CHAPTER - 3

PATTERN OF ORGANISATION AND ADMINISTRATION OF PUBLIC SECTOR ENTERPRISES IN MIZORAM

3.1. Growth and evolution of Public Sector Enterprises in Mizoram:

After independence when the constitution of India came into force, Mizoram, then known as Lushai Hills was one of the Autonomous Districts of the state of Assam under the sixth schedule to the constitution and a District council was formed in 1952 for the area covered by Aizawl and Lunglei sub-divisions while a Regional council was started in 1953 for the remaining region inhabited by the Paws, Khasis and the Chalmus. In 1954, the Lushai Hills District was renamed Mizo District by an Act of Parliament called the Lushai Hills District (change of name) Act 1954.

However, it was soon realised that the District Council administration was found very ineffective in spearheading development works in the region; moreover the mishandling of the 1959 famines by the government led to much disenchantment among the local people. It was under this atmosphere of general despondency and failure of development works under the District council that one political organisation called the Mizo National Front (MNF) was formed in 1961. In 1966, there was an open insurgency started by the M.N.F in Mizoram and the whole district administration was completely paralysed. Development works had
been the major casualty in an atmosphere of complete uncertainty during insurgency. However counter insurgency measures like grouping of villages and building of roads have given a great impetus to development of basic infrastructure in the region.

Again, in 1972, Mizoram district was separated from Assam and made a Union territory according to the provision of the North Eastern Areas Reorganisation Act 1971.

It was these two landmarks i.e., the insurgency movement and the new administrative status which had caused the establishment of various administrative departments in Mizoram, which in turn, paved the way for the evolution and development of Public Enterprises in Mizoram. The administration was strengthened; road communication and other basic facilities like electricity, health, education, public distribution system, safe drinking water were given top priority of the government.

It is to be noted that departmental undertakings, which are the oldest form of public enterprise, are the pattern of public enterprise first emerge in Mizoram. Typically, under this system, commercial enterprises are run departmentally i.e., road transport, distribution and generation of electricity, etc. Extra-departmental pattern of public enterprise such as government company, statutory corporation and co-operative societies are of recent origin in the state of Mizoram.
Mizoram became a full-fledged state on 20th February 1986. The state has now formulated its own industrial policy in 1989 and the development of infrastructure networks were given topmost priority under the state’s Five year Plan. New departments and other specialised institutions were created to pursue the goal of planned economic development in Mizoram. These policy measures have resulted in the deliberate expansion of Public Enterprises in Mizoram.

For the first time the Government of Mizoram has pronounced its industrial policy which has been notified on the 15th March 1989 and the same has been made effective from the 1st April 1989. The main features of the industrial policy are:

(a) The policy gives top priority to the development of Food and Allied Industries, Handloom and Handicraft, Electronic Industries, Sericulture Industries, Village Cottage Industries.

(b) The state government endeavours to provide necessary support and protection to the local industries by means of fiscal, legal, economic, administrative and other method.

(c) Infrastructure development in the form of setting up of industrial growth centre, improvement of existing industrial estate, construction of multi-storied industrial estate at Aizawl etc.

(d) Maintenance of ecological balance, development of local resources of industrial raw material, survey and research.
of potential and availability of medicinal herbs in the state.

(e) The formation of State Level Industrial Advisory Board as co-ordinating agency.

(f) Provision of new and liberal incentives such as subsidy for preparation of project report, development of industrial land, man-power development, interest subsidy, power subsidy, transport subsidy, price preferences etc.

3.2 Pattern of Public Sector Enterprises in Mizoram:

There are four main forms of organising Public Sector Enterprises in Mizoram. These are: Departmental Undertakings, Government Companies, Statutory Corporations and Cooperative societies. Departmental undertaking includes among other organisation, the followings – Mizoram State Transport Department (MSI), Power and Electricity Department, Forest and Environmental Department, Tourism Department, Fisheries Department etc.

The state government company comprises the following organisations – Zoram Industrial Development Corporation Ltd. (ZIDCO), Mizoram Food and Allied Industries Corporation Ltd. (MIFCO), Zoram Electronic Development Corporation Ltd. (ZENICS), Mizoram Handloom and Handicrafts Development Corporation Ltd. (ZOHANCO), Mizoram Agricultural Marketing Corporation Ltd. (MAMCO).
Under Statutory Corporation, there is only one establishment i.e., Mizoram Khadi and Village Industries Board (MVI).

Under Co-operative Societies, there are various establishments in Mizoram. Some of the important Co-operative Societies in Mizoram are, Service Co-operative Societies, Industrial Co-operative Societies, Handloom and Weaving Co-operative Societies, Livestock Co-operative Societies, Dairy Co-operative Societies etc. Mizoram has the following State Level Co-operative Societies as follows:

- Mizoram Co-operative Apex Bank Ltd. (APEX BANK)
- Mizoram Urban Co-operative Bank Ltd. (MUCO BANK)
- Mizoram State Co-operative Marketing and Consumer's Federation Ltd. (MIFCO)
- Mizoram Apex Handloom and Handicraft Co-operative Society Ltd. (MAHCO)
- Mizoram State Co-operative Union (MSCU)
- Mizoram Co-operative Milk Union
- Mizoram State Co-operative Fruit and Vegetable Federation.
- Mizoram State Housing and Financing Federation
- Mizoram State Co-operative Pig Producers' Federation
3.3. Organisation and Administration of Selected Public Sector Enterprises in Mizoram:

This section presents a detailed investigation and systematic study of the organisation, administration and managerial dimensions of selected public sector enterprises in Mizoram. Section A deals with the organisation and administration of Mizoram State Transport Department along with personal policies and management under the department; Section B analyses the organisation, administration and personal management under Zoram Industrial Development Corporation; Section C presents the organisation and administrative set up of Mizoram Handi and Village Industries Board. Lastly Section D is concerned with the organisational set up and personal policies of the Mizoram Co-operative Apex Bank Ltd.

SECTION A : MIZORAM STATE TRANSPORT DEPARTMENT.

3.3.1. Objectives and Functions.

The MST Department was established in the month of July 1987 when the then Directorate of Supply and Transport was bifurcated into Department of Food and Civil Supply and Transport Department. One of the main functions of the Transport Department is to run passenger Bus services to different routes in Mizoram. The Department also arranges inter-state Bus services for
Aizawl, the capital of Mizoram, to Chillonq, the capital of Meghalaya. Apart from the normal bus services, MHT Buses are also deployed for various duties on hire basis such as — Choir party, religious services, study tours, games and sports etc. Again, alongwith passenger bus services, postal mails are also carried to various places in Mizoram. Other functions include enforcement agency and issuing permits for taxi and bus for different localities and routes.

3.3.2. Present organisational set up:

Secretariat level:

The State level administration is headed by a transport minister who is assisted by a secretary and other supporting staff. The Secretary heads the Transport Secretariat and is responsible for controlling and directing the activities of the department. The organisational set up of the Transport Department is given in figure 3.1.

Directorate level:

The Directorate looks after the following activities:

(a) Controlling the operation of passenger Bus services and other Departmental Vehicles.

(b) Maintenance of Central Workshop at South Hlimon
ORGANISATION CHART SHOWING EXISTING POST UNDER TRANSPORT DEPARTMENT MIZORAM

A.R.O.- Assistant Research Officer
A.W.M.- Assistant Works Manager
S.S. - Station Superintendent
T.O. - Transport Officer
S.O. - Store Officer
SUPTD-Superintendent
(O) - Operation

MINISTER ---- 1
SECRETARY----1
DIRECTOR ---- 1

JOINT DIRECTOR (O)-1
JOINT DIRECTOR (M)-1
JOINT DIRECTOR (A)-1

DEPUTY DIRECTOR (O)-2
DEPUTY DIRECTOR (A)-1

W.M.-1  ASST DIR-1  SUPTD-1  D.T.O.-3  ASST COMMR-1  ASST DIR-1  SUPTD-1  ASST ENG-1
A.R.O.-1  S.O.-1  A.W.M.-1  T.O.-1  S.S.-4

7  9  76  154  378  18  60  38  26  19  18  2

ASST COMMR - Assistant Commissioner
D.T.O. - District Transport Officer
R.O.A. - Railway Out Agency
A.O. - Accounts Officer
(A) - Administration
Total Strength = 834


Figure 3.1
and Depot-Cum-Workshop at Chaltlang which are responsible for technical and mechanical supports for passenger Buses and other Vehicles.

(c) Enforcement agency of Motor Vehicles 'Act and Rules which are applied in the State of Mizoram.

(d) Provision of advance booking facilities for Indian Railways through Railway out Agency.

(e) Provision of issuing Bus and Fai permits for different routes and localities.

At the Directorate level, the Director is the head of the administration and he is responsible for supervision and coordination of the activities at the Directorate level. He is assisted by three Joint Directors namely - Joint Director who is responsible for operation i.e., controlling the operation of passenger Bus services, other Vehicles, Central Workshop and Depot-Cum-Workshop. He is assisted by two Deputy Directors and other supporting staff including Work Manager, Assistant Director, Superintendent, Assistant Research Officer, Store Officer, Transport Officer and other ministerial and establishment staff.

Joint Director who is responsible for Motor Vehicles i.e., enforcement of Motor Vehicles' Acts and Rules. He is also engaged to look after the activities of the State Transport Authority. He is assisted by one Assistant Commissioner in charge.
Joint Director who is responsible for the day to day administration including Account and Railway out Agency. He is assisted by one Deputy Director, the other supporting staff include Assistant Director, Superintendent, Assistant Engineer, Account Officer and Station Superintendent and other Ministerial Staff.

3.3.3. Composition and functions of State Transport Authority:

This is an important wing of the Transport Department. It is a state level board and its members are appointed by the government. It consist of 8 members: four non officials and two official members. The minister of the Transport Department is the Chairman of this board. The main functions are:

- Provision of Bus and Taxi permit for different routes and localities.

- Provision of plying permit in the allotted routes for bus and Taxi permit holders.
3.3.4. District level organisation:

The District level administration of the department is looked after by District Transport Officer who is responsible for registration of vehicles and collection of Road Tax and other fees payable to the government as per Vehicles' Act and rules of Mizoram. The District Transport Officer is assisted by Assistant District Transport Officer and other supporting staff including Motor Vehicle Inspector and other Ministerial Staff.

The Transport Department employs 834 personnel at present and only 76 employees are engaged in the Mechanical section. The activities of the Department is financed by annual appropriation from the government and it is subject to budget accounting and audit control applicable to government activities.

3.3.4. Personal policies and management under MST.

Personal policies and management under any organisation refers to the practices relating to recruitment of staff, training and promotion, placement, salary structure, welfare scheme, discipline and conduct of the staff.

Recruitment of staff and Appointment procedures:

In the case of technical and mechanical posts such as
Assistant Engineer, Vehicle Inspector, Electrician, Welder etc. as well as for certain kind of ministerial staff like lower division clerk, booking clerk, line checker etc., the selection is by direct recruitment. The vacancies are advertised in newspapers and the Employment Exchange is also requested to send information of the candidate who are suitable for the posts. Middle level staff such as Store Officer, Transport Officer, Station Superintendent, Work Manager, Assistant Director, Superintendent, Assistant Commissioner etc. are filled in by promoting internal candidates. While Assistant Research Officer is deputed from Planning Department and Account Officer is from Finance and Account service. The top level promotion at the Directorate level such as Deputy Director, Joint Director and Director are filled either through deputation from other services, especially from Mizoorn Civil Service or by promotion from internal candidates.

At the secretariat level, the post of secretary is normally go to the personal belonging to Indian Administrative Service and other secretary of lower ranks are appointed from Mizoram Civil Service and ministerial staff.

For all posts below group B, the recruitment selection is made by Departmental Promotion Committee while the promotion for group A and above other than Central and State Civil Services are done by Mizoram Public Service Commission.
Pay scale of the staff:

The employees of the department enjoy pay scales of the government of Mizoram. The scale of pay and other allowances are subject to modification by the state government. Details of the pay scale of the staff of the department is given in appendix I.

Promotional avenues:

Promotional prospects are limited. The employees belonging to various categories are generally get promoted on the basis of seniority. The department has its own recruitment rules and promotion policy for various categories of staffs.

Electrician of grade III has the prospect of becoming Foreman (Electrical) after having five year regular service in each of the Grade III, Grade II and Grade I respectively. Similarly, mechanic grade II will get promotion to foreman (Mechanical) after having minimum eight years regular service in the grade and five years service as mechanic I or Head Mechanic. Foreman with seven years experience in the grade and eligible for promotion to the post of Assistant Work Manager. Again, Assistant Work Manager are entitled to get promotion to the post of Work Manager after seven years service in the grade.

Booking clerk with eight years service are eligible for promotion to the post of Station Superintendent, similarly
Supervisor and Line Inspector who have completed five years regular service are eligible for promotion to the post of Assistant Director of Transport.

Work Manager, Assistant Director and Superintendent have the prospect of becoming Deputy Director after rendering qualifying service in their respective grade. Deputy Director are eligible for promotion to the post of Joint Director on the basis of seniority and merit as prescribed in the recruitment rules. Similarly, Joint Director also have the prospect of becoming Director of Transport.

Ratios are fixed for direct recruitment and promotion of inside candidate but these ratios between the insiders and the directly recruited or Deputationist vary from post to post depending on the service rule, recruitment policy and the government's directives.

Welfare Schemes:

The employees of the transport department have the following welfare schemes -

- Medical Reimbursement
- House rent allowance included in the salary
- House building advance
Performance Appraisal and Career Development:

The annual confidence reports (ACR) is the only formal method for evaluating and appraising the performance of employees under Transport Department. These reports contain information like the employees personal qualities integrity and general abilities. The employees also furnishes other vital information about himself. The ACR is of the most important instrument for assessing the merit of the employees for promotion. Any adverse remarks by the concerned authority should be immediately informed to the employees and he is given the chance to explain his position.

SECTION B: ZORAM INDUSTRIAL CORPORATION (ZIDCO) LTD.

3.4.1. Objectives and Functions:

Zoram Industrial Development Corporation Ltd. (ZIDCO), formerly known as the Mizoram small Industries Development Corporation Ltd. (MSIDC), incorporated under the company Act of 1956 is formed on 7th October 1985. The Corporation had been included as member of Council of State Industrial Development and Investment Corporation of India (COSIDICI). The main object for which
the company is establish, among other things, are:

(a) To assist, finance, protect and promote the interest of industries in the state of Mizoram.

(b) To undertake procurement and distribution of raw materials.

(c) To establish and maintain trade centres.

(d) To undertake and provide marketing facilities to the industries of Mizoram.

(e) To establish and administer industrial estates in the state of Mizoram.

ZIDCO is the only industrial financial institution of the state. The industries financed include handloom and handicraft, motor works and servicing, hotel, carpentry, tailoring, fabrication works, food processing etc. and motor vehicle like Buses, truck, Taxi etc. under the scheme of Small Road Transport Operator.

ZIDCO is also helping the entrepreneurs in developing their unit and its production and technical assistant is also provided by arranging assistance from Small Industries Service Institute, Aizawl.
3.4.2. Organisation and Administration:

The Board of Director, headed by the Chairman manages the business of the corporation and it is the highest policy making body. The Governor appoints the member of the Board of Directors and its membership should not be more than twelve but not less than two. The Industrial Development Bank of India (IDBI) and NECON have the right to appoint Director to represent them. The term of the Board of Directors is one year. All the Director excepting the Managing Director who acts as the secretary of the Board are part-timers. The Board of Director is in fact, a policy board, so the overall administration of the corporation is managed by the MD. Out of nine MDs appointed so far since its inception in 1985, four are from Indian Revenue Service, two from Indian Administrative Service, one from Indian Defence and Accounts Service, and one from Mizoram Civil Service.

The Managing Director is assisted by a manager, three Deputy Managers and four Assistant Managers. The Managers are responsible for the following activities:

- Project
- Company Affairs
- Establishment
- Accounts
- Legal Affairs

- Recovery and follow up

Other supporting staff of the corporation include Staff Officers, Staff Assistants, Account Officer and other Ministerial Staff. The organisational structure of the Company is shown in figure 3.2.

3.4.3. Powers and functions of Managing Director:

The powers and functions of MD of the corporation are as follows:

- to implement the decisions taken by the Board of Directors

- to supervise and control the work of all the employees employed by the Board of Directors.

3.4.4. Personal policies and management under ZIDCO:

The personal policies of the corporation include recruitment of staff, salary structure, promotional policy, welfare schemes and conduct and discipline of the employees and staff of the undertaking.
ORGANSATION CHART OF ZORAM INDUSTRIAL DEVELOPMENT CORPORATION

BOARD OF DIRECTORS

CHAIRMAN

MANAGING DIRECTOR

GENERAL MANAGER

MANAGER

MANAGER

D.M.  D.M.  D.M.

A.M.  A.M.  A.M.  A.M.

STAFF OFFICERS (8 NOS)

ASST. STAFF OFFICERS (8 NOS)

SUPERINTENDENT

ASSISTANT

U.D.C.  U.D.C.

LDC/T  LDC/T  LDC/T  LDC/T  LDC/T

STAFF ASSISTANTS (10)

SENIOR DRIVER

DRIVERS (7 NOS)

IV GRADES (8 NOS)

ACCOUNTANT

ACCOUNTANT

ACCOUNT OFFICER

COMPANY SECRETARY

1. D.M. = Deputy Manager
2. A.M. = Assistant Manager
3. U.D.C. = Upper Divisional Clerk
4. L.D.C./T = Lower Divisional Clerk cum Typist
5. ASST. = Assistant

TOTAL STRENGTH
1. GEN. SERVICE / EXECUTIVE = 36 Nos
2. MINISTERIAL SERVICE = 23 Nos
3. ACCOUNTS BRANCH = 8 Nos
4. COMPANY AFFAIRS BRANCH = 1 No
5. PERSONAL BRANCH = 2 Nos

GRAND TOTAL = 70 Nos

Figure 3.2
1. Recruitment of Staff and Appointment procedure:

The posts under the corporation are created by the Board of Directors. The Board lays down the terms and conditions of Services of its employees including age limit, minimum qualification, experience required, conduct and discipline etc. The Board constitutes selection committee for recruitment of the candidates.

The employees of the corporation are appointed by the Board after consultation with the Department Selection Committee. All appointments as per the recommendation of the selection committee is made by the MD.

2. Salary Structure:

7IDCO Ltd. has its own pay scales. However, while fixing the scale of pay and allowances of its employees, the Board takes into account the scales of pay and allowances of similar categories of the employees of the State Government. Details of pay scales of the employees of the corporation belonging to various categories is given in Appendix-II.

3. Promotional Avenues:

The employees of the corporation belonging to various
categories generally get promotion on the basis of seniority and recommendation of the Departmental Promotion Committee. ZIDCO Ltd. has its own system of recruitment/service rules and promotion rules. Ratios are fixed for direct recruitment and promotion of insiders for each category of posts. The employees are promoted as per the existing rules and regulations of the corporation. Deputy Managers with five years service are eligible for promotion to the post of manager while Assistant Manager with five years service are eligible for promotion to the post of Deputy Manager.

Non-managerial staff like Staff Assistant, Lower Division Clerk and Junior Accountant have the prospect of becoming staff officers, Superintendent and Accountant, Account Officer respectively.

4. Welfare Schemes:

The corporation has the following welfare scheme for its employees:

- Medical allowance and medical reimbursement in case of hospitalisation
- House rent allowances
- Leave travel concision (LTC) as per their counterpart in the state government service
- Conveyance advance as per norms, terms and condition laid down by the corporation

- Provision of employees' Provident fund (LPF) with family pension

- Leave facilities as per the leave rule of State Government.

5. Performance Appraisal and Career Development:

The performance of the employees are evaluated by means of the Annual Confidential Report. The merit of the employees for promotion are assessed by these reports. The corporation has its own conduct rules. Details about the misconduct of the employees relating to taking part in demonstration, criticism of government and the company, accepting of gifts, undertaking of private trade or employment and other disciplinary against the employees, etc. are clearly specified in these rules.

SECTION C: MIZORAM KHADI AND VILLAGE INDUSTRIES BOARD

3.5.1. Objectives and Functions:

The Mizoram Khadi and Village Industries Board is the only statutory corporation in Mizoram and it was established under the MJVIB Act, enacted by the Mizoram Legislative Assembly
in 1982. The board is responsible for the development and spread of Khadi and Village Industries in Mizoram.

3.5.2. Classification of Items reserve under Khadi and Village Industries:

The items of activities reserved under the Board may be classified into seven groups as follows:

**Group 1: Mineral Based Industry:**

There are twelve industries under this category including cottage pottery industry, Limestone and Lime Products Industries, Stone cutting and crushing, utensils, washing powder, manufacture of bangles, manufacture of paints, pigments, varnish and distemper etc.

**Group 2: Forest Based Industry:**

This includes Handmade Paper, Bamboo and Cane Works, Manufacture of Paper Cups, Plates, Book binding, Envelope Making, Photo framing, Processing and packing of Forest Products etc.

**Group 3: Agro Based and Food Industry:**

This group consists of the following items: Processing, Packing and Marketing of Cereals, Pulses, Spices, Condiment
ments, Masala etc., Manufacture of Cane gur and Khansari, Bee keeping, Fruits and Vegetable Processing, Preservation and Canning including Pichles etc.

Group 4: Polymer and Chemical Based Industry:

This group included Curing and Tanning of Hides and Skins; cottage soap factory; manufacture of Rubber goods; Candle, Camphor and sealing wax making; manufacture of Shampoos; Hair oils etc.

Group 5: Engineering and non-Conventional Energy:

This includes, Carpentry, Blacksmithy; Manufacture of Paper Pins; Manufacture of Household Aluminium Utensils; Manufacture of Clips; Safety Pins; Store Pins etc., Production of Radios, Voltage Stabilizer; Manufacture of Musical Instruments etc.

Group 6: Textile Industries:

This group includes Hosiery; Tailoring and Preparation of Readymade Garments; Embroidery; manufacture of Surgical Bandages etc.

Group 7: Service Industry:

This includes Laundry; Barber; Repairs of Diesel Engines; Pump Sets etc., Tyre Vulcanising Unit; Art Board Paint-
3.5.3. Organisational Set Up:

The Organisational set up of the MKVIB is shown in Figure 3.1. The highest policy making body of the MKVIB is vested with the Board of Directors headed by the Chairman. The members of the Board of Directors are appointed by the Government of Mizoram for a term of three years. The present Board consist of eleven members. Out of these, the Chief Executive Officer who also is the member secretary is a full time member and all other are part-time members.

The other members of the Board of Directors include four officials members, namely- (a) Secretary of Finance (b) Director of Industries (c) Deputy Director of TVIC, representing the Commission from the regional Headquarters, Dimapur and (d) Assistant Director of Small Industries Service Institute. The rest of the Board of Directors are formed by public men - two sitting MLAs who are the Chairman and Vice Chairman respectively and four non officials who have some experience in Industrial and Business spheres.

The Board has three standing committee on Finance, Purchase and Selection/Promotion. The Standing Finance Committee consists of 6(six) members and it is headed by the Chairman of the Board itself. The Board’s Purchase Committee comprises of six
members and the CEO is the Chairman of the committee. The Departmental Promotion Committee headed by the Vice-Chairman of the Board has five members.

The Chief Executive Officer is responsible for the administration, Supervision and Co-ordination of the activities of the Board. He is assisted by Joint Chief Executive Officer and three others Deputy Chief Executive Officers. The responsibilities of the Deputy CEO are distributed as follows:

- Deputy CEO who is responsible for Finance and Accounts and Marketing. He is assisted by Account Officer, Executive Officer (Marketing), and other supporting staff like Auditor and Development Officer (Marketing).

- Deputy CEO who is responsible for Project. This section includes Loan, Statistics, Multi-Disciplinary Training Centre (MDTC) and Project evaluation and verification of Loan applicants. Each of the section is managed by Executive Officers. EO (Loan) is assisted by three Development Officers who are responsible for loan, recovery and National Schedule Caste and Schedule Tribe Finance and Development Corporation (NSFDC) respectively and others supporting staff. Similarly, Executive Officers who are responsible for MDTC, Statistics and Project are assisted by Development Officers and other Ministerial Staff and Technical Staff.
1. C.E.O. = Chief Executive Officer
2. Jt C.E.O. = Joint Chief Executive Officer
3. Dy. C.E.O. = Deputy Chief Executive Officer
4. P = Project
5. M = Marketing
6. M.D.T.C. = Multi Disciplinary Training Centre
7. F & A = Finance and Accounts
8. E.O. = Executive Officer
9. D.O. = Development Officer
10. A.O. = Accounts Officer
11. NSFDC = National Schedule Caste and Schedule Tribe Finance and Development Corporation
12. RECV = Recovery
13. L = Loan
14. A = Administration
15. S = Statistic
16. LL = Lunglei

Source: Mizoram Khadi and Village Industries Board
3.5.4. Powers and Functions of Chief Executive Officer:

The Chief Executive Officer shall work under the control of the Chairman. He shall be entitled to attend all meetings but shall not be entitled to vote. The duties and responsibilities of the CEO includes:

(a) supervise and control the work of Officers and servants employed by the Board;
(b) implement the decisions taken by the Board;
(c) frame annual budget estimate and supplementary budget estimate under the direction of the Secretary and place them before the Board along with the views of the Financial Adviser;
(d) administer the contributory provident fund of the Board when established;
(e) sanction contingent expenditure to the extent of powers delegated to him by the Board from time to time;
(f) examine application for financial assistance (both grants and loans) and place before the Board for sanction;
(g) have the right to record his view in consultation with the Financial Adviser on every proposal involving expenditure from funds of the Board, prior to consideration and approval of such proposal by the Board; and
(h) undertake such other duties and exercise such other powers as may be assigned to him by the Board or the Chairman.
3.5.5. Personal Policies and Management:

All posts under the Board are created by the Board of Directors by passing resolutions to that effect on reasonable scale of pay ordinarily similar to the scale of pay applicable to the Government Servants entrusted with similar responsibilities. All orders regarding creation of posts is issued by the Chief Executive Officer.

The Board appoints its employees as well as honorary employees. However, in appointing its officer and the staff, the Board may consult a Selection Committee formed by the Board. All appointments as per the recommendation of the Selection Committee is made by the CEO.

The Board lays down the term and conditions of services of its employees including age limit, minimum qualification, experiences required for the post, gratuity, contributory provident fund, conduct and discipline etc.

Scale of Pay and Emoluments:

In fixing the scale of pay and allowances of its own employees, the Board takes into account the scale of pay and allowances of similar categories of government servants. The employees of the Board are classified into four classes, Class I to class IV. Details of pay of scale of the Board's employees belonging to various categories is given in Appendix 1.
Promotional Avenues:

The employees of the Board belonging to various categories generally get promoted on the basis of seniority and merit and after recommendation by the Departmental Selection Committee. Vacant posts can be filled up either by promotion from internal candidates or by direct recruitment from open candidates. Promotional prospects are limited. Executive Officers with four years service are eligible for promotion to the post of Deputy Chief Executive Officer while Development Officers with four years experience are eligible for promotion to the post of Executive Officer. Assistant Development Officer with four years experience are eligible for appointment to Development Officer and any employee who is a matriculate and have rendered 8 years experience in the feeder grade are also eligible for promotion to the post of Development Officer. An employee who is a matriculate with 4 years experience are eligible for promotion to the post of Assistant Development Officer.

Welfare Schemes:

The Board has the following Welfare Schemes for its employee:

- Medical reimbursement.
- House rent Allownce.
- Leave Travel Concession as admissible to other government employees.
- Motor Cycle/Scouter Advance as per norms, terms and condition that applicable to the State Government Servants.

- Provision of contributory Provident Fund to the employee.

- Female employees are entitled to a maternity leave up to 60 days at a time and 25 days for abortion leave.

Performance Appraisal and Career Development:

The performance of the staff of the Board is assessed by means of the Annual Confidential Report which is the basis of determining the merit of the employees for next higher promotion. These reports contain three parts—part I is dealing with the personal data like employees' pay scale, post held, leave taken other than medical leave, training attended, state of health, numbers of date for late coming and unauthorised absence, warning and explanation served to the employees in the official record; Part II relates to the report, the remarks of Reporting officer, Revising officer and Accepting Officer on the employees quality like knowledge of work and office procedure, obedience, punctuality, promptness, integrity and character while Part III is about the remarks and comment by concerned officer on the basis of Report and Records or on the basis of facts which are not entered in official record.
3.6.1 Object and Functions:

The Mizoram co-operative Bank Ltd. was established in 1978. The objects for which the Bank is established, among other things, are as follows:

- To promote the economic interest of the members of the banking in accordance with co-operative principles.
- To receive demand deposits on current, saving, fixed or other accounts and to raise or borrow from time to time such sums of money as may be required for the purpose of the bank.
- To grant loans to co-operative institutions registered under the co-operative societies' Act and individual member.
- To serve as a balancing centre for all co-operative banks and societies in the state registered under the co-operative societies 'Act.
- To issue Debentures.

3.6.2. Functions of the General Assembly:

The General Assembly, stands for the general meeting of the Bank consists of one representative from each affiliated society and the ex-officio members of the Board of Directors of the Bank. The main functions of the General Assembly include the
following:

(a) To elect the Board of Directors from amongst the members present by simple majority of votes;

(b) Adoption of Annual Report and Annual Statement of accounts of the Bank;

(c) Distribution of net profit;

(d) To pass the Annual Budget as approved by the Board of Directors;

(e) To fix the amount of liability to be incurred and the maximum rate of interest payable on deposit during the ensuing year and until the next meeting of the General Assembly;

(f) To establish and support provident and other funds for the benefit of the employees of the Bank.

3.6.3 Formation of the Board of Directors:

The management of the Bank is vested in the Board of Directors and its composition is as follows:

(a) Six representatives from different co-operative societies

(b) Four nominees of the State Government of whom the Registrar shall be one,
(c) The Managing Director

The members of the Board of Directors other than the ex-officio members shall retire annually, but they are eligible for re-election. Generally the Board of Directors usually appointed by the Government are - (i) Financial Commissioner Mizoram or his representative, (ii) Secretary of Co-operative Societies, Mizoram, (iii) Secretary, Rural Development, (iv) Registrar of Co-operative Societies. They constitute the ex-officio members of the Board of Directors along with the Managing Director of the Bank.

The Board of Directors form an Executive Committee from amongst its members consisting of the following members:

(a) Chairman
(b) Vice-Chairman
(c) Managing Director
(d) One Director to be elected by the Board out of the representatives of co-operative societies
(e) Three nominees of the Government of whom the Registrar shall be one.

The main functions of the Executive Committee, among other things include admission of members, allotment of shares of members, fixation of terms of deposits accepted by the Bank, fixation of terms of loan taken by the Bank etc.
3.6.4 Organisation and Administrative set up of the Bank:

The organisational set up of the Bank is shown in figure 3.4. The MD is responsible for administration, supervision and co-ordination of all activities related to the Bank. The MD is assisted by General Manager and Managers. The Managers are responsible for Office Administration, Loan, Inspection and Accounts. These Managers are again assisted by 4 Assistant Managers.

The Supporting Staff of the bank include Accountant, Cashier-Cum-Clerk and IV Grade Staff. The Mizoram Cooperative Apex Bank Ltd. has eight branches excluding the Head Office i.e., Main Branche. The Branch Offices are run and managed by Branch Manager along with other supporting staff like Accountant, Cashier-Cum-Clerk and Office Attendant. It may be noted that the post of the Branch Manager is equivalent to the post of Assistant Manager in the Head Office.

3.6.5 Personal Policies and Management under the Bank:

Recruitment of staff and appointment procedure:

The post under the Bank are created by the Board of Directors. The Board lay down the terms and condition of its employees including scale of pay, age limit, minimum qualification, experience required etc. The employees of the bank are appointed
ORGANISATION CHART OF MIZORAM CO-OPERATIVE APEX BANK LIMITED

BOARD OF DIRECTORS

MANAGING DIRECTOR

GENERAL MANAGER

MANAGER
ACCOUNT

ASSISTANT MANAGER
ACCOUNTANTS
CLERKS CUM CASHIER

MANAGER
ADMINISTRATION

ASSISTANT MANAGER

CLERKS CUM CASHIER

MANAGER
INSPECTION

ASSISTANT MANAGER

CLERKS CUM CASHIER

MANAGER
LOAN

ASSISTANT MANAGER

ACCOUNTANTS

CLERKS CUM CASHIER

SOURCE: APEX BANK LIMITED.  

FIGURE 3.4
by the Board of Director after consultation with the Department Selection Committee. The appointment order is made by the MD.

The Departmental Selection Committee conducts written examination for in-service employee and also for direct recruitments.

Scales of Pay:

The scale of pay of the Bank's employees are fixed by the Board of Directors. While fixing the scale of pay and allowances of its employees, the Management of the Bank takes into accounts the scale of pay and allowances of other financial institutions as well as the State Government's employees. Details of pay scale of the Bank's employees is presented in Appendix III.

Promotional Avenues:

Promotional prospects are limited. Generally the post of MD is filled up on deputation from the State's Civil Services. A Manager with five years service is eligible for promotion to General Manager while Assistant Manager with five years experience is eligible for the post of Manager. Cashier-Cum-Clerk with graduate degree has the prospect of becoming Assistant Manager and accountant after completion of minimum five years service in the grade.
Welfare Schemes:

The employees of the Bank has the following Welfare Schemes:

- Medical Reimbursement
- House Rent Allowance
- House Building Advance
- Leave Travel Concession
- Personal Loan
- Conveyance Allowance as per norms and conditions laid down by the undertaking
- Maternity Leave of 60 days and abortion leave of 25 days for female employee and other leave as admissible under the rules

Performance Appraisal and Career Development:

The performance of the employees are evaluated by means of the Annual Confidential Report. The merits of the employee is assessed by these reports. These reports contain information like the performance of works, integrity and general abilities. Any adverse remarks in this report should be immediately conveyed to the concerned employees.
NOTES AND REFERENCES


