

**REPORT ON**  
**AN INTENSIVE EVALUATION STUDY OF**  
**THE CHANDRAPUR GAON PANCHAYAT LEVEL SAMABAI SAMITY LIMITED**



**TRIBAL RESEARCH INSTITUTE, ASSAM**  
**GUWAHATI-781 003**

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P R E F A C E

The Tribal Research Institute, Assam, had already conducted an evaluation study of the Workings of the Gaon Panchayat Level Samabai Samities in the Tribal Sub-plan areas and LAMPs in the hill areas of Assam. From this study it is observed that about 50% of the Societies are found to survive without contributing much towards the benefits of their members. However, a limited number of Societies are found to be working very nicely and these Societies are not only serving the people in a better way but showing increasingly good profit also year after year.

When the evaluation report quoted above was discussed in the meeting of the Directors of Tribal Research Institutes convened by the Ministry of Welfare, Govt. of India in New Delhi in the year 1984, the Ministry had instructed Assam T.R.I. to conduct an intensive evaluation study of a Gaon Panchayat Samabai Samiti which has been successfully working in the Tribal Sub-plan areas of Assam.

The Chandrapur Gaon Panchayat level Samabai Samiti is one of the few successful societies working in the tribal areas of Assam. In persuance of the Welfare Ministry's instruction the Tribal Research Institute, Assam had conducted an intensive evaluation study of the Chandrapur Gaon Panchayat Samabai Samiti and the present report is an out-come of this study.

In this study we have shown how the society has been functioning successfully and in the concluding chapter we have analysed the causes which are responsible for successful functioning of the Society. In the light of our observation we have made some recommendations also and we think that if these recommendations are accepted the functioning of the Society will be much better.

It is expected that this study report will be an eye opener ~~of~~ to the other Societies working in the tribal areas of Assam and the Co-operation Department itself may initiate some steps for revitalisation of the ~~sick~~ Societies on the basis of our findings.

Shri M.C. Saikia, Deputy Director, Tribal Research Institute, Assam, was entrusted with this study and he had completed this study within a specified time schedule. The Registrar and the Joint Registrar



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(T.S.P.) of the Co-operative Societies and the Chairman and Secretary of the Chandrapur Gaon Panchayat Samabai Samiti had also helped us in all possible ways in conducting this study. I offer my thanks to them for their help and co-operation.

31st December, 1986.

*B. N. Bordoloi*  
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AN INTENSIVE EVALUATION STUDY OF  
THE CHANDRAPUR GAON PANCHAYAT LEVEL SAMABAI SAMITI LIMITED.

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A REPORT ON  
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INTRODUCTION:-

Located within Gauhati Integrated Tribal Development Project and covered by the Dimoria Tribal Development Block, the Chandrapur Gaon Panchayat level Samabai Samiti Limited is a multipurpose co-operative society registered under No. G.18/73/74 dated 13.9.73. The registered office of the society and its building complexes are at Chandrapur, about 25 K.m. from Gauhati towards east amidst ethnic groups comprising Karbis, Lalungs, Boro-Kacharis, Rabhas, and Garos and other small groups of plains tribals as well as non-tribals. The original jurisdiction of the society was upto Digaru on the east, Birkuchi on the west, Amching-Jorabat on the south-east and Brahmaputra on the north- an area consisting of about 200sq.K.m. (126 sq.miles) covering the entire 39 villages of Chandrapur Gaon Panchayat in the district of Kamrup.

But consequent on the formation of the new district of Pragjyotishpur with effect from 28.2.85 out of the erstwhile Kamrup district and tagging with it 12 villages of Mayung C.D. Block of erstwhile Nowgong district, the registered office of the Chandrapur Gaon Panchayat level Samabai Samiti Ltd.(GPSS) administratively has now gone to Pragjyotishpur district, though the society's coverage extends to parts of Kamrup district as well.

The Chandrapur GPSS Ltd. is one of the 665 such G.P. level primary societies in the plains district born out of the new scheme of the state Govt. covering all the families of each Gaon Panchayat of the state wherein the then existing Krishi Sahayak Samabai Samities were either merged with them or liquidated. Thus the society has come to play a major role in the rural development programmes of the Govt. by undertaking distribution, marketing and supply of essential commodities to the

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The total number of original families is estimated to be 2060 as each family is ordinarily a member of this society. But due to partition from primary family units as well as increase in the operational areas, the number of family holders might have gone up by this time - the actual figure being not available anywhere. Out of the 2060 families, scheduled tribes account for 832, scheduled castes 432 and others 796. It is therefore seen that the tribal membership in the society is around 40%.

The membership pattern and the trend of Govt. participation in the total share capital of the society is reflected in the table appended below:-

Years	Members	Total Paidup share capital	Govt. contribution in share capital.	P.C. of Govt. contribution in share capital
1980-81	2047	1,38,750'00	73,000'00	52'61%
1981-82	2047	1,38,850'00	73,000'00	52'61%
1982-83	2047	1,38,750'00	73,000'00	52'61%
1983-84	2057	1,80,680'00	1,13,000'00	62'54%
1984-85	2060	2,41,000'00	1,74,000'00	72'19%

It is seen from the above that the membership figure constantly stood at 2047 from 1980-81 to 1982-83 with only marginal increase of 10 members during the year 1983-84 and only 3 members in the next year. The membership of the society thus maintains more or less a static position and there is practically no expectation for further increase in this regard. As to Govt. contribution, it has gone from Rs.73,000/- in 1980-81 to Rs.1,74,000'00 in 1984-85 making an improvement of Rs. 1,01,000'00 during a five year period i.e., an increase of 19'58% (72'19-52'61) over 1980-81. In spite of this increase in Government share contribution, the membership of the society virtually remains constant, only an improvement of 13 members during the five year term from 1980-81 to 1984-85. During this period the paid up share capital has gone up by Rs. 1,01,250'00 from Rs. 1,38,750'00 to Rs.2,41,000'00.

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rural masses. The society now deals in consumer articles under the Public Distribution System and other stationary articles together with processing and pisciculture farming. There are proposals for the establishment of a Printing Press as well as opening up of a Petrol Pump and a candle manufacturing unit. Let us dig a bit deeper with the available facts and figures of the last five years to acquaint ourselves with the actual performance of the society in the diversified fields of its activities. By the by we will also try to understand the enterprising spirit of the tribal communities who are living around this society supplying it feed and strength on its onward march to rural reconstruction and elimination of exploitation.

Membership and paid up share capital:-

All the shareholders numbering 2060 are the members of this society of whom 832 members are from tribal communities. It is to be noted that all the members are 'A' class shareholders which implies that there is no nominal members at present under this society. The society is serving about 36,000 population including 12,000 industrial population working in different industrial establishments located within the periphery of this GPSS with the tagging of 12 villages of Mayong C.D. Block of erstwhile Nagaon district with Pragjyotishour district, another additional population of about 10,000 have come up under this society for distribution of essential commodities under public distribution system. But the tagging of the 12 more villages have not necessarily inflated the membership of the society, as the necessary amendment to the co-operative bye-laws are yet to be done by the Registrar of Co-operative societies.

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Tribal Leadership and tribal participation:-

The society was registered first on 13.9.73 and an adhoc committee was formed to run the affairs of the society with a tribal gentlemen Shri Kharga Kchari as the Chairman. It would be pertinent to enclose here a history sheet of the society to show how far tribal leadership is involved in the management of the society. This sheet is appended below:

General Meeting	Date of holding	Chairman		No. of tribal M.C. Members.
		Tribal	Non-tribal	
1. First General Meeting	7-7-74	Kharga Kachari	-	4 tribal M.C. members.
2. Second General Meeting	30-8-76	-	K.P. Sen	6 tribal M.C. members.
3. Third General Meeting	4-8-78	-	K.P. Sen	6 tribal M.C. members.
4. Fourth General Meeting	8-10-79	-	H. Kalita	6 tribal M.C. members.
5. Adhoc committee from 8-12-83 to 28-10-84		Kharga Kachari	-	5 tribal M.C. members.
6. Fifth General Meeting	29-10-84	Kharga Kachari	-	8 tribal M.C. members.
7. Sixth General Meeting	29-10-85	Kharga Kachari	-	8 tribal M.C. members.

As seen above, the Chairmanship of the Managing Committee has been vested with a tribal member continuously from 8-12-83 till date and the responsibility of organising the society was also entrusted to a tribal member who chaired it till 29-8-76 i.e. during the adhoc period and the period coming immediately thereafter. Thus tribal chairmanship has not been there during a spell of about 7 years commencing from 30-8-76 to 7-12-83. But it is seen that tribal membership in the Managing Committee has increased gradually and out of the 12 elected members 8 members or 3/4 th of the total Managing Committees members are from the tribal community during the period

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commencing from 29-10-84. Tribal participation and tribal leadership is now becoming more active and it is hoped that with the coming years, the trend of tribal participation will improve further. But tribal participation in the working force of the society can not be said to be encouraging. This is due to the fact that whenever an opportunity of better employment comes, a tribal employee prefers to go to that, leaving the job offered by the society. The position of tribal employees since 1981-82 to 1984-85 is shown hereunder.

As on	Total	Tribal	P-C. of Tribal employees
30-6-81	10	2	20%
30-6-82	10	2	20%
30-6-83	10	2	20%
30-6-84	16	2	15% / 12.5%
30-6-85	20	2	10%

One other factor for not sticking to the job offered by this society may be that the society has not opted for a scale pay but gives only a lump sum pay per month till the year ending 1984-85. The amount of lump sum of pay given to the employees are indicated below:-

1. Manager	830'00	-	1 Post
2. Accountant	794'00	-	1 Post
3. Branch Manager	794'00	-	1 Post
4. Accounts Asstt.	656'00	-	(3 posts-Senior)
5. Accounts Asstt.	656'00	-	(2 posts-Junior)
6. Accounts Asstt.	537'00	-	(1 posts-Junior)
7. Godown keeper	550'00	-	1 Post
8. Salesman	550'00	-	4 posts-Senior
9. Salesman	540'00	-	1 post-Junior
10. Salesman	534'00	-	1 Post-Junior
11. Mill Mechanic	600'00	-	1 post
12. Truck driver	750'00	-	1 post
13. Helper (Mechane)	350'00	-	1 post
14. Chowkidar	450'00	-	1 post
Total			20 posts.

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Besides the lump sump pay, an honorarium equivalent to one month's pay is given to the employees during puja festival or as required by them.

On resignation from service, every employee is given 3 months' pay. Alternatively 3 months pay may be drawn in advance if exigency so requires. Over and above these, the employees are given free tiffin during working hours the cost of which is borne by the society. The employees also get credit facilities upto half of his likely drawal during the month. This facility is extended both to controlled and non-controlled items. A system of reimbursement of the cost of medicine prescribed by the society's retaine doctor is also admissible to the employees provided that the treatment is done locally and not requiring special treatment outside the state.

It is however heartening to note that the society contemplates to enforce scale pay with effect from 1.1.86.

It is hoped that with the application of regular scale pay and expansion of business and opening up of the proposed printing press and the candle manufacturing unit and also the Petrol Pump, the employment opportunities for the neighbouring tribal households will increase manifold than what is available as at present.

Government Financial Assistance:-

The society is fortunate enough in receiving heavy financial assistance from the State Government by way of share capital, contribution, loan and subsidies. It has been stated that Government share contribution amounts to Rs. 1,74,000'00 while loans for godown construction amounts to Rs.34,000'00 and subsidy for the same purpose(i.e. Godown construction) amounts to Rs.60,000'00. The managerial subsidy to this society amounts to Rs.9,565'00 while grants for opening sales depot amounts to Rs.42,500'00.No NCDC

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loans and subsidies were received for godown construction purpose during the last five years (1980-81 to 1984-85).

Business:

As indicated earlier the society deals in

2.2.1. controlled and non-controlled) sugar (levy and non levy), wheat products, M.Oil, K.Oil, Yarn, Vanaspati, Baby food, various stationery articles covering 208 items in all. The business turnover during the last five years are as under.

1980-81	Rs. 47,31,000'00
1981-82	Rs. 56,40,000'00
1982-83	Rs. 61,78,000'00
1983-84	Rs. 51,08,000'00
1984-85	Rs. 58,14,000'00

The location of large industrial establishments in its vicinity like the spinning wing of the

National Textile Corporation, Assam Chemical unit of the A.I.D.C. Assam, Hard Board Limited, Chandrapur Thermal Project of the Assam State Electricity Board, Lime and Phenol Factory Ltd., Fertichem Assam Ltd., Assam Asbestos Ltd., Assam Iron Factory & Ship Building etc, etc, have contributed much towards the higher sale proceeds per day which is around Rs.15,000'00 including sale proceeds of the five branches. Two of these five branches are located in hired buildings at Chandrapur Thermal area about 5 k.m. away from the society's head office and the rest are attached to the Head Office at its own building with separate sections of Hard Wares, Grocery, Cosmetics, Garments and Tailoring. Moreover, there are more than 18 Nos. brick fields within the periphery of this society employing large number of labours for their work who thrive on the supplies made by this society. The supply centre is thus concentrated in this society and a slight disruption in the supply line is sufficient to cause enormous difficulties in the domestic kitchen of the households.

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The Attachaki and Rice Huller Mills installed by the society is a great booster to the business turnover of the society. Similarly the society has taken up a scheme of Fishery expansion in its 40 bighas of land where a mini agricultural farm is also coming up. The coverage under the Fishery tank is 18 bighas out of which 14 bighas are actually under water coverage and the two small tanks just beside the big tank have covered 10 bighas. The remaining 12 bighas are in the process of converting into an agricultural farm. The cost of the entire schemes of fishery expansion has been worked out to be 4 lakhs 9 thousands (4,09,000'00), but due to non-receipt of the due instalments from the Government, works have been reported to be retarding. As per report of the Secretary, the society had already spent Rs. 10,10,000 (one lakh ten thousand) received from the N.C.D.C. through the Government. The release of the balanced instalments on a priority basis would have expedited the residuary works connected with the expansion programme.

The Tailoring Section is also a new venture for a cooperative society of rural area. This section is gradually holding ground with large industrial enterprises coming up around day by day.

Loan Operation:- The area covered by this G.P.S.S. Ltd. is very much flood-prone followed by severe drought. Further the area is surrounded by hillocks and the plains area extremely low-lying thereby causing serious limitations either for extensive or intensive cultivation. There is no sufficient cultivable land as most of the available plains lands are under occupation of different industrial establishments including brick fields. Moreover, most of the plots under this G.P.S.S. Ltd. are having cultivable lands in the and around Khetri area, so naturally they can not avail loan from this G.P.S.S. Ltd. The Digaru area which is the only plains area under this G.P.S.S.

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Ltd. are far away from this society and actually this area should have been tagged with Borkhat Panbari G.P.S.S. Ltd. which is contiguous to it. People of this area generally prefer not to come to avail agricultural loan from this society due to communication difficulty. So there are some practical difficulties for extending agricultural loan under this G.P.S.S. Ltd. In the year 1976-77, the society had given Rabi loan, from its own resources to the extent of Rs. 2221'80 to 39 members and out of this amount only Rs. 73'30 could be realised from one member, the rest had to be written off after successive failure to realise them. The cumulative effect of all these constraints have put the G.P.S.S. in a curious position and it has not been possible for the society to undertake loan operation though extension of agricultural credit should have been the primary concern of a G.P. level cooperative society. The Audit Note for the year 1984-85 remarks on this account as follows:-

"There is no any agricultural credit in the society. But as per policy of the Government Agricultural Credit should be taken up by the society. As the area is flood affected and non-irrigated, high hilly lands are available there. But the society may finance to the members for the piggery, goatery and other horticultural purposes. In this respect the society's performance is terribly worst and the society is not able to serve the interest of the members in respect of production. The management should take special interest in this respect."

As against this latest observation of the Audit, we may also refer to the observations made by Audit during 1980-81 and 1981-82 which have been quoted below:-

Audit Note of 1980-81:

"The activities of this society is confined to distribution of essential commodities only. No attention on other activities like issue of bank credit for agricultural purposes to its members are found to have been given. Though vide Resolution No.3 of 12.3.81,

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The Management had decided to arrange bank loans for poultry farming, no practical steps are found to have been taken. Further though the society issued Rabi loan of Rs.2,190'30 to 39 members, the amount still lying over due for several years. No principal and interest was found to have realised for years together. The Management should take proper step to realise the said loan and make arrangement for bank finance for agricultural purpose to the members".

Audit Note of 1981-82:

"One of the most important objective of a credit society which has not been looked into by the Management so far. This point of objection has been raised by the last audit also but nothing has been seen to have been done by the management in this respect. The Management is once again reminded of their prime duties towards the poor needy agriculturists to help grow crops and make them economically viable providing the term loan etc through financing Banks".

From the contents of Audit Notes, it is crystal clear that, agricultural credit is not a subject of much interest to the members partly due to natural barrier and partly due to apathy of the members themselves.

Profit and Loss:

The society did not incur any loss during the five year period and instead earned continuous net profit from 1980-81 onwards. During the year 1980-81 the society's net profit was shown to be 1,39,000'00 the highest ever recorded and since then it stood at 39,000'00 in 1981-82, Rs.38,000'00 in 1982-83, Rs.37,000'00 in 1983-84 and Rs. 38,000'00 in 1984-85. The staggering figure of net profit during 1980-81 has been attributed to reimbursement of transport subsidy from Bongaigaon by the Food Corporation of India. Taking all aspects into account, the percentage of profit during 1980-81 stood at gross 4'68% and net 2'79%. If earning of continuous net profit by a cooperative venture in a rural area is in any way an indication of efficiency and farsightedness of the office bearers, the society may

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definitely claim a prestigious position for itself though profit making is not necessarily an adjunct of a cooperative enterprise. However credit also must be given to other extraneous factors such as location of the society near the mainline rail head, easy surface communication from a growing city like Guwahati, concentration of large industrial and salaried workers near about it and lastly a sense of belonging to the society by all the members both tribal and non-tribal.

It is also heartening to note that no cases of defalcation or misappropriation of the society's fund had arisen during the past years of its existence except a nominal case of 1600/- during 1974-75 which have since been regularised in the subsequent years.

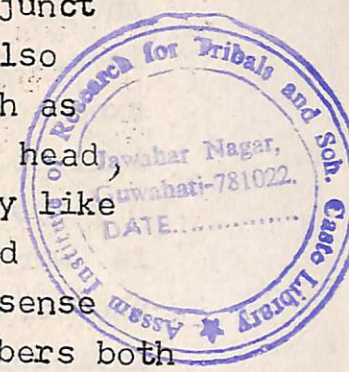
Cost of Management:

The cost of management or the expenditure side of a commercial venture influences the profitability or loss of the business. The major head of expenditure in this context are generally the salaries of the staff rent of the building, depreciation cost and other ancilliary expenses. Before going through the detailed nature of expenses of the cooperative society, let us peep into the consolidated figures of expenditure for a period of five years from 1980-81 to 1984-85 which have been reproduced below:-

Year	Salaries	Rent	Depreciation	Other expenses	Total
1980-81	26,000'00	4,000'00	11,000'00	65,000'00	1,06,000'00
1981-82	50,000'00	4,000'00	15,000'00	89,000'00	1,58,000'00
1982-83	68,000'00	4,000'00	18,000'00	91,000'00	1,81,000'00
1983-84	93,000'00	4,000'00	19,000'00	93,000'00	2,09,000'00
1984-85	115,000'00	4,000'00	50,000'00	1,11,000'00	2,80,000'00

The above table shows that the salary bill during 1980-81 was only Rs. 26,000'00 which has subsequently gone up to Rs.1,15,000'00 in 1984-85 the percentage of

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escalation being 342'3% during a period of 5 years. Similarly depreciation cost in 1980-81 was Rs. 11,000'00 and in 1984-85 it had recorded 50,000'00 the percentage increase thus being 354'5. Under the head "other expenses", the figures had gone from 65,000'00 to 1,11,000'00 thus accounting for 70'8% increase within 5 years. If the total cost of management in 1984-85 is worked out on the basis of total cost of 1980-81, the percentage increase will stand at 164'1%. Thus 164% increase in the cost of management within a 5 year term has definitely thrown some impact on the net profit of the society, but the continuity of profit ~~earnings has not~~<sup>been</sup> impaired and this very fact ~~is~~<sup>is</sup> the silver lining in the progress of the society.

In this context it would be more pertinent to show ~~the~~ detailed heads of expenditure incurred by the society during the year 1984-85 which may be taken as an indication of the trend of expenditure pattern of the society. This cash account picture is given vide Annexure I appended herewith.

#### Godown Position as on 30-6-85:

The society has got two godowns of its own one with 220 M.T. capacity and the other with 110 M.T. The later godown is also accommodating the Rice-cum-Atta Mill attached to the head office. The 220 M.T. godown of the society is the biggest among the G.P.S.S. of Assam. In this connection it may be mentioned that the society had completed construction of the godown project before receiving any financial help from the Govt. This was possible due to the untiring zeal of work of the executive functionaries. On physical verification it has been found that the society is deriving full utility of the godown and no occasion has arisen to suffer due to dearth of accommodation either to store items for crushing in the Mill or store items for distribution to branches or to individual customers. The society's godown value with land

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stood at Rs. 2,14,221'84 as per audit observation of 1980-81. Till now, the godown has completed 5 years of its construction and is facing wears and tears for which depreciation has been given @ 5% as mentioned in the Audit Report of 1980-81.

#### Deposit Mobilisation Schemes:

The society has a scheme of deposit mobilisation from the members as well as non-members. The illiterate tribal people find it very much convenient to deposit their savings with this society which issues Passa Books and allows the same rate of interest as allowed by other commercial banks. One other advantage of this D.M. Scheme is that the society receive~~s~~ cash as well as food grains or other cash crops and credit the amount payable in the pass book of the depositor. A depositor also can withdraw his requirements at any time through out the year from morning till night. Thus the formalities of the commercial banks are not required to be observed and the closeness of contact has helped the customers to rely on it for the safe deposit of their earnings as well as their withdrawal whenever needed.

During the year 1984-85 the society had booked deposit amounting to Rs. 1,65,245'35 with corresponding withdrawal of Rs. 1,83,975'35 leaving a balance of Rs. 1,68,772'32 which includes balances from previous years. It is seen that of the total depositors, 25% belong to tribal community. It is also very much heartening to see that a G.P. level cooperative society could make a transaction of over Rupees one and a half lakh within a single year thus carrying the trust and confidence of the people inhabiting in and around the Gaon Panchayat area mainly dominated by tribal households.

#### Maintenance of Records:

The record maintenance position of the society is praiseworthy under the able leadership of the present Secretary who however is a departmentally trained officer of the rank of Senior Inspector (Sub-Registrar).

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Audit

Annual Statutory audit from 1980-81 to 1984-85 have regularly been done and balance sheets prepared for submission to Govt. The audit observations when they go against the interest of the society are discussed in the M.C. meetings and actions initiated to rectify defects if any. That strict supervision is exercised at different levels in the day-to-day transactions of the society is apparent from the following observation of the ~~1984-85~~ Audit Note:

1. The Audit observes that the Society's Secretary had quarterly audited the accounts of the society.
2. The Board of Directors in their every sittings had reviewed the position of the performances of the society.
3. The Secretary Sri Purna Saikia had taken special care in daily transactions of the society.
4. The employees of the society had also taken the business of the society with eagerness and zeal.

When Statutory Audit had certified that there was no lack of supervision and further classified the society as a 'B' class society on the basis of its financial position, business turnover, maintenance of books and records such as cash book, stock book, sales day book etc. strictly in accordance with Cooperative society's Acts and Rules including holding of annual general meeting timely, there is no reason why this society will not prosper rapidly.

Inspection:

Inspection of the functioning of cooperative societies is an assigned duty for the officials of the Cooperative Department. But the inspection carried by the departmental officers at the higher level and also by district administration does not appear to have been done too frequently. The

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following table will testify this observation.

Years	By				Deptt. supervision	By dist.		Total
	Registrar	D/R	A/R	S/R		Admn.	Others	
1980-81	x	1	2	1	2	Nil	Nil	6
1981-82	1	2	2	1	10	Nil	Nil	16
1982-83	x	x	1	1	8	2	Nil	12
1983-84	1	1	1	1	10	2	Nil	16
1984-85	-	-	-	-	-	-	-	-

However regular departmental inspections are done at junior officers level to verify cash book, distribution of consumer items etc. etc. The Registrar of the Cooperative Societies had visited the society once in the year 1981-82 and once in 1982-83. The inspection remarks recorded in the Inspection Book would have enabled us to know their observations as well as steps taken by the society to rectify its defects if any, but due to misplacement or loss of this Inspection Register as reported by the Secretary, nothing could be known in this regard.

General Progress of the Society as reflected on the closing day on 30-6-85:

The recent position of the society may more appropriately be known from the figures as they are on the day of cooperative year ending i.e. 30.6.85. The figures are as follows:

(a) Total membership	-	2060
(b) Scheduled Tribe membership	-	832
(c) No. of members who borrowed during the year	-	Nil
(d) No. of indebted members at the end of the year.	-	Nil
(e) Members in default at the end of the year	-	Nil
(f) Full up capital	-	
(g) Total	-	
(h) Amount of assets	-	
(i) Amount of liabilities	-	

Contd....16/-

(f) Paid up capital-			
(i) Total	-	2,41,000'00	
(ii) of which Govt's share	-	1,74,000'00	
(g) Statutory Reserves	-	22,000'00	
(h) Other reserves	-	57,000'00	
(i) Deposits	-	2,57,000'00	
(j) Borrowings-			
(i) Govern't's	-	2,14,000'00	
(ii) Banks	-	1,62,000'00	
(iii) Other sources	-	1,60,000'00	
(k) Total Liabilities	-	12,87,000'00	
(l) Working capital	-	11,41,000'00	(including share capital and net profits since its inception till 1984-85).
(m) Cash on hand	-	2,500'00	
(n) Balance with Banks	-	12,300'00	
(o) Investment-			(in the form of shares in cooperative societies & fixed deposit)
(i) Total	-	74,000'00	
(ii) Govt. and other trustee securities	-	Nil	
(iii) Others	-	Nil	
(p) Loans outstanding			
(i) S.T.(short term)	-	Nil	
(ii) M.T.	-	Nil	
(iii) L.T.	-	Nil	
(q) Over due			
(i) S.T.	-	Nil	
(ii) M.T.	-	Nil	
(iii) L.T.	-	Nil	
(iv) Share capital loan	-	45,000'00	(To be realised from members).
(r) Assets:-			
(i) Value of land & buildings	-	3,49,000'00	
(ii) Other assets- (Mills, Pisciculture etc)	-	8,04,200'00	

Contd.....17/-

(s) Total Assets	-	12,87,000'00
(t) Loans advanced during 1984-85	-	Nil
(u) Cost of Management:		
(i) Salaries	-	1,15,000'00
(ii) Other expenses	-	1,15,000'00
(v) Net profit (+) or Losses (-) during the year 1984-85	-	(+) 38,000'00
(w) Consumer goods distributed	-	58,00,000'00
(i) Value of Goods purchased in 1984-85	-	53,00,000'00
(ii) Value of goods sold in 1984-85		

	Food grains	Others
	48,00,000'00	10,00,000'00

(x) Value of closing stock as on 30-6-85	5,00,000'00
(y) Amount due on account of credit sale as on 30-6-85	Nil

The above statement gives a clear picture of the society's yearly transactions as well as its financial involvement with different agencies. The huge transactions as indicated above are being maintained with the cash credit accommodation allowed by the lead bank. The Chandrapur Branch of the United Commercial Bank which has been assigned this society to give cash credit is doing its best in pushing it to go ahead with all its viable schemes. The Bank is charging 17% interest for the cash credit accommodation and the limit of cash credit is much higher and no difficulty has ever been faced by the society in this regard. The Bank is also encouraging the society to take cash credit upto the maximum limit. A society having total assets of nearly Rs. 12 lakhs is definitely in a much advantageous position to do business in diversified fields as well as to attract confidence of the financial institutions to help it in all possible ways.

Contd.....18/-

If the working of the level cooperative Society is to be continued in the basis of the

Continued

Conclusion:-

If the working of G.P. level Cooperative Society is to be commended on the basis of its performance, then the Chandrapur G.P. level Society may invariably lay its claim for a due share on it. In the early seventies, when the seeds of this society were first sown in this area, then the people in general and the tribal communities in particular had raised their eyebrows questioning how a cooperative society could be a viable proposition in their locality. Recalling his association in share selling activities of this society in its initial stage, the present chairman who happened to associate himself actively with it since the beginning gave instances of physical assault as well as wordy duals with the prospective members. The atmosphere prevailing then was reported to be not at all conducive to the growth and survival of a cooperative organisation. But the hard labour put in by the limited tribal leaders yielded fruits and gradually it gained confidence of the people making it a prestigious institution in the cooperative field of the north east. Thus it could accumulate profit of Rs.4,20,000/- up to 1984-85 - a no mean achievement for a G.P. level cooperative society. Out of the net profits earned by the society, sometimes donations are made to educational institutions of the locality for meeting academic needs. During the year 1978-79, the Chandrapur and Digaru High Schools were given Rs.2,000'00 and Rs. 500'00 respectively which had encouraged the educational aspirations of the student community of this backward region. It is worthwhile to mention here that upto 30-6-77, the society had distributed net profit amounting to Rs.79,902,'48 as per resolution No. 7 of the general meeting held on 4-6-78. The manner in which this accumulated profit was distributed has been shown below:

(1)	@ 25% to reserve fund	20,002'56
(2)	@ .9% divisible among members	5,391'00
(3)	@ 10% remuneration to office bearers	5,460'80
(4)	@ 5% unforeseen loss and bad debts	1,956'36
(5)	@ 7% Donation etc.	2,790'00
(6)	@ 5% remuneration to staff	1,720'00
(7)	Balance kept reserved for building	42,581'76
		<hr/>
		79,902'48

Contd...19/-

(1)	@ 25% to reserve fund	20,002'56
(2)	@ .9% divisible among members	5,391'00
(3)	@ 10% remuneration to office bearers	5,460'80
(4)	@ 5% unforeseen loss and bad debts	1,956'36
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(6)	@ 5% remuneration to staff	1,720'00
(7)	Balance kept reserved for building	42,581'76
		<hr/>
		79,902'48

The history of the society thus being a history of achievements there is hardly any scope for adverse observations, though the confinement of the society exclusively to trading activities without any effort towards short term or long term agricultural loan operation, has been viewed with much concern by Audit in their Reports relating to the years 1980-81, 1981-82 and 1984-85 which were already quoted under the section 'Agricultural credit'. The Audit note of 1984-85 it appears, has admitted the difficult topographic situations of the entire area in resorting to loan operation.

To ascertain on this aspect of non-operation of agricultural credit some M.C. members 1) Sri Kharga Kachari, 2) Sri Naren Boro, 3) Sri Basanta Bongjang, 4) Sri Puspa Ram Boro, 5) Sri Sasi Kanta Fanchu, 6) Sri Kartik Daimari, 7) Sri Rudradhar Keleng, were personally contacted and what could be learnt from them has been summarised below:-

Majority of the cultivators of this G.P. are having agricultural land in Khetri area which is beyond the jurisdiction of this society as such agricultural loans cannot be utilised from this society. The evenly plains area of the society lies towards Digaru, but it is far away from the head office of the society. The cultivators from this area have to make a round about journey from Digaru to Guwahati and then to Chandrapur which they prefer not to undertake. This being the case, they make no pressure for any loan either short term or

Contd....20/-



long term. These statements of the M.C. members have been corroborated by the office bearers of the society. The office bearers further stated that after recession of flood waters, the soil of the area becomes very hard for winter crops. The Department of Irrigation had constructed a sluice gate some years back just 1 k.m. away from the society's head office as a consequence of repeated representation of the people of this locality. But till now the sluice gate is lying half done and no water has been made available through irrigation for which the area is becoming a branded deficit area. It has therefore been felt that without assured water during winter, no rabi crop will ever grow and the society will have hardly any occasion to work for extending agricultural credit to the members. The loan committees recently formed for studying feasibility and credit worthiness of Piggery and Goatary schemes have yet to make any headway in these directions.

The society does a little bit of marketing of crops in its effort to help the local cultivators. During the last part of December 1985, wheat and paddy amounting to 87 quintals and 205 quintals respectively were purchased from the cultivators together with 200 quintals of potato. The potato so purchased was sold through the selling counter while the wheat and the paddy were milled in its own mill and then sold to public. During the same year, traditional fishes cultured in its own fishery amounting to 1 quintal 11 kgs were sold to public for a sum of rupees 2625'00. Besides these, the society continues to help the cultivators by supplying certified seeds procured from the Seed Corporation of Assam. The seeds are supplied either on exchange or cash basis. When cash is received, the <sup>rate</sup> quoted is Rs 195/- per quintal. Thus the members specially the tribal members are now accustomed in the use of certified seeds supplied by the society regularly.

In the spheres of public distribution of essential items, it used to distribute 800 qtls of rice, 150 qtls of sugar, 1400 qtls of wheat products, 100 qtls of salt and 12,000 ltrs of kerosine oil.

Contd.....21/-

The quota of some of the essential commodities has recently been raised since the early part of this year and as such the society is now to distribute 17,000 qtls. of rice 250 qtls of sugar and 33,000 ltrs. of kerosine oil. It is heartening to note that in the spheres of distribution of essential commodities even in the interior tribal villages, the society is prompt in supply and there has not arisen at any time any cause of complaint whatsoever. In this context it is observed that if the executive members are allowed more than one year say at least a 3 year term, than naturally there would be more continued involvement of the members, which is so necessary for the proper functioning of the society in its various aspects. The single year term after which election is again to be faced by the existing members is not so conducive for a constructive work-schedule. This fact had repeatedly been brought to our notice during the time of our investigation. It is felt that the Department concerned will take up the matter at right earnest and modify the existing bye-laws of the Department of Cooperation if possible. At least this can conveniently be done in societies working in tribal predominated areas or having more tribal members as share holders.

On the whole the working of the Chandrapur G.P.S.S. Ltd. is of high <sup>order</sup> and it deserves commendation at least from trading point of view and as a centre of unflinching activity for distributing essential commodities under P.D.S. in the rural area. This success is partly attributable to the untiring devotion of the executive members and partly to the sincere service rendered by the present Secretary Sri P.Saikia, who is a departmental Officer of the Cooperative Department now on deputation on foreign-service terms and conditions. This officer was initially assigned the job of organising this society in the year 1973-74 as the departmental Secretary. A Cadre-Management Secretary subsequently replaced him for about a period of six months during the year 1975 when the society was reportedly on the verge of collapse. Thereupon, the Management of the society got back the services of Sri Saikia by

Contd.....22/-

representation replacing the Cadre Management Secretary. In this way the Secretary Sri Saikia has been continuing till 1983 on the pay of the Department, but since the later part of 1983 a policy was evolved by the Govt. that pay and allowances of any officer of the Department, deputed to a society must be borne by the society itself. Consequent on this policy decision, the present Secretary's pay is borne by the society as a deputed officer from the department. It thus transpires us to believe that the security of job of the Secretary is a plus point in the efficient management of the society. Most of the 665 G.P. level societies are manned by the Cadre Management Secretaries whose job -security is virtually nil. This lack of security works as a negative force behind all attempts of their self exertion. In this context it may definitely be said that the present Secretary's close association since inception of this society and his intimate knowledge of accounting as a departmental officer together with his ability to guide the executive members and his ability for market study is gradually paying dividend. We further emphasize the point that G.P. level societies working particularly in the TSP areas should be manned by departmental Secretaries if something concrete is to be achieved in the spheres of rural development. No where we have seen during the course of our study on cooperation in the state of Assam such a big fishery scheme executed by a G.P. level society which is also attached with a Rest House for the visitors. Our earnest desire is that this society along with the fishery will continue to guide the other societies in general and the tribal communities in particular.

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W.R.  
2/8/86

ANNEXURE- I

Cash Account for 1984-85:

1. Purchase Accounts		53,06,233'11
2. Cash Credit Account-UCO Bank, Chandrapur		42,63,775'95
3. Temporary deposit Accounts		18,63,729'00
4. Pay and allowances of Establishment-		
(a) Secretary	12,000'00	0
(b) Establishment	1,03,294'60	0
		1,15,294'60
5. Advance Accounts Estt.		15,239'26
6. Travelling Expenses		6,960'00
7. Misc. Account-		
(a) Reception	8,250'00	0
(b) Thonga etc.	6,000'00	0
(c) Premium	5,480'00	0
(d) Others	2,763'00	0
		22,493'05
8. Trade Expenses Account-		
(a) Carrying Charges	1,34,675'00	0
(b) Labour charges	29,650'00	0
(c) Money carrying	12,470'00	0
(d) Business expenses	9,920'00	0
(e) Press Printing	13,419'15	0
(f) Stationaries	568'60	0
		2,00,702'75
9. Bonus to Staff		7,574'16
10. Furniture & Eixture		86,022'85
11. Deposit Mobilisation Accounts		1,83,975'35
12. Interest Account Banks & Others		32,492'57
13. Plant & Machinery Account		22,552'50
14. Other Advance Account		1,09,000'00
15. Investment Account-		
(a) Share in Central Land Mortgage Bank		7,500'00
16. Audit fee account, 1983-84		500'00
17. Land & Building Account		60,702'97
18. Savings Bank Account		
(a) Assam Coop. Apex. Bank Ltd.	2,34,832'00	0
(b) United Commercial Bank	2,19,646'00	0
		3,54,478'00
19. Loan Account-(a) UCO, Mills etc.		21,970'00
20. Pisciculture Account		1,66,841'97
21. Vehicle Account		29,618'00
22. Fixed Deposit at UCO Bank		25,000'00
	Total	1,29,02,656'09
	Closing Balance	12,550'20
	Grand Total	1,29,05,206'29