CHAPTER – VII

SUMMARY AND CONCLUSIONS

7.1 SUMMARY:

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Cooperation represents a happy mean between the forces of extreme individualism on the one hand and socialism and communism on the other. It stands for individual rights tempered by considerations of justice, equity and fair dealing as between man and women, and its one great aim is to prevent the exploitation of the weaker by the stronger party. The role of cooperative organization in the vulnerable section of scheduled tribes is especially significant for their sordid exploitation in the iniquitous racket of moneylenders, sahukars, mahajans or middlemen. After a lot of trials to organize the tribal economy, ‘Large-sized Agricultural Multi-purpose Co-operative Societies’ popularly known as LAMPS were launched as per the recommendation of Bawa Committee (1971) during the Fifth Five Year Plan (1974-78). LAMPS were set up in tribal areas for providing production and consumption credit, marketing surplus farm and minor forest produce and distributing consumer necessities and agricultural inputs.

The performance of LAMPS throughout the country diverged from the desired objectives gradually, lacking vitality. The present micro-study was undertaken on the axiom of analysing the salient reasons behind such erosion of these singular organization.

The study was undertaken to analyse the socio-economic traits of tribals and developmental set up for them in the 20th century. With this broad objectives, the single window performance of the tribal-specific-development-organisation LAMPS was critically assessed from a macro angle as well as from a micro angle. Feasible measures are sought for the revitalisation of LAMPS.

The research methodology adopted for the study was an ex-post facto model. Fact-finding enquiries and opinion surveys were conducted to appraise the performance of the LAMPS from an objective as well as subjective angle. Barring a period of ten years from the inception of LAMPS the study was made for a span of 12 years, i.e., 1985-86 to 1996-97. All the six LAMPS of the district of Kalahandi were taken to purview and the effect of 15 performance indicators like membership, share capital, working capital, borrowings, deposits, loans and advances, loans outstanding and loans over due, tribal produce marketed, agricultural inputs distributed, consumer goods distributed, cost of production, profit and loss are studied. The tools like arithmetic mean, percentages, ratios, analysis of variance, Duncan multiple range test, correlation matrix and graphs were used to study and assess the growth and development of LAMPS. Besides a sample survey was
conducted for members and officers to know the propensity towards LAMPS.

7.1 SUMMARY:

In the chapter I, the introduction of the subject was made along with the objectives, hypotheses, research methodology, and limitation and briefly a review of literature was presented chronologically.

In the Chapter II, a synoptic view of tribes and tribal development in India was presented. The tribals of India are an integral part of the country with a vivacity of social ethos and cultural bonding. India accounts for about one-fourth of the tribal population of the world, with 258 types of recognized communities. The tribes are at various stages of socio-economic development. But a major part of them lead an archaic life at the threshold of subsistence. An attempt to develop them economically was actually undertaken in the planning era. Strategies were promulgated; protective, welfare and legislative measures were developed, and various experiments were undertaken. 'Sub-plan' strategy, otherwise known as "Integrated Area Development Strategy" was finally chosen during Fifth Five
Year Plan. During this plan, LAMPS made a constructive break through for developing the tribals economically by bringing them to a single window system. These institutions were introduced in the place of primary agricultural cooperative societies or service cooperative societies to play a treble role.

Growth and development of LAMPS were dealt in Chapter III. With the genesis of tribal cooperatives, the status of LAMPS in India and Orissa were put forth in an analytical manner. Overwhelmingly, in the national matrix, there was a decline in the membership, (general as well as tribal) and non-credit operations, particularly, marketing of tribal produce. In the state matrix, though there was an increase in membership, the marketing function was alarmingly affected, resulting in abortive credit-marketing linkage.

In the Chapter IV, the scenario of Kalahandi was presented, considering the inquisitiveness worldwide to know about this area of poverty and starvation. The monumental history, the socio-economic profile, the poverty syndrome and the tribal domain with particular reference to Khonds were described to introduce Kalahandi from different angles. The genesis of
cooperatives, the cooperative network and the LAMPS in Kalahandi were the other sectors of the chapter. The comparative study of LAMPS of Kalahandi and Orissa has indicated the dismal picture of the LAMPS of the district in the state matrix.

A critical appraisal of LAMPS in Kalahandi was made in Chapter V. All the six LAMPS of the district were appraised by segregating them block-wise (Thuamul - Rampur block of Lanjigarh block). The factors like growth of membership, subscription to share capital and integrated services, i.e., financial support, marketing support and distributary support offered, were vividly analyzed for a span of 12 years from 1985-86 to 1996-97. The working results and audit operations were studied which gave a shocking effect of the organizations not experiencing the taste of profit during the study period. The overall analysis has given the indication of significant cost of administration and low ranking of all the performance indicators.

In Chapter VI the predilection for LAMPS was reflected through database of primary study. The study of members was made
from the sample of 200 members (100 from a distance within 1 kilometer and another 100 from a distance of around 10 kilometers) through a questionnaire. The perception of 50 officers were also compiled and analyzed. An inclination to LAMPS was found from both the groups. On the basis of the implications from the objective and subjective study a SWOT model was prepared, which mirrors the observations of the researcher in a capsule form.

7.2 MAJOR FINDINGS OF THE STUDY:

The corpus of the study is stated below:

1) The LAMPS of the study area have enrolled only 12.05 per cent of tribals as members in 22 years of their operation (1975-76 to 1996-97). Statistically, 7324 tribal families with average family size of 4.5 (as per universal benchmark survey) come to 32,958 tribals. This signifies that around 54 per cent of the tribals have been covered under the umbrella of LAMPS. The objective to cover the entire tribal population under cooperative fold still remains a long way.
2) During the initial years of formation of LAMPS more importance was laid on enrolling tribal members. As a result, 2324 and 2696 tribal members were enrolled for Thamul-Rampur and Lanjigarh blocks, respectively, by the year 1985-86. The tribal and non-tribal composition was 53 : 47. The composition changed to 52 : 48 in 1996-97. In the initial 10 years, 5020 tribal members were enrolled but in next 11 years the figure was only 2304. This has shown a fall in the tempo of membership drive and indicated the growing strength of non-tribals in the tribal cooperatives.

3) All the LAMPS have shown a business of Rs. 13.28 lakhs during the span of 12 years coming to 0.18 lakh per year in marketing forest produce. In case of marketing of surplus agricultural produce an amount of Rs. 123.51 lakh business is reflected, amounting to Rs. 1.72 lakh per LAMP per year. However, sporadic performances are found in this regard as some LAMPS have failed to show any business in some years. 78.9 per cent and 76.3 per cent were the tribal contributions for marketing of forest
produce and surplus agricultural produce, respectively. This has indicated that getting chance the tribals could be more nearer to LAMPS than the non-tribals. But from the study it is found that LAMPS have failed in serving the basic purpose of marketing the tribal produce and providing the exploited tribals remunerative prices for their farm and forest produce.

4) During the period under study none of the LAMPS have shown any profit in any of the years. The total losses by the 6 LAMPS amount to about 84 lakhs. Loss per LAMPS per year is found to be Rs. 1.16 lakhs in an average. The major cause of mounting losses is cost of administration. The total of such loss during the period of study was 55.5 lakhs amounting to Rs. 0.77 lakhs per year.

5) From the share capital position of LAMPS it was found that a substantial part of 44.07 per cent is provided by the Government (1996-97). While the total change in the share capital in 12 years is found to be 67.77 per cent the tribals contribution (increased by Government support) has shown an increase of 78.43 per cent. This has
indicated the dependence of tribal cooperatives on Government.

6) The ratio of loans and advances between tribals and non-tribals is found to be 193.03 : 136.72. In both the blocks tribals are given priority over non-tribals in getting loans and advances. This is an appreciable approach of the organization. Taking an average of all 6 LAMPS for a span of 12 years it is found that out of one rupee of loans and advances the recovery is around 50 paise. In both the blocks the tribals have proved to be better in recovery position than non-tribals. This is again a welcome sign.

7) As regard Public Distribution System (PDS) two of the LAMPS have shown more than 5 lakhs of business in an average per year. This has indicated that the LAMPS have acted more like fair price shops than LAMPS. They have borne the burden of the excessive transportation cost for transporting goods through hill tracts, but making available the commodity to the tribals and non-tribals. This part of the activity of LAMPS has probably the main source of popularizing LAMPS in the area.
8) The distribution of agricultural inputs has shown a very small amount of business to the tune of 0.20 lakh per LAMP per year. Improved method of production for increasing productivity has not been accepted to great extent that warrants more concerted efforts to motivate the tribals towards such practices. More production would beget more money and would lead to better economic standards. This education should subtly be injected to the minds of conventional tribals.

9) The shortages and misappropriations have stood as a stumbling block in the way of LAMPS. The audit reports 31.03.1998 has shown audit recoveries to the tune of 13.33 lakhs which has indicated the ineffective human factor component behind the losing of these tribal cooperatives.

10) The availability of essential commodities at one place and the privileging weight and measures of LAMPS have shown as points of attraction for tribals. Some of the tribals (22.5 per cent in sample study) could perceive that
the LAMPS helped them in financial saving as the prices charged by LAMPS were lower than market price. Around 55 per cent of the tribals have shown their interest as regards revival of LAMPS.

3 SUGGESTIONS:

Following suggestions are listed out from the present study on the basis of the observations made by the researcher.

1. Linking Credit with Marketing and Processing:

   The original concept of credit and marketing linkage should be taken up with time spirit and competitive techniques should be introduced to pierce to the tribal zone. The LAMP should not only be restricted with marketing the tribal produce but also introduce processing techniques to provide better prices to the members. A concerted effort may lead to the planned objective of bringing the entire gamut of tribals to the umbrella of LAMPS.

2. Development of Viable Market Plan:

   Prevalence of intermediaries, ignorance of the market price, barter exchanges are some of the bottlenecks for
fair marketing in the tribal areas. Over and above in many cases the traders pursue the produce at a low price at the time of sowing or growing. LAMPS should make the effort to purchase the entire lot of tribal produce and market them at right time, at the right place, in right amount and with right price. Any other competitors, individual or institutional, should be forbidden to operate in the tribal zone.

3. **Introduction of Total Quality Management (TQM):**

A TQM organization consciously pursues certain aspects of business like delighting the customers, integration of suppliers, concern for environment, benchmarking with the competition, upgradation of technology, systems, products, services and continuous improvement of everything including employee development. Cooperatives have some of the aspects. LAMPS should introduce possible aspects with appropriate monitoring and supervision process for effective utilization of resources in the source area and be the organizations of 21st Century for upliftment of tribals.
4. **Gender Integration:**

Women constitute a more potential force in the tribal community like the tigress in the tiger kingdom. Gender integration in the context of LAMPS is an area of high priority. In the wave of empowering women, the tribal sector should not be forgotten. The involvement of women in LAMPS may change the fate of the organization as well as the trend of the tribal economy.

5. **Human Resource Development (HRD):**

HRD in LAMPS need the attention of policy makers. Practical training and orientation courses may be imparted to the staff as well as Directors of the LAMPS. In the age of competition, professionalisation is a necessity for any organization to sustain and expand. Developmental challenges and cost effectiveness cannot be attained without induction of developed human resource in the management cadre of LAMPS.

6. **Effective Market Integration:**

There should be an effective market integration of State Level Marketing Federation, Tribal Development
Corporations and other sister marketing cooperatives and the procured commodities of LAMPS should be brought to the places of demand. This will give an impetus to the operation of LAMPS and a booster to better income generation by tribals.

7. **Improvement of Public Distribution System (PDS):**

The LAMPS perform a stupendous task of making available essential commodities at difficult tribal zone. But due to operational constraints the controlled commodities are found to be inadequate. The State Government should frame suitable policy as regards the service costs. The operational area of LAMPS may be made shorter so that the tribals can avail the opportunity.

8. **Conversion of LAMPS to profit centres:**

The LAMPS should be converted from loss centres to profit centres, in a broader sense, competitive organizations. In order to achieve this objective, the management should be pro-professional with commitment towards growth and excellency.
9. **Tribal Leadership and Decision making:**

The nexus between LAMPS and the tribals should be strengthened and they should be encouraged to participate in the decision making process. They should be kept in such a condition that they would not feel subdued. Care should be taken to streamline the non-tribals and restrict them to the functional area of tribal cooperatives. Some emotional bond might be created like launching a 'mahul badi' (garden of 'mahul' plants) where each member has to plant and take care of a mahul tree. This will grow attachment of the members and the trees will be an asset for the member as well as the community in the future.

10. **Linkage with Panchayat Raj Institutions (PRIs):**

The PRIs and LAMPS could pool their resources and work with a common objective to develop and maintain rural infrastructure. Once the linkage is established the process of development will be fastened.

7.4 **CONCLUSION:**

LAMPS landed with a pious objective, but gradually became an entity of perseverance for multiple reasons. In spite of
imperfections and unavoidable setbacks LAMPS deserve every possible assistance from all quarters for revitalization. When the primary producer is exploited by a pyramid of middlemen; clung to the unscrupulous moneylenders for financial succour; fraudulent practices, wrong weighing and evil-play dominate in his product market; an existing organisation for which there is noticeable inclination should survive, grow and attain excellence through a professional approach. A strong political will, a progressive bureaucratic support, a forest linked developmental plan, a gender specific approach may bring an attitudinal change of tribals towards this noble organisation. The pendulum has to swing between the credit and non-credit operational corners and strategic attempts have to be developed with appropriate human and non-human matrix to change the economy of sustenance to an economy of abundance.

7.5 RECOMMENDATION FOR FUTURE RESEARCH:

Within limited resources and time the present study has been conducted to find out the role-played by LAMPS to support the tribal economy. However, there is a vast scope of research in this field.
i) Research can be conducted by making comparative study of profit making LAMPS with loosing LAMPS to draw exemplary conclusions.

ii) The impact of liberalization on LAMPS may be studied to know the fate of this organization in a liberalized economy.

iii) An attempt may be made to investigate the structural and operational dimensions of LAMPS and PACS.

iv) Studies may be conducted on the impact of ITDP in developing tribals.

v) Inter and intra state studies may be conducted about the performance of LAMPS in different situations.