted this recommendation and	has further directed that the proposed refresher courses should be conducted by the Co-operative Department and that the incidental expenditure on the staff deputed by the Porest Labourers' Co-operative Societies for the course should be horne by the Societies themselves.	The Registrar of Co-operative Societies has been requested to take recutivity action to invalante the recommunications.
Recommendation of Evaluation Committee		Recommendation No. 38: Training of Secretaries, Accountants, Agents, etc. A large number of persons are required to function as Secreta- ities, Accountants, Agents, Depot Clerks, Mukadams etc. The piloy of the Government is to employ a progressively larger num- per of Advasis to these posts. It is, therefore, essential that the classes of at least 4 months is uchation should be run for the fraining of these office bearers, or prospective office bearers of the Societies. They should be instructed in elemants to foreatry in addition to all other subjects which are taught at the Co-operative Training Schools. It each inguistic region of the State, one such olass should suffice and it would train about 60 persons in the course of a year. Condidates for admission to these oflasses should be should us fice and it would train about 60 persons in the course of a year. Condidates for admission to these oflasses should be should us fice and it would train about 60 persons in the course of a year. Condidates for admission to these oflasses should be should to estarted from amongs; Adivasis possessing the required qualifications. The State Co-operative Union should to adming of Training classes on the lines mentioned above. <i>Preplaving of Training Programme.</i> Training of Secretaries Accountante, Agents, and Mukadams will have to be properly planned so as to make their services what will be formed according to the phased programme of development.	Recommendation No. 39: Refresher Courses of the Societies.	Oranisation of refreshers' courses is necessary for the staff of societies. The classes may be of short duration, but they should be held everyyear particularly in the monscon when the staff have little work and the operations of the societies are at rest. The workers of the archial Service Oranizations a und the officare of	the Co-operation and Forests Departments should be invited to address these olastes.

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Recommendation N o. 40 : Employment of trained staff by Societies. It should be in oumbent on the societies to appoint only such trained persons as members of thair staff. Societies which do not follow this practice may be denied coupe or may be held eligible for grant-in-aid.

Recommendation No. 41 : Cadre of Secretaries and Accountants etc.

Divisional Cadre of Secretaries, Accounts of Forest Labourers' Co-operative Societies should be created. The Co-ordination Committee or the Divisional Federation, when it is formed, should reacted this cadre and the powers of appointment, control and stantfer of the Secretaries and Accountable in the Cedre should web in the Federat body.

Recommendation No. 42: Audit.

It is not cell that the Forest Labourers' Co-operative Societies are not regularly auddted every year which develops a tendency for deterioration. Arrangme ts thould, therefore be made to see that the accounts of the societies are audited regularly once a year.

40. After careful consideration of this recommendation Government has directed that the Forest Labourers Go-operative Societies should appoint the staff which the Divisional Federations may allocate to it and should Divisional Federations may allocate to it and should any societies refuse to do so, it should be considered ineligible for allotment of coupes or the concessions which Government naturally makes to the Societies.

The Registrar of Co-operative Scoleties has been requested to take neossary steps to impleuent the recommendation. 41. Government has accepted this recommendation and has further directed that the rules for service and conduct of the Secretaries, Accountants etc., borne on the proposed cadres should be formulated for adoption by the Co-ordination Committees or the Divisional Federations by the proposed State Council for Fore: Co-operatives and by the Committee for Planuing the Development of Forest Labourers' Co-operative Societies, till the formation of the State Council. The Registrar of Co-operative Societies has been requested to take requisite steps to implement the recommendation.

42. Since continuous quarterly audit of the Forest Labourers' Co-operative Societies is being carried out by the Oc-operation Department from 1955-59 through the special audit staff appointed for the purpose, there is no possibility of the audit of the Societies remaining in arrears. No action was therefore, considered necessary on this recommendation.

Recommendation of Evaluation Committee

Action taken by Government

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Recommendation No. 43: Future pattern of working of coupes.

It is the established policy of Government to encourage forest labourers to organise their Uo-operative Societies and to give work to such Co-operative Societies. Wherever Societies are formed, utmost care may be taken to see that they get enough work to provide employment to their members. In case where a society is not in a position to cope with all the coupe operations in its area of operation or where the Forest Tepartment decides to work the coupes for certain specific purposes, the Department should entrust logging work to the Co-operative Societies functioning in the area.

Private contractors should be given coupes only where the societies are not formed or not able to cover the whole area of their operation or where the Department does not work the coupes departmentally.

Recommendation No. 44 : Scope and natures of Welfare activities

(i) (a) To provide properly planned, clean, specious and habitable sheds.

48. After careful consideration of this recommendation Government has accepted it with the modification that adjucent coupes in the same area of operation of Forest Labourers' Co-operative Societies should not be allotted to the Society on two different systems of working of coupes i, e, on the "revised formula" basis and "logging" basis.

Government has directed that in cases where all coupes in an area of operation of a society are not taken by it for working for whatever reason, the Conservator of Forests concerned should decide in his discretion, whether such coupes should be worked departmentally or sold to contractors. The Chief Conservator of Forests has been requested to take suitable action to implement the recommendation as modified by Government.

44. Government has accepted this recommendation and the Registrar of Co-operative Societies has been requested to take suitable action to implement the recommendation.

or supply of good water.

(c) To keep a medicine obest, cruteining elementary medicines such as quinine, iodire, purgative, baudages etc. (d) To provide sanitary arrangements like urinals and latrites and see that the Adivasis use them hygenically.

(e) To depute one of the Sosial Workers to stay with the coupe workers and organise stoial education amongst them and to incultate in them the habits of discipline and gleaniness.

(f) To arrange for educational and recreational programme.

(g) To provide supplementary neuri-hing food such as gur, cil, vegetables etc. (ii) (a) To conduct or help other organisation: in conducting Astram-Schools hostels etc.

(b) To arrange for educational camps and tours.

(c) To supply medicines to the peop'e staying in the villages within the area of operation of the Scolety.

(d) To provide facilities for the development of agriculture carried on by the members of the Society.

(e) To give leans for carts, etc.

Bacommendation No. 45: Meeting essential needs of Forest Labourers from their oun funds or profils. It is recognised that the essential needs of forest labourers is of food-grains during the monscons especially during scarcity conditions. For want of any alteruative suitable arrangement, the forest lobourers become prey of money leaders. This can be avoided if Co.cparative. Societies or listrict Federations run grain banks in forestareas. The other requirements are agricultural implements and timber for repairs or construction of their houses.

45. After careful consideration Government has accepted this zerommendation with the modification that the bonus or dividend to be given to the members of the Societies should be in cash or kind instead of in the form of National Savings Certificates. " he Registrar of Co-operative Societies has been requested to take requisite steps to implement the recommendation.

Recommendation of Evaluation Committee

Action taken by Government

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The above needs can be met with either from the resources of the Scoleties and/or Federations or from the profits that the Scoleties earn from coupe operations. The present distribution of profits between the reserve fund, bounds on wages, dividend to the share holders etc. seems to be fair. But it is necessary that additional funds can be earmarked from the profits to meet with the above requirements. It is, therefore, recommended that instead of giving brass utensils to the forest workers as bonus, supply of agricultural implements or supply of timber for construction of houses and repairs to houses will save better meds. In the event of giving borus and dividend in cash, it will be desirable if the amount is given to the members in the form the National Savings Certificates.

Recommendation No. 46: Periodical evaluation of the movement.

The State Council for Forest Co-operatives will have to formulate a programme for the Forest Labourers' Co-operative movement in the Forest areas as as to entruis fully the work of Forest exploitation to the Forest Labourers' Co-operative Societies in due conresof time. The movement of Forest Co-operatives will expand at a consident be greed during the third and subsequent Five Year Plans. There may be certain problems arising out of the implementation of the new Formula. It is, therefore, necessary to assess as to how far the desired objectives of the movement are achieved assessment of the movement done periodically and an interval of five years.

46. Government has accepted this recommendation an has further directed that the proposed periodical evaluation of the movement of Forest Labourers' Co-operatives should be carried out by-independent observers who would be in a position to make an objective study of the movement for offerivg concrete suggestions with a view to promoting the interest of the forest labourers. The Co-operation and Rusal Development Department thas been requested to take requisite steps to implement the recommendation.

#### APPENDIX I

Revision of formula for fixation of upset prices of coupes to be allotted to the Forest Labourers' Societies.

### GOVERNMENT OF BOMBAY

## AGRICULTURE AND FORESTS DEPARTMENT

Resolution No. FLC. 1058/111123-E (II).

Old Secretariat, Bombay-1, 3rd December 1959. Agrahayana 12, 1881. Read-

Government Letter, No. 3952-11-J, dated the 25th February 1953.

Letter No. FLS-Formula-6 dated the 10th September 1958, from the Director of Cottage Industries and Additional Registrar for Industrial Co-operatives, Bombay State.

Letter No. FLS-A-5308, dated the 27th December 1958, from the Chief Conservator of Forests.

RESOLUTION.—The Planning Committee, at its meeting held on the 8th March 1958, considered the Resolution of the Khandbara Conference in regard to the revision of the existing formula for fixation of upset prices of coupes allotted to Forest Labourers' Societies and appointed a Sub-Committee to examine the problem and suggest a revised formula. The suggestions made by the Sub-Committee in this behalf were considered by the Planning Committee in its meetings held on the 3rd June 1958 and the 30th June 1958 and the said Committee has recommended a revised formula.

This question was also engaging the attention of Government for some time past and Government considers that most of the difficulties which are now being experienced both by the Departments concerned and the Forest Labourers' Co-operative Societies can be eliminated if a simple formula could be prescribed for allocation of the net realisation of forest exploitation between the Forest Department and the Co-operative Societies, instead of the existing formula sanctioned in Government Letter, No. 3952-II-J, dated the 25th February, 1953. Government has taken the following decisions in this matter :---

(i) The Conservators of Forests of the respective circles will allot coupes to the different Forest Labourers' Societics in their circles according to their respective area of operation according to instructions of Government from time to time;

(ii) Immediately after allotment the societies will enter into an agreement with the Forest Department accepting the conditions for the working. The amount to be entered into an agreement as prices of the coupes allotted will be a provisional amount. The provisionally estimated price will be fixed by the Conservator on the basis of the price realised for the last year's coupe allotted to the Society in the same Felling Series. If no coupe is ellotted to that Society in the previous year and in the case of new Societies, the provisionally estimated price will be fixed on the basis of the price realised for a coupe sold in the previous year from the same or adjacent Felling Series. It will not be necessary for the Conservator to consult the Society for fixation of the provisionally estimated price;

(iii) The Forest Labourers' Societies will not furnish any sureties either for the amount of price as shown in the agreement or for the 10 per cent deposit as hitherto. However, by 1st April each year the Assistant Director should send reports to the Conservator of Forests concerned clearly indicating which societies should not be granted coupes. These reports should be based on the financial position of the societies to safeguard Government interest;

(iv) The net realisation of such exploitation shall be determined by deducting the actual expenditure incurred on items admissible as indicated in the schedule, attached to this Government Resolution from the total amount realised by sale of the material from the coupes.

Government considers that 10 per cent of such net realisation would be a fair return to the well established Forest Labourers' Societies. However, as such Societies would have incur considerable development expenditure for the benefit of Forest Labourers for some years after their establishment, Government is pleased to grant the Societies a higher percentage of the net realisations as indicated below :--

	Forest Labou- rers' Societies	Forest Depart- ment
Up to 3 years old registered Societies	25 per cent.	75 per sent
More than 3 years up to 6 years old registered Societies.	20 per cent.	b) per cont.
More than 6 years up to 9 years old Societies.	15 per cent.	85 per cent.
More than 9 years old registered Societies	10 per cent.	90 per cent.

Note.—(1) The age of the Society for this purpose will be counted from the actual date of registration of the Society to 1st October of the year in which coupe is allotted.

(2) For the purpose of counting the net realisation, the total amount realised as on the 30th June of the year and the expenditure on admissible items up to that date shall be taken into consideration.

(v) The coupes allotted to Forest Labourers' Societies shall be exploited by them in the most efficient manner possible under the supervision of the Forest Department and at minimum cost of operation.

(vi) With a view to have the exploited material recorded properly, the Forest Department should lend the services of a suitable officer of the rank of first grade guard or a forester or a Ranger as the case may be to the Societies during the period of coupe-working. This officer will act as coupe agent of the society and his duties will be to keep proper records of the materials exploited in the coupes and to issue passes for the material.

(vii) He will be a Government Servant doing the work of the society and his pay will be initially paid by Government and will be recovered from the society subsequently. He will do the work assigned to him in clause (vi) and such other additional work as may be assigned by the Society with the specified permission of the Divisional Forest Officer subject to the general supervision and overall control of the Forest Department.

(viii) The material brought to the sale depots will be arranged in lots and the upset price of each lot will be fixed jointly by a responsible representative of the society and the local Range Forest Officer at least a week in advance of the date advertised for sale. In case of difference of opinion with regard to fixation of upset price of material to be sold the decision of the Divisional Forest Officer and/or Conservator of Forests shall be final. The sale will be held in the presence of the local Divisional Forest Officer or his nominee. Highest bids received in the sales if higher than the upset price as fixed above should be accepted. In exceptional cases highest bid above the upset price should be rejected only if the Divisional Forest Officer or his nominee as the case may be and the representative of the society both agree. (ix) \*Sixty per cent of the realisations from the sale proceeds in respect of timber and 40 per cent in respect of firewood and Charcoal should immediately be credited in the Treasury as deposit with the Forest Department and the balance of 30 per cent may be retained by the societies for their expences and repayment of loans to the Central Financing Agencies and/or Government dues as the case may be.

(x) The amount payable to Government under clause (iv) of this formula will be determined on the basis of the accounts as on 30th June by the Divisional Forest Officer in consultation with the representative of the societies by 31st July. The amount thus arrived at by the Divisional Forest Officer shall be adjusted from the accumulated sale proceeds deposited with Forest Department as share of the Forest Department and the balance should immediately be paid to the society without any delay. This amount will be subject to adjustments on the basis of the audited accounts of the society later.

(xi) The rates for the different items of expenditure will be fixed in each circle every year one month before the commencement of the working year by a Board consisting of the following members :---

I. The Conservator of Forests of the Circle (Chairman).

II. The representative of Forest Labourers' Societies from each Division to be nominated by the Director of Cottage Industries.

III. Two representatives of approved Forest Contractors associations or in their absence two contractors of standing to be nominated by Conservator of Forests.

IV. Divisional Forest Officers of the territorial Divisions in the Circle.

Note.—The items to be taken into account for calculating expenses are listed in the accompanying schedule.<sup>†</sup> The rates may be fixed for the Circle or the division or for particular areas as may be deemed fit.

3. Government is further pleased to direct that this revised formula, which is being sanctioned in this Government Resolution, shall be brought into effect from this year, that is, it will be applicable in respect of the coupes allotted for being worked during the year 1959-60.

The Chief Conservator of Forests and the Director of Cottage 4. Industries and Additional Registrar for Industrial Co-operatives are requested to watch the working of the new formula for one full year and submit a report to Government in case any modifications therein are considered necessary.

By order and in the name of

the Governor of Bombay,

# S. V. HARSHE.

Assistant Secretary to the Government of Bombay, Agriculture and Forests Department.

G. R., No. FLC. 1058/111123-E-II, A and F. D., dated 3rd December 1959/AGHN. 12, 1881.

Copies to-

The Chief Conservator of Forests.

The Director of Cottage Industries and Additional Registrar for Industrial Co-operatives, Bombay State, Poona,

All Conservators of Forests,

All Divisional Forest Officers and independent Sub-Divisional Forest Officers,

The Special Forest Officer and Secretary, Planning Committee,

The Accountant General, Bombay, (through the

The Deputy Accountant General Nagpur,

The Senior Deputy Accountant General, Rajkot. ) Department).

The Finance Department,

The Industries and Co-operation Department.

No.

of 1959.

Copy forwarded for Information and guidance to

## Accompaniment to the Government Resolution, No. FLC. 1058/111123-E(II), dated the 3rd December 1959 (Agrahayana 12, 1881.)

### SCHEDULE

STATEMENT INDICATING THE ITEMS OF EXPENDITURE

### (A) Extraction Charges

(1) Clearing the area of bush-wood and bamboos, if necessary.— (The amount provided under this item would be on an ad-hoc basis depending on the nature of growth in a particular coupe).

(2) Felling of trees and trimming of stools.—(In view of item 1 above, trees below 9" girth would be excluded from this item). The rate should be fixed for 100 trees for different girth classes and wherever the Societies desire this rate can be converted and shown as an overall rate for 100 trees for the coupe in question.

(3) Fashioning.

(4) Polishing.

The expenditure under items (3) and (4) would be provided separately or for both according to the practice prevailing in the locality.

(5) Wages for billeting and stacking of firewood.—The rates should be fixed per 100 Cft. by volume or per ton by weight.

(6) Dragging of timber.—(Clearance cf bush-wood has been omitted from this item in view of item 1). The rate for this item would be fixed per 50 Cft. and would also include collection charges of firewood in hilly areas if necessary and for this purpose the rate would be per ton by weight or per 100 Cft. by volume.

(7) Charcoal manufacturing charges.—The rates under this item would included from billeting to final delivery of charcoal. The rate for manufacture of charcoal should be per bag which is normally used by a society in the locality. The question of standardisation of the sizes of bags may be considered by the Forest Department.

(8) Pay of Mukadam.—Normally, one Mukadam per coupe may be provided but if more than one Mukadam is required, it may be left to the discretion of the Divisional Forest Officer. The stipulation of the period for employment of Mukadam or Mukadams shall also be at the discretion of the Divisional Forest Officer.

(9) Preparation of rabs.

(10) Fire tracing.

# (B) Coupe Depot Expenses.

(11) Erection of Mandav.—Actual expenses limited to Rs. 50 but the material from the ccupe to be used.

(12) Pay of agent.-(Suitable Forest Officers' pay).

(13) Loading of timber, charcoal and firewood in the coupe if transported by trucks.

## (C) Transport charges

(14) Transport of forest material to the sale depot.—Timber will be transported by bullock carts or by trucks preferably by Bullock carts and rates per mile per Cft. of timber or per mile per Bengali Maund may be provided. Charcoal will be transported in trucks and for this purpose rate auction should be held and the rate should be fixed per bag of charcoai. Rate auction should include loading. Charcoal may be allowed to be transported by bullock carts in cases where it could be done without incurring extra cost and causing considerable damage to the material. This may be done in consultation with the Divisional Forest Officers concerned. Where the Forest Labourers' Societies own trucks the minimum rates quotations received in rate auction should be given to the Forest Labourers' Societies, Firewood may be transported by carts wherever economical, otherwise it should be transported by trucks. The rate should be per mile basis by weight.

Note.—The mode of transport should be which is found most economical by the conservator.

(15) Construction of Kutcha tracks.—The actual expenses or the lump sum amount fixed by the Divisional Forest Officer, whichever is less, may be allowed for the construction of Kutcha tracks.

(16) Cost of transit pass-books. - Actual expenses.

(17) Octroi and ferry charges.—Actual expenses.

(D) Station or bunder depot expenses and management charges.

(18) Ground Rent.—This should be limited to a reasonable rent

(19) Office rent.—A reasonable office rent should be allowed.

(20) Sales Depot expenses.—This may include expenses for arranging the material in lots, numbering the logs, printing of sale notices, charges for advertising is news-papers if, necessary and other miscellaneous items such as lighting, water, sanitation, etc.

(21) Watchmen.—One night watchman for the night per depot. If, however, the material is in large quantity so as to call for services of more than one watchman, the local Divisional Forest Officer may allow two watchmen per depot. (22) Measuring of material.—The expenditure on this item is incurred after the sale is held and may be fixed on per ton of 50 Cft. limited to the actuals.

(23) Weighing and Material.—Actuals.

(24) Loading of material in trucks, wagons or country Cra/ls.— Where the practice of payment of loading charges by the party selling the material is in vogue, rate auction may be held and lowest quotation accepted.

(25) Pay of Staff.—Staff should include a Supervisor for a group of 4 to 5 societies, a man in charge of general work of society called as Secretary-cum-Accountant for each society, a clerk in the depot and an additional clerk in the office if need be depending on the turnover and volume of work. The appointment of staff in small coupes and specially firewood, charcoal and thinning coupes should be left at the discretion of the Conservator.

(26) Stationery.—Printed forms, registers, etc. required to be kept by the society should be prescribed by the Forest Department in consulation with the Department of Cottage Industries and Industrial Co-operative, for supply of these printed forms, registers, etc., rate auction should be called for. For other items of stationery, cost on an *ad-hoc* basic may be provided according to the classification of the societies, such as, new societies, established societies and old societies, etc.

(27) Postage.—Actuals.

(28) Travelling expenses.-Actuals limited to Rs. 250 per Scciety.

(29) Taxes.—Actuls. Only those taxes which are directly concerned with the coupes operation shall be allowed.

(30) Interest on loans.—Actual.

\*(31) Commission and Lalali.—As fixed by the Forest Department. (but actuals should be allowed).

(32) Depreciation on dead Stock.—The dead-stock articles should be listed and a suitable depreciation on each type of dead-stock article according to its need should be given. The depreciation charges shall be allowed on dead-stock articles directly connected with the coupe working.

(33) Welfare activities such as water supply, medical-aid and construction of hutments to the labourers, etc.—This should be 1 per cent of the wages and transport charges paid. In case this amount is not spent to the full or if medicine and water required are not kept by any society in the coupe the whole amount allowed under this item should be recovered from the society.

•Deleted as per G. R. No. FLO. 1060/34269-E (iv), dated the 19th July 1961,

#### APPENDIX II

Reimbursement of extra expenditure incurred by the Forest Labourers' Co-operative Societies in extracting extra yield from the coupes allotted to them.

# GOVERNMENT OF BOMBAY

# AGRICULTURE AND FORESTS DEPARTMENT Government Resolution No. FLC 1056-II (a)/22476-E (II), Old Secretariat, Bombay-1,

12th February 1960/Magha 22, 1881

### Read-

Demi Official letter No. FLS/Formula, dated the 24th July 1956 from the Joint Registrar, Industrial Co-operative and Village Industries, Letter No. FLS/Formula/3, dated the 24th April 1959 from the Director of Cottage Industries and Additional Registrar for Industrial Co-operatives, Bombay State, Poona.

Letters Nos. FLS/A-4955, dated the 17th September, 1956 and FLS/A-7098, dated the 31st March 1959 from the Chief Conservator of Forests, Bombay State, Poona.

RESOLUTION.—Government is pleased to direct that the cases in which the extra expenditure, incurred by the Forest Lobourers' Co-operative Societies on extracting extra yield from the coupes allotted to them, has to be conceded, profits should be worked out on the basis of revised formula for fixation of upset prices of coupes to be allotted to the Forest Labourers' Co-operative Societies orders regarding which have been issued under Government Resolution No. FLC 1058/111123-E (II), dated the 3rd December 1959, and the Forest Labourers' Co-operative Societies given their percentage share in accordance with these orders.

2. The Director of Cottage Industries and Additional Registrar for Industrial Co-operatives should work out the calculations on the basis indicated in pars. 1 above in consultation with the Chief Conservator of Forests and submit all such cases to Government for final approval.

> By order and in the name of the Governor of Bombay.

S. V. HARSHE, Assistant Secretary to Government Copies to-

The Chief Conservator of Forests, Bombay State, Poona,

- The Director of Cottage Industries and Additional Registrar for Industrial Co-operatives, Bombay State, Poona,
- All Conservators of Forests,
- All Divisional Forest Officers and Independent Sub-Divisional Forest Officers,
- The Special Forest Officer and Secretary, Committee for Planning and Development of Forest Labourers' Co-operative Socioties, Bombay State, Poona,
- The Accountant General Bombay (through the Finance Department),
- The Deputy Accountant General Nagpur (through the Finance Department),
- The Senior Deputy Accountant General Rajket (through the Finance Department),

The Finance Department (F 4),

The Industries and Co-operation Department (IND II),

सत्यमंब जयत

#### APPENDIX III

Revision of Formula for Allotment of Coupes to Forest Labourers' Co-operative Societies— Modification of—

# GOVERNMENT OF MAHARASHTRA,

AGRICULTURE AND FORESTS DEPARTMENT,

Resolution No. FLC 1060/34269-E(IV), Sachivalaya Annexe, Bombay 32, 19th July, 1961, Asadha 28, 1883.

Read-

Government Resolution No. FLC 1058/111123-E-II, dated the 3rd December, 1959.

Chief Conservator of Forests' letter No. FLS/283-A/9382, dated 6th March, 1961.

RESOLUTION.—Government is pleased to accept the recommendation of the Committee for Planning and Development of Forest Labourers' Co-operative Societies made in its meeting held on 5th August, 1960. The Forest Labourers' Co-operative Societies should accordingly be asked to adopt immediately the procedure recommended by the Forest Department, which is as per sale conditions prescribed for sale of material at Government depots with respect to sale of material extracted from the coupes allotted to them. As a result of this, item No. 31 "Commission and Dalali" in the Schedule of items of expenditure appended to the Government Resolution referred to above would become redundant and should be deleted.

2. Government has also considered the question of allowing the additional expenditure to the Societies on account of preperation of lots according to the uniform quality and classification of the materials. After careful consideration, it has been observed that arranging the material in lots as prescribed by the Forest Department can be done within the sanctioned rates. Government therefore does not consider it necessary to allow any additional expenditure in this behalf.-

> By order and in the name of the Governor of Maharashtra, W. P. SALDANHA,

Under Secretary to the Government of Maharashtra, Agriculture and Forests Department. Copies to-

The Chief Conservator of Forests, Maharashtra State, Poona. The Registrar of Co-operative Societies, Poona.

All Conservators of Forests.

- All Divisional Forest Officers and Independent Sub-Divisional Forest Officers.
- The Special Forest Officer and Secretary, Planning Committee for Forest Labourers' Co-operative Societies, Poona.
- The Accountant General, Bombay (through the Finance Department).
- The Deputy Accountant General, Nagpur (through the Finance Department).
- The Finance Department (Branch I).
- The Co-operation and Rural Development Department (Branch II).



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