

there is improvement only in the better names given by the hon. Deputy Minister of Railways?

MR. CHAIRMAN: Is it improvement in nomenclature or is it improvement also in the running?

SHRI S. V. RAMASWAMY: Improvement is in the performances.

SHRI V. PRASAD RAO: May I know, Sir, if it is a fact that these "Golden Arrow", "Silver Arrow" and "Steel Arrow" have often missed the targets?

(No reply)

#### SCHEME FOR THE ORGANISATION OF THE SERVICE CO-OPERATIVES

\*264. SHRI PURNA CHANDRA SHARMA: Will the Minister of COMMUNITY DEVELOPMENT AND COOPERATION be pleased to state:

(a) whether any scheme for the organisation of Service Co-operatives has been drawn up, and if so, what is the scheme;

(b) whether any such co-operatives have been formed up till now; and

(c) how a Service Co-operative is to operate in rural areas without farming facilities?

THE PARLIAMENTARY SECRETARY TO THE MINISTER OF COMMUNITY DEVELOPMENT AND COOPERATION (SHRI S. D. MISRA): (a) A draft scheme is under consideration. The details are given in the statement placed on the Table of the Sabha.

(b) Most of the existing primary agricultural credit co-operatives, particularly the multi-purpose ones, perform one or more of the functions which Service Co-operatives are normally expected to discharge.

(c) Service Co-operatives need not take up farming operations in their corporate capacities.

#### STATEMENT

*Introduction.*—A Service Co-operative means a village co-operative whose primary functions are the provision of short and medium terms credit to farmers, supply of agricultural and other production requirements and assistance in marketing of agricultural produce. In addition it is expected to formulate and implement the plan of agricultural production for the village and undertake such educative, advisory and welfare work as may be feasible.

2. *Size.*—Ordinarily it will be organised on the basis of the village community as a primary unit. If villages are too small they may, with the consent of the people, be grouped together so as to have a population of about 1,000.

3. *Target.*—About 3 lakhs of societies would have to be organised to cover all the villages. At present there are about 1.62 lakhs primary agricultural credit societies in the country with varying levels of development. Some of them, particularly the multipurpose ones, undertake one or more of the functions which Service Co-operatives would normally discharge. These are to be suitably reorganised and revitalised. In addition 1.4 lakh new societies will have to be organised.

4. It is not easy to define in abstract terms the functions which a Service Co-operative might undertake in relation to the economy of the village as a whole and those which it might not undertake, as in practice, the decision will depend upon the capacity of the village organisation. Broadly the basic functions of a Service Co-operative are as follows:

- (a) The provision of credit in close coordination with the production programme for the village and assistance in particular, to those who do not obtain credit under ordinary commercial banking principles;

- (b) arranging for distribution of fertilisers received for the village and their supply on credit to farmers;
- (c) arranging for distribution of other production requirements such as seeds, manures, ploughs, insecticides, cattle feed, etc.,
- (d) arranging for collection of surplus produce of the members for sale through the nearest marketing society; and
- (e) arranging for supply of consumer goods to members against indents.

In addition, the Service Co-operative may select progressive farmers in the village and they may be helped to multiply good seed obtained from Government farms and registered growers. They may also organise the production of organic manures locally by various means *e.g.*, green manuring, compost pits, collection of night soil etc.

These minimum service, advisory and extension functions, must first be assured before the society takes up other specialised activities.

5. Efforts should be taken to bring in every family in the village under the Service Co-operative.

6. *How to organise.*—In areas, where primary societies are working, they have to be reorganised so that their functions may be extended. In areas where there are no primary societies, new Service Co-operatives should be organised. Application from 10 to 15 persons may be taken as sufficient for registration of the society. Sufficient education, should also be provided before organisation of a new society so that the foundation may be laid on a sound basis.

7. *Co-ordination with other Institutions.*—The Service Co-operative is to be affiliated to the (i) Central Co-

operative Bank, (n) Nearest Marketing Society and (iii) Supervising Union.

8. *Share Capital*—Share capital should go on increasing from year to year. Towards this, part payment of share capital and collection of additional share capital deposits etc. should be encouraged. The members should be induced to buy one or two shares every year after harvest.

9. *Management.*—The general body consisting of all members will be the supreme power of the society. Executive power may be delegated to a managing committee of 5 to 7 members duly elected at the general meeting. Each member of the managing committee should take upon himself the responsibility of looking after at least one particular function of the co-operative. For instance, one member should be in charge of credit, the other in charge of marketing etc.

SHRI PURNA CHANDRA SHARMA Will that scheme, when it is formulated, be placed before the House?

SHRI S. D. MISRA: Surely.

SHRI PURNA CHANDRA SHARMA: As the introduction in the Statement shows, does the Service Co-operative exclude cottage industries?

SHRI S. D. MISRA: This does not exclude cottage industries. It may include cottage industries at a later stage.

\*265. [*Transferred to the 1th May, 1959.*]

\*266. [*The questioner (Shri P. A. Solomon) was absent. For answer, vide col. 1951 infra.*]

\*267. [*The questioner (Shri J. C. Chatterji) was absent. For answer, vide col. 1952 infra.*]