Chapter IV

MARKETING INTERVENTION STRATEGIES OF NON-TIMBER FOREST PRODUCE (NTFP)
Introduction

In order to improve the socio-economic conditions of the forest dependent communities number of measures have been taken. As a result these people have been gradually giving up the forest destructive practices like shifting cultivations and resorting to sustainable practices. Added to these educational, medical and other infrastructure preceding programmes have been undertaken. In spite of these measures still majority of these communities have been depending on NTFP to a lesser or greater extent. It only means that NTFP is playing an important role in the economy. Hence, it is necessary to analyze the role of NTFP in generating the needed income for the tribals.

In spite of the importance of the NTFP is the tribal economy still there is no clear cut definition of NTFPs. However, some of the experts who have worked on the issues of the tribal communities have attempted to define NTFP (as per the nature and scope of their work). The debate on NTFP specifically started only after de Beer and McDermott coined the term in 1989. Replacing the term ‘minor forest products (MFP) which has used till then these authors have opened that the term Non-Timber forest produce (NTFPs) encompasses all biological materials other than the timber which are extracted from forests for human use. Further, food and agriculture organization referred the same as Non wood forest products (NWFP). NWFP according to them consist of goods of biological origin other than the wood derived from forests, other wooded land and trees outside the forests.
As per the Andhra Pradesh Forest Act of 1967, forest produce has been classified into three categories.

The first category consists of Timber, Bamboo, Charcoal, Rubber, Cacutchour, Catechu, Wood-oil, Resin, Natural varnish, Bark, Lac, Mahua, flower and seed, Myrobalans, Tunki leaves, Rousa grass, Rauwolfia serpentine, Adda leaves. These produces were classified as forest produces whether they were found in the forests or otherwise. Subsequently palas leaf, Tamarind fruit, Custard apple, Soap nut, Pungam fruit, Marking nut, Cleaning nut, Amlafruit, Chirinji fruit, Teak fruit, Tuniki fruit, Nux vimica fruit and wood apple fruit were included in the said list in 1974.

In the second category virtually included all that could be found in the forest including trees, leaves, plants, wild animals and birds as well as their parts, surface soil, rock and minerals.

In the third category NTFP has been mainly included which has been defined, as any forest produce other than timber, trees (Excluding bamboos) and charcoal, specified in the schedule. So this definition virtually puts all the forest produces under NTFP category (which was earlier known as Minor Forest Produce) except for the produces as specified, more or less in line with the AP forest Act.

The British Government had put a ban on felling of these trees. They were used by the Britishers for certain purpose like making boats/ships, furniture, building materials, pulp for paper industries. These forest products were of great value for the tribals from the point of view of their subsistence since times immemorial.

A central principle of the tribal ethos is that no person is permitted to take advantage of the others weakness, whether human or not. This is what has come to be known as a symbiotic relationship between the forests and the forest dwellers. All aspects of their economic, social, religious and cultural life were closely linked to the
forest in such a way that the forests became the very life support system of the tribals and vice versa. This relationship is called symbiotic because the tribals depended on forests as a child depended on the mother.

Forests and tribals are culturally and traditionally linked to each other. Tribals have been living in the forests and have shaped their life. The social-economic life of the tribals is so intimately inter-related, inter-mingled with the forest that by now tribals and forest have become inseparable words. Forests being a permanent abode for the tribals, they think of it as their ancestral home and there exists an emotional attachment between the tribal and the forest landscape. Trees, fruits, animals, birds, rills, etc., are totemic symbols for many clans.

The second vital issue in ensuring that the future of the tribals is intertwined the forest resources and as such the tribals took stewardship in the development of the forests containing the non timber forest produce (NTFP). It has been well established that NTFP for the tribals is not merely MFP (Minor Forest produce), as it provides substantial sustenance to the tribals living on the fringe of standing forests.

**Classification of NTFP collections**

Keeping in view the extent to which the NTFP is extracted by the individual forest dependent communities from the forest area.

**Individual collectors of non-timber forest producing have been divided into five**

- Under the first category the individuals collect a small quantity of a material for immediate consumption, usually on site or after some time. For example of a camper who collects a handful of leeks to flavor the evening meal.

- In the second category individuals collect materials for home use and consider the collecting experience to be a recreational outing in an accidental manner.
For instance a family picnic with the intention of picking blueberries to take home for canning or pies exemplifies this group.

- On the other hand there are Ceremonial collectors who collect NTFP on religious occasions who generally harvest/collect them (NTFP) in a more traditional manner as a part of religious or cultural custom, which can be put under the third category.

- There are certain categories of people who rely on NTFP to be used as their, food, medicine, or shelter. These categories of people are generally found living very closes the forests or in the vicinity of forest area.

- In the last and important categories contains Commercial collectors who collect, NTFP for selling it to earn income. In many a tribal areas one of the important source or supplemental source of income is harvesting and sale of NTFP. Infact to augment the income levels of the people residing in Forest fringe villages under Community Forest Management (CFM) programme the members were trained on scientific harvesting of NTFP, with a view to make this as a major source of employment and income. From the preceding analysis it is clear that there are different types of NTFP Collectors. However the last category i.e common collectors number has been increasing day by day due to the realisation of these communities to earn more {through NTFP} and spend more so as to enjoy a high standard of living. As a result he other categories as stated are also nsoining the remarks of the common category which was also evident from alrshidy hence NTFP assumes permanent importance in the tribal economy.
Role of NTFP in the Andhra Pradesh Economy.

The state has two contiguous patches of forests one that extends from the northeast to northwest and the other starting from central A.P towards the south. It is in these two regions that certain types of NTFP are found. Even within these two regions it is the northern region consisting of Adilabad, Warangal, Karimnagar, Vizianagaram, Visakhapatnam districts that accounts for most of the availability of the NTFP in terms of quantity and value.

Beedi leaf and the bamboo occupies lions share in the total NTFP in terms of quantity available and returns to the individual, of all the categories of NTFP the said type collectors on one hand earn revenue to the government either directly or indirectly contributes to the states revenue as these two species are available in most of the forests of A.P of its main concentration is in the north which can be judged in terms of quantity and quality of its availability.

There are many other NTFP species available in the states which are equally important for the forest dependent communities people who collect them, though their value is not considerable when compared to bamboo and beedi leaf. The important among them are tamarind mostly found in the north part (Vishakapatnam and Vizianagaram), gums all over the state’s forests, Adda leaf, Myrobalans, Honey, and various others fruits, barks and roots. Most of them have local presence are not found through out the state. Important NTFP species found in the state have been presented in table for easy understanding.

The state is rich in medicinal plants. As many as 350 species of medicinal plants available in the state have been documented by the experts belonging to the forest department. In Andhra Pradesh as many as 256 medicinal species have been
identified, out of which 63 per cent of them assume important from the point of view of the NTFP.

Most of the NTFPs are harvested during the lean season. As a result, a good number of forest dependent community households participate in collection and sale of NTFP. These people do not have access to other types of employment (outside their areas) and as such many households were involved in NTFP collection.

**Role of NTFP in the Forest Economy:**

**Bamboo**

Bamboo is a versatile NTFP with a wide range of domestic, commercial, and industrial uses. A large number of rural artisans also depend on bamboo for their livelihood. Although there is a great demand for bamboo, the production is far below the available potential. One of the import constraints faced by the private bamboo growers in A.R. is its low production and productivity. Further, there is mandatory registration with the Forest Department in certain specified areas and cumbersome procedures for obtaining transit permits for transporting the same.

In spite of its great potential, bamboo-based enterprises have not developed adequately in the country. There is a number of promising bamboo-based enterprises that could help in tapping the potential of this versatile NTFP to improve the income and livelihood security of the poorest sections of the forest department communities. The practical feasibility of such enterprises at the local level has been shown in Andhra Pradesh where about 500 Vana Samraksha Samithi (VSS) are involved in producing nearly 150 tones of bamboo incense sticks per month. It is hoped that the establishment of the two National bamboo missions would help in promoting the bamboo sector in the country. If these steps yield positive results, certainly the gap...
between the potential and production can be reduced and in a way lead to generate the rural Artisans in a big way.

**Tendu Leaves**

Tendu leaves are used for rolling country cigarettes or beedis. These provide seasonal employment to millions of collectors every year. The trade in tendu leaves has been nationalized in Andhra Pradesh state which means only Government or its authorized agents can procure these leaves from the collectors or growers. Although state government have introduced a number of progressive measures such as the formation of collectors cooperatives, introduction of group insurance and sharing of net profit with the collectors, as a result of the availability of Tendu leaves many are depending on its collection during April – May of every year. Further beedi rolling has been gaining in spite of the negative steps taken by the government to present the people from the smoking habit which is injurious to health as a result employment in terms of rolling, bundling, selling whole sale and retail and in many other ways providing most employment opportunities.

**Mahua Flowers**

Mahua flowers are used to brew country liquor and by the forest department commonly. Naturally fallen flowers are collected in a large number of people are engaged in mahua collection, during the season April and May. One major issue related to mahua flower collection is the accidental fire. Causing considerable loss to the forest area. In order to collect the fallen mahua flowers with out much difficulty some collectors burn the buses beneath the tree burning process to create clear flour on such situations it was said that knowingly or unknowingly fire accidents may takes place in the thick forest. This practice increases the danger of forest fires. Mahua flower can be processed into several other products such as candies, squashes,
pickles, and vinegar. It is also a good cow feed. Apart from the flowers, mahua seeds are also collected. For extracting oil, for edible purposes which is classified into two grades based on its Free Fatty Acid (FFA) content. The grade one oil is edible and is used as a cooking medium. The grade two oil is used for manufacturing soaps. At the local level, oil is used for cooking, as hair oil and for medicinal purposes. The oil cake left after extraction of oil is used as fish food. The collectors generally dispose either to the private traders or to the GCC. It may not be preferable if they fail to procure adequate quantity per day or if they fail to get minimum wage. For example, in Andhra Pradesh it has been estimated that at the minimum wage rate, the value of labour input for collecting one kilogram of mahua flower is Rs 7.15. However the procurement rate is only Rs 6.00 per kilogram. In many cases, the collectors do not get even these rates as they are exploited by the local traders who use a barter system rather than cash payment and rarely use proper measurements.

**Tamarind Fruit**

India is the world’s largest producer of tamarind, which is collected from the trees growing on all types of lands. It is well known fact that a few are having tamarind graves on their lands which is solely their property and the same is also found in common lands being maintain by local bodies. In addition it is also coming up in certain forest areas. Tamarind is widely used by the Indians and others in different forms and as such. Tamarind has a huge domestic and overseas market and commands a good price from the end-consumers. However, the actual producers in case of private lands and collectors get very low prices in case of forests generally due to the middlemen’s role. In Andhra Pradesh, the Girijan Cooperative Corporation (GCC) has been granted monopoly rights over the procurement of tamarind trade in the entire state with specific reference to scheduled areas. Although
Tamarind can be processed into a number of value-added products such as powder, granules, concentrate, blocks, and drinks, in collectors processing and distribution its contribution is considerable. It is usually sold by its growers or collectors mostly in the raw form. There is great potential to enhance the income of the collectors and producers by setting up of tamarind based enterprises in the areas of production. During Many Tamarind are slidly it area found that collectors have bar raved with the traders and the same is being to cleared by selling the collected to the private people.

**Sal Seeds**

Sal forests cover nearly one sixth of the total forest area in the country. The gestation period of the Sal trees begin to fruit when they are about 20-25 years except is santhesa part the rest is known sal belt. Sal seed has many uses in the food industry. It is a natural product grown without using any fertilizers or pesticides. This could have been its unique selling point. Sal fat is a good substitute for cocoa butter and it could potentially have a huge market in the chocolate industry which has great demands. However, due to certain adverse effects the Indian prevention of food adulteration Act forbids use of substitutes such as sal butter. India has the vast potential to produce however there is a wide gap potential and annual production mainly. due to improper collection and storage problems

Prior to the state intervention NTFP trade was mostly in the hands of private people granted licenses to procure specific forest produce from specified areas. This resulted in multi furious problems. Basically the private parties have paid less for the tribals for the quantity they have procured as per their dictation. This also resulted in loss to the state’s exchequer this led to need for state intervention in place of monopoly trade by the private parties.
Several Acts and rules have been formulated from time to time governing the NTFP in Andhra Pradesh. Since, the study area i.e. Adilabad district is also governed by these, it is necessary to understand the significance of the important Acts and rules that govern the management of NTFP in the state are-

1. A.P. Abnus Leaves Act, 1956
2. The AP Forest Act, 1967
3. The AP Forest Produce Transit Rules, 1970
4. The AP NTFP (Regulation of Trade) Act, 1971
5. The AP NTFP (Regulation of Trade in Abnus Leaves) Rules, 1970
6. The AP Forest Contract (Disposal of Forest Produce) Rules, 1977
7. The AP Scheduled Areas NTFP (Regulation of Trade) Act, 1979
8. The AP Forest Produce Storage and Depot Rules, 1989
9. The AP Scheduled Areas NTFP (Regulation of Trade) Rules, 1990
10. Various Notifications under the above Acts and Rules

**NTFP lease and licensing policy**

It is worth while to examine the availability of NTFP, their collection and management in Andhra Pradesh. While the forest department directly deals with the Beedi leaf and bamboo, most of the other commercially important items are exclusively dealt by the Girijan Cooperative Corporation (GCC). The rest of the items of NTFP wrest with the territorial forest divisions of the area concerned.

The first specific Act in the state of AP on a forest produce was started with nationalization of the Beedi Leaves in the year 1956. Under the said Act the forest department has the right to collect Beedi Leaves. NTFP collectors were also made use of for collecting the Beedi leaves for which they may receive labour commensurate with the Quantity collected. Soon after the completion of the collection process, the same will be disposed in public auction in a lump sum manner for the licensed contractors. The private pattadars are also permitted to grow Beedi
leaf on their holdings. These people generally sell to the private contractors by way of negotiating. As a result of growing demand and commercial value of Beedi leaf it was said that in the past there were instances where the private contractors with the help of influential pattadars and local villagers started pilfering and smuggling beedi leaf from the forests and government lands leading to considerable loss of revenue to the government. Further, the leaf contractors also used to offer very low price for the leaves sold by the private growers and also paid low wages to labourers engaged in the beedi leaf collecting operations.

Government in the state being mainly concerned about the revenue in the form of the royalty. Based on the records the average, revenue collected was Rs. 112 lakhs per annum during the ten years. However, it was said that the revenue so collected was less than the potential. In order to over come this malady the ‘Central Board of Forestry’ recommended certain legislative measures to control the trade of beedi leaf. Accordingly A.P. forest Act, of 1967 has been promulgated to empower the state to make the rules to control the forest produce in a transit or possession. Accordingly the concerned rules came into being in 1970. Further, beedi leaf trade was nationalized in 10 districts of Telangana based on the enactment of AP NTFP (Regulation of Trade) Ordinance in 1970 subsequently it led to AP NTFP (Regulation of Trade in Abnus Leaves) Rules, 1970. As per this the forest department itself undertook the responsibility of collecting and marketing the leaves through the authorized agents.

The rules of 1970 were replaced by enacting the AP NTFP (Regulation of Trade) Act of 1971 with a view to control the NTFP trade and are therefore reproduced accurately. This was the primary reason for creating monopoly conditions in case of certain forest produces, even if it is in the filed of private growers. Later the state also controlled the activity of curing and processing of Beedi Leafs through
an amendment. However, private growers were permitted to register themselves with the appropriate authority and they must pay higher wage rate to the collectors. But the condition was that the growers have to state the expected amount of NTFP production so that there is no possibility of passing off the produce collected from forest as grown in private land. The important objectives of the nationalization are-

- To eliminate unscrupulous intermediaries who used to make enormous profits at the cost of the labourers, private tendu leaf growers and beedi manufacturers.
- To provide reasonable earnings to the tendu leaf pluckers
- To ensure remunerative prices to the leaf growers
- To help beedi manufacturers by supplying the leaves at reasonable price.

The salient features of the A.P. NTFP (Regulation of Trade) Act, 1971 are-

1. Restrictions on purchase, storage and transport of NTFP-
2. Constitution of Advisory Committee for fixation of price and other terms of trade.
3. Opening of depots for the convenience of the NTFP growers and prominent display of the prices fixed at the depot for the benefit of the growers.
4. Authoring the Government Officer or Agent to purchase NTFP- The authorized officer or agent is bound to purchase the NTFP offered for sale. However, the same may be refused if the quality is far below the prescribed levels.
5. Yearly registration of grower other then the government is mandatory and the grower has to specify the quantity likely to be available with him.
6. Yearly registration of manufactures of finished goods using NTFP and exporters of NTFP as prescribed.
7. Disposal of NTFP should be done as per the direction of the government from time to time.

8. Any person authorized by the government can search and seize the NTFP.

9. The first schedule of the forest produces only contained Beedi leaf. The government however kept with itself the power to add or modify the schedule list.

Though 1971 Act was applicable to the whole state of AP. Subsequently a separate Act known as The AP Schedules Areas NTFP (Regulation of trade) Act, 1979 for regulating the trade of certain NTFP by creation of a state monopoly in such trade in the scheduled areas of the state. This was enacted as per the powers offered under the Fifth Schedule of the constitution of India in consultation with the AP Scheduled Tribes Advisory Council. In addition the government had granted concessions to the scheduled tribes in the state for removal of timber, bamboo and other forest produces for domestic and agricultural purposes from protected forests.

As per the 1979 regulations, the government appointed GCC as their agent for the purpose of purchase and trade of NTFP. The government every year orders for execution of lease agreement with the GCC for the collection of NTFP. A new clause has been included stating that the NTFP unit has been handed over to GCC with effect from 1st July to 30th. As per this agreement collect, store, remove and dispose of the produces subject to the conditions and restrictions put from time to time. The lease agreement confers monopoly rights on the corporation for trading in the notified items. The corporation is exempted from the payment of the security deposit for the NTFP unlike say beedi leaf, where the contractors have to do so.
• The tribals living in the sanctuary areas are permitted to collect the NTFP only if they carry identity cards issued by the GCC and duty attested by the wild life wardens of the concerned area.

• The corporation shall be entitled to appoint agents to supervise the work of collection and removal of the produce.

• The corporation shall maintain monthly accounts pertaining to the yield obtained cost of collection, quantity disposed off and the amount realized in the prescribed form.

• Rentals will be paid @15 per cent of the procurement price of total quantity of NTFP procured subject to payment of minimum rentals equal to the average of the previous three years. Such rentals shall be paid by book adjustment.

• The corporation shall at all times comply with the provisions of AP Forest Act, 1976 and any statutory modifications thereof.

• The GCC officers are authorized to search and seize the NTFP in the areas it operates. GCC is also authorized to have manned check gates at strategic points to carry out its responsibilities.

List of NTFP under lease agreement with GCC Lt is furnished in table. At present the list contained as many as 35 items to star with. However due to the additions from time to time the present list containing the NTFP has been increased.
The lease agreement with GCC however is not particular that the agency has monopoly only in the scheduled areas. This implies that the agency has monopoly rights over the listed NTFP all over the state. As marketing of NTFP is confined to a limited number of items being collected by Tribals, incase of marketing of other NTFP commodities in the tribal areas and in non-Tribal Forest Department take the responsibility by conducting auction from time to time.

Further, under the AP Panchayat Raj Act of 1994 and AP Panchayat Raj act (Amendment) Act 1998, the eleventh schedule has been amended and 29 subjects have been transferred to Panchayats. This includes Minor Forest Produce. In exercise

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of the powers conferred by sub section (i) of section (268 read with section 242-1) of Andhra Pradesh Panchayat Raj Act, 1994 (Act No. 13 of 1994), the state is considering to make rules relating to ownership and disposal of minor forest produce in schedule areas. But the said rules to transfer the ownership rights of NTFP to Panchayats are yet to see the light.

**Price Fixation**

The AP NTFP (Regulation of Trade) Act, 1971 stated that government will fix the price of the produces in consultation with the advisory committee constituted. For fixing the prices of Beedi leaf the committee comprises of the members from the forest department, and representatives from the beedi leaf growers, collectors, contractors and beedi manufacturers. Prices will be fixed based on the prices in the past, the quality of the NTFP grown in the unit transport facilities available and the cost of transport and the general level of wages paid for unskilled labour and also the supply and demand nature etc.

The responsibility of the fixing the price of other produces lies with the GCC. Initially, the pricing by GCC was done after deducting certain percentage from the market price at the nearest wholesale market. These percentages were arrived at by working out the percentage of the total actual expenditure on account of that item to the actual turnover of the previous year. The deductions used to be almost 50 per cent of the nearest wholesale prices. But a notification dated 31-12-1969 directed the corporation not to deduct anything on account of forest rentals and establishment charges, as the state government will reimburse that. Even the losses borne by the corporation in spite of all their efforts to sell profitable will be subsidized by the government.
Then again the board of Directors of GCC discussed in detail regarding the pricing policy and decided through resolution to restrict the deduction to 15 per cent on account of overheads and respective decided per cent on account of drayage (e.g. for Myrobalans it is 6 per cent). But in several of the produces the mandatory deductions are not made to provide higher returns to the tribal collectors. Normally, the price is fixed at the beginning of the season basing on the past performance, crop prospects and market trend of a particular commodity. The corporation has in the yester years going in for disposal of stocks through forward sale wherever feasible. This also give the corporation idea about the price and accordingly it fixes the procurement price. The rest of the NTFP apart from Beedi leaf and the ones under the monopoly of GCC, are dealt by concerned DFOs. If there is a scope for commercial exploitation of NTFP in any particular division, the DFO calls for advance tenders and hands over the rights of buying to the highest bidder.

**Other Government regulations in NTFP trade**

No forest produce can be moved into or from or within the state by land or water unless such a produce is accompanied by a permit by the appropriate authority. The DFO or an authorized officer shall issue such permits. Various types of transit permits issued duly following the rules and regulations in force.

**Andhra Pradesh Forest Produce (Storage and Depot) Rules 1989**

Any individual or institution desirous of setting up a forest depot shall obtain a license from the Divisional Forest Officer. If DFO satisfy himself as to the genuineness of the need etc may grant a license subject to the condition that the transactions shall be recorded in the separate registers.
Gram Sabhas and Control of Tribal Land Alienation in Vth Scheduled Areas

As stated earlier, PESA requires state governments to specifically empower the gram sabhas in Scheduled Areas to prevent alienation of land and to take appropriate action in this regard. These powers are given with a view to regulate the transfer of land from Scheduled Tribes (STs) to non-tribals so as to restore illegally alienated land to the original tribal land-owners. Many state governments have imposed a ban on such transfers in the Scheduled areas. However, in other states where such transfers are permitted have also taken protective measures. In other words in order to transfer the land the consent of superior revenue authorities (Collector or SDO) and the concurrence of the gram sabhas has been made mandatory. Incase of such transfers a non-exploitative price should be paid to the tribal, and the payment should be made by way of cheque in the joint names of the male and female heads of the family and the same should be made in the presence of the gram sabhas.

Regulation by the gram sabha implies interventions to provide relief in the event that permission for sale by a Scheduled Tribe is refused. The gram sabha and gram panchayat may be encouraged and assisted to establish alternate community based modes of securing ready credit, like a community village fund or gram kosh, for times of distress and for productive purposes. In addition, the gram panchayat may assist the tribal to secure credit from a co-operative or nationalized bank. We move now to the second type of the power that we suggested that panchayats and gram sabhas need to be equipped with in this matter viz., detection of instances of land unlawfully alienated from STs. The gram sabha cannot be expected to detect this on an on-going basis unless land records are placed directly under their control. Exploitation in matters of land title in rural India is sustained, at least in part, by the
notorious monopoly of patwaris or village accountants over land records. They have exercised uninterrupted over rural India for centuries because typically they function unencumbered by any kind of transparency or accountability requirements. Transfer of control over land records to the gram sabha, or at least to the village panchayat, as has been recently accomplished in Madhya Pradesh, would enable a breach in this long tradition of official tyranny. For instance, a provision that the record of rights - which lists each plot of land and the recorded owner - be read out and approved by the gram sabha, would enable detection of benami land or that held by force illegally by non-tribals. In addition, the requirement that all court rulings for the restoration of land illegally expropriated from tribals by non-tribals, would enable gram sabhas to detect instances of non-compliance with court orders, which remain legion in most states.

The third kind of legal empowerment envisaged for tribal gram sabhas is to restore illegally alienated land to tribal landowners. One procedure may be as follows. Both sides are invited to adduce evidence, verbal or documentary, to establish their claims before the gram sabha which would include both tribal and non-tribal residents of the settlement. Any other member of the gram sabha with the knowledge of the case would also be allowed to give evidence. It would be mandatory for the patwari to give testimony. There would be full rights of cross-examination, but no party is allowed to be represented by a legal practitioner. At the end, the gram sabha would take a decision either unanimously or by majority opinion, established by show of hands. The relevant laws would have to be amended to lie down explicitly that the decision of the gram sabha in this regard would have the same weight in law and the same binding quality as the decision of the lowest revenue court. In the event of an appeal by the non-tribal, it would be mandatory for the court to ensure compliance
with the decisions of the gram sabha to restore land to the tribal before considering the appeal. Also, if the gram sabha's directions to restore land to the tribal are not complied with, the gram sabhas or the tribal concerned may inform to the court, and it would be mandatory for the court to ensure the restoration of the land to the tribal within 3 months.

Controls on Money lending by the Gram Sabha

The gram sabhas are endowed specifically to control over the money lending to the Scheduled Tribes. This is an important provision for the protection of tribals from grave and continued exploitation. Tribal people are prone to different types of exploitation by the moneylenders, and the existing measures have limited impact. PESA seeks to correct this by giving powers directly to the tribal gram sabhas to regulate money lending and in helping the tribals from exploitation.

Most of the state governments have not yet adequately amended the existing laws, nor have enacted new laws in conformity with the PESA, 1996. The amended Panchayats Acts of Andhra Pradesh, Himachal Pradesh and Orissa had provisions to control the money lending by gram panchayats or gram sabhas. However, the state governments have not yet issued elaborate guidelines nor amended the existing laws in tune with the policies. As protective measures all the money-lenders should obtain a license from the gram sabha. License will be issued to those who agree to follow the statutory procedures in lending. Moreover the debts not supported by any written evidence will not be considered.

In any Schedule V area, any person or institution who wishes to undertake money lending activity with any resident of the village, should obtain permission from the senior revenue court of the Sub-Division Officer (Civil) (the SDO) in whose
jurisdiction the village is located. The proposed lender must also indicate the terms and conditions including rate of interest, mortgage if any, while extending the loans. The purposes for which credit will be offered and other details of the proposed moneylender have to be furnished. The SDO in conformity will be forwarded for consideration of the gram sabha. The gram sabha will consider the application, after duly verifying the various facts including the track record of the moneylender.

The gram sabha, recommends the grant of a license, by the village panchayat. It would be mandatory for the secretary of the village panchayat to ensure that the complaint, if any, received on the moneylender should be included for consideration in the gram sabha meeting. It would also be mandatory for the moneylender to give a notice to appear with all the concerned records in the next meeting of the gram sabha.

The gram sabha would elect a four-member committee, comprising of one elected representative belonging to Scheduled Tribe, category and one village-level government official two other village residents of whom at least one must be a woman. This committee would examine the records and also interact with the moneylender, the borrower, and witnesses for the borrowed amount will be produced. All these processes will be completed in the presence of the gram sabha so as to ensure all the parties that all the proceedings have been carried-out on democratic lines without any undue advantage to either of the groups. After a thorough examination, the committee will then pass a summary verdict. The verdict clearly specifies whether there was indeed a breach of license by the moneylender, if it is proved then the relief including granted in the form of recovery of cash or mortgaged property, will follow the suit followed by the suspension or cancellation of license granted to the money lender. The gram sabha also indicates the time limit within which its decision must be implemented. Failure to comply with the decision of the
gram sabha in the prescribed period, the village panchayat has to bring into the notice of SDO about the breach in writing. In such instances the SDO would act so as to ensure the recovery and restoration of property wherever applicable as per the law in force. A similar process may also be adopted in the event of any allegation of money lending by any member of the gram sabha or a person or institution without any valid license.

**Self-governance by the Tribal Communities**

In the India the Parliament passed the most significant the 73rd and 74th constitutional amendments relating to Panchayat Raj. However, these acts have not extended to the Scheduled Areas. Keeping in view these a committee has been constituted under the chairmanship of Dileep Singh Bhuria, 1995. This committee recommended wide powers to the gram sabhas belonging to the Scheduled Areas.

Based on the recommendations of Bhuria Committee came in to being the Panchayats (Extension to Scheduled Areas) Act, 1996. This act is expected to bring certain positive reforms pertaining to the economic, social and cultural aspects of the tribal communities. Accordingly the Andhra Pradesh Panchayat Raj Act 1994 was amended in 1998 to bring it in tune with the provision of the central Act 40 of 1996 (PESA) in their application to scheduled areas in this state.

PESA recognized the traditional community rights of the tribal community over the natural resources. Prior to the this enactment laws were passed by the governments both at the centre and state have been applied in a routine way to the tribal areas, Due to the state control tribal communities seek forest based livelihoods. Further, the problems like of chronic indebtedness to the moneylender, land alienation and large-scale migration have been affecting the lives
of the tribals in several ways. Further, the State institutional agencies have not been helping the tribals to the desired extent. Under these circumstances promulgation of PESA act enabled the tribals to resolve the burning problems of the tribal people.

In order to preserve traditions and customs of tribals on one hand and give and to maintain transparency in the functioning of Gram Panchayat, PESA Act has been passed. Under the PESA act the gram sabha, has been given more powers. Under this gram sabha in scheduled tribal areas empowered to approve all the development plans. Further, G.S will have control on functionaries and institutions of all the social sectors. It will also have control on all the minor water bodies, minor minerals and non-timber forest produce (NTFP). As per this Act Grama Sabha has to take over the overall management of NTFP including the plantation of new species. In addition Gram Panchayat should also create the needed pre and post market infrastructure. It would also have the authority to control the land alienation, impose prohibition, manage village markets and resolve internal conflicts through traditional modes which is acceptable to the tribal communities. It also empowers the people through by encouraging them by way of political participation, community action, has been believed to be an important instrument for solving the problems of tribal people. However, the state governments yet to pass certain laws in tune with the central law.

The tribal communities who are the forest dependent nature are required to understand the significance of the certain provisions of the law otherwise mere enactment of the laws under PESA carries No significance. For this purpose periodical awareness camps have to be conducted and also region specific studies will also help in understanding the practical impediments if any, in effective utilization of the provisions of the PESA by tribal communities.
Other wise the changes introduced in the law from time may not realize the very purpose for which they have been enacted. Awareness and capacity building among the tribal communities are complimentary nature. Moreover the laws enacted for the welfare of the tribals have to be implemented in letter and spirit so as to bring the all-round development among the tribals.

**Market Interventions**

It is an undisputed fact that of late the forest depended communities have been collecting the NTFP primarily to sell it and wanted to augment their income levels. The incomes of the forest dependent communities who do not possess any piece of land have no other alternative except to depend on the NTFP as a major source of income. Hence, these people have to necessarily concentrate in procuring more and market it profitably. Other wise he may be frustrated or as a matter of fact he may even resort to shifting cultivation which is a brain child of the tribal communities. This may be a **bane** for tribals for a shorter period and the same will destroy the prospects of many tribal dependent families in general and disturb the ecological balance in particular. Keeping in view the track history of private channels of marketing, the institutional intervention in marketing NTFP needs no emphasis.

Certain other forest dependent communities who possess the land (own or on leased basis) have been spending on different inputs and are expecting a better deal in its marketing. For these people one eye is on NTFP (which is a subsidiary occupation) and the other is on the surplus turned out by cultivating the crops. For such people marketing problem is two fold i.e. marketing of NTFP & Agricultural produce. under these circumstances, these people too have no faith or confidence on the private channels of marketing. In order to infuse confidence and faith and to break the monopoly trade of private parties and their malpractice, Institutional intervention at
different levels in different forms has drawn the attention of the policy makers. Hence, it is important to examine the market intervention at different levels.

**Role of TRIFED in Marketing**

In order to provide effective marketing for minor forest produce being collected by the forest depended communities with particular reference to tribals residing in forests, Certain institutions have come up. Among them Tribal Cooperative Marketing Development federation of India Limited (TRIFED) set up at national level on August 1987.

TRIFED was established with a view to bring about the socio-economic development of tribals of the country through institutionalizing the trade of Minor Forest Produce (MFP) and other agricultural produce also known as Surplus Agriculture Produce (SAP) being collected/cultivated by them. The tribals are heavily dependent on the forest based natural products for their livelihood. However, due to poor market infrastructure in the tribal areas in many cases they could not get the remunerative prices due to the predominance of private traders who may exploit the weaknesses of Tribals.

Further, TRIFED was required to provide marketing support to State Tribal Development Cooperative Corporations, State Forest Development Corporations and other State level Agencies engaged in procurement of such products from tribals.

Cooperative organizations associated with marketing of minor forest produce at the state level are its shareholders. Apart from it, Scheduled Castes and Scheduled Tribes development corporations and Forest corporations are also the shareholders of TRIFED. TRIFED has established nearly 500 single service centres in tribal mandals. These service centres purchase both agricultural and minor forest produce (MFP) at the minimum support price and also provide the essential items for the convenience of
tribals. Since the tribals/forest depended communities reside far from the plain areas they do not have access neither to consumer sale centres nor to the disposal centres. As a result these communities have been exploited in both ways leading to miserable levels of living (due to lower prices for their produce and higher prices for the consumer goods needed by them). Under these circumstances these service centres will be of immense help. These centres also provide credit and extend storage facilities to the tribals.

TRIFED also to help its member societies in disposing their stocks procured from tribals. The total procurement of both MFP and AP since inception till June 2002 stood at Rs. 877 crore. TRIFED has been assisting the MFP collectors without assessing its consequences of the burden lies on it. As a result TRIFED incurred a cumulative loss of Rs. 92.62 crore by much 2003, resulting in the erosion of a large part of the equity share capital provided by the Central Government.

The Ministry of Tribal Affairs used to compensate TRIFED for the losses sustained by it in MFP operations by way of grants-in-aid under the Central Sector Scheme of ‘Price Support to TRIFED’. From 1990-91 to 2006-07, the Central Government had extended a total amount of Rs.51.40 crore under the ‘Price Support Scheme.’

Progress of TRIFED:

To start with TRIFED undertook bulk procurement operations till 2003. Since then it started concentrating on marketing development activities for tribal products. In other words TRIFED has become a “Service Provider” to its member federations and a “Marketing Developer” for the tribal produce and products, Instead of directly participating in its procurement. This may partly be attributed due to its losses in the procurement operations.
TRIFED is the only body of the Govt. of India at the National level engaged in marketing development of tribal products including tribal art and craft items directly. TRIFED is striving to provide economic benefits to a large number of this unorganized section of the society. TRIFED has been marketing tribal products through its own shops called 'TRIBES India' and through the outlets of State Emporia on consignment basis. TRIFED started his outlets starting with New Delhi in 1999. At present TRIFED had 17 its own shops and 21 outlets on consignment basis spread over throughout the country.

**Promotion of tribal crafts**

TRIFED has set up the TRIBES Shop to showcase tribal arts and crafts and to ensure remunerative prices for tribal artisans for their artistic creations. With this venture, TRIFED has entered a totally new field of getting into the retail marketing of tribal handicrafts. To find a market for the plethora of products made by the tribal artisans of India is thus one of the major activities performed by the TRIBES Shop. The TRIBES Shop makes its purchases from the tribal artisans and organizations working with tribal craftsmen. A committee comprising senior officers of TRIFED is engaged in the selection of products for the shop. Purchase & pricing of products is decided after taking into account various factors such as cost of raw material, labour, time spent in making the items, transportation profit margin etc.

Periodic visits are made to Dilli Haat, Crafts Museum, Dastkaar and to exhibitions at all such places where tribal artisans and tribal crafts can be identified for the TRIBES Shop. The field offices of TRIFED are engaged in similar activities. Whenever a new artisan or craft is identified, the Regional Managers of TRIFED send samples of the craft items to the TRIBES Shop for approval. The shop in turn sends
the feedback to the Regional Offices on any changes required in the item as per the specification of the customer.

**Handicraft exhibitions**

To promote tribal artisans and to preserve their crafts, theme exhibitions have been held at the TRIBES Shop premises wherein tribal artisans are invited to participate along with their products for better exposure and interaction with the customers. The artisan realizes the value of his product in the market place. These exhibitions are generally held between the months of October and February, taking into consideration various factors.

So far, the TRIBES Shop has organized as many as 15 exhibitions providing exposure and benefit to around 1000 tribal artisans. TRIBES have received recognition for regularly organizing thematic exhibitions both at the shop and at other venues which can be measured by the good visitor response.

The other countries have also been extending needed support to promote the handicrafts of TRIBES in their respective countries. Such support certainly will go a long way in promoting and giving a good exposure to the rich cultural and artistic heritage of our TRIBES all over the world. TRIBES also participate in exhibitions of crafts within the country and abroad to spread awareness about tribal arts & crafts.

**Duty-free handicrafts shops at selected airports**

TRIBES are also making sincere efforts to expand tribal handicrafts. TRIBES have earned their pride of place in the Duty-Free Indian Handicrafts Boutique located at the main departure lounge of the Indira Gandhi International Airport in the capital. In collaboration with ITDC, TRIBES has set up this counter at the I.G.I. Airport, for which Development Commissioner (Handicrafts) has provided the needed financial support.
**Formation of self-help groups for tribal crafts persons**

At present, the main activity of TRIBES is to undertake projects commensurate with the objective of marketing development of tribal handicrafts, which would directly benefit the tribal crafts persons of the country. A major project of TRIFED towards the marketing development of tribal handicrafts pertains to baseline survey, training and mobilization of existing and potential tribal artisans into Self-Help Groups (SHGs) so that their art and craft can get due recognition and marketing avenues. Development Commissioner (Handicrafts) has given its sanction to TRIFED for implementing this project in four states viz. West Bengal, Assam, Gujarat and Karnataka. In the first phase of the project TRIFED has identified 2756 tribal artisan in these States and formed them into 225 Self Help Groups and now training and design development inputs shall be given to them to produce different art and craft items which will then be provided marketing support by TRIFED.

**Tie-ups with the designers**

TRIBES are drawing up new schemes to bring about greater excellence in tribal handicrafts by introducing innovative designs, quality and beautifying their packaging. In this Endeavour, TRIBES is seeking the expertise of designers from reputed institutes like the National Institute of Design (NID), National Institute of Fashion Technology (NIFT) and other recognized bodies.

**Girijan Cooperative Corporation (GCC)**

In the year 1955, with a view to improve the living conditions of the Scheduled Tribes in and to eliminate the exploitation by the plains men, the Government of Andhra Pradesh established "Andhra Scheduled Tribes Finance & Development Corporation Ltd." under the Indian Companies Act, 1913 during the
year 1955. Which was again, registered during 1956 under the new Indian Companies Act-I of 1956. However, the Government was confronted with certain problems of particularly providing adequate finances for the successful working of the said corporation. Keeping in view the practical difficulties in ensuring the effective working of the corporation as a company, the Government decided to go in for its voluntary liquidation and to start a Cooperative Society in its place. Accordingly a Cooperative Society namely "Andhra Scheduled Tribes Cooperative Finance and Development Corporation Limited" under the Madras Cooperative Societies Act, 1932 was created. Further, during the year 1970, it was renamed as to ‘The Girijan Cooperative Corporation Limited’ (GCC), started functioning with headquarters at Visakhapatnam.

Aims and Objectives

At present the GCC is functioning with a view to and improve the living conditions of tribal communities and more specifically the forest dependent communities. The specific objectives of the GCC are

a. To procure the Minor Forest Produce (MFP) collected by the tribals by paying the remunerative prices with a view to eliminate the middlemen and private traders who often adopt unfair trade practices and offer low and unremunerative prices.

b. Training on scientific collection of NTFP so as to improve the quality of NTFP their by facilitating them in realizing higher returns.

c. GCC has undertaken the regeneration of important NTFP species in the forest areas of A.P. with financial aid of forest department of A.P. Government.
d. To supply the Essential Commodities needed by the tribal communities at reasonable prices (just adding 10 per cent to the purchase price) through the network of DR Depots, with a view to protect them from private traders who resort to supply the same at exorbitant prices. The commodities supplied include sugar, kerosene, cloths, rice, pulses etc.

e. To provide Short Term Credit needed by the tribal farmers to meet their input cost and other expenses involved in growing the crops. The credit will be provided by GCC through GPCMS. Which may develop positive attitude among the NTFP collectors regarding the usefulness of the GCC.

f. The procurement depots of GCC may also disseminate the useful market information for the benefit of the NTFP collectors.

g. To undertake the activities such as processing and grading for the benefit of the Corporation and its affiliated Societies and their members as a matter of value addition and for this purpose they may procure or hire the necessary plants and machinery, so as to help the tribal communities to reap the maximum returns from out of the disposals made by them.

h. To make the GCC as nodal agency the state government has fixed targets for each GCC in securing not less than one lakh rupee worth of MFP per year.

i. To undertake generally the other activities means for the promotion of the economic and social welfare of the scheduled tribes and to realize the objectives for which the GCC has been setup.

All these measures are expected to encourage the NTFP collectors to make use of GCC both for the procurement of NTFP and purchase of essential commodities.
Administrative Set-Up of the GCC

As already stated that the GCC is a state level Apex organization working for the cause of tribals with its Head Quarters at Visakhapatnam GCC has one Regional Office located at Hyderabad and 10 Divisional Offices coterminous with the ITDA Headquarters. GCC is governed by the Board of Directors consisting of a Chairman, Official and Non-Official Directors nominated by the Govt. of Andhra Pradesh from time to time. The day to day affairs of the Corporation are looked after by the Vice-Chairman & Managing Director belonging to the\textsuperscript{es} cadre. His\textsuperscript{es} emoluments are paid by Govt of Andhra Pradesh. He is assisted by the ministerial staff and others. At the project level The Project Officers of the Integrated Tribal Development Agencies (ITDAs) act as Executive Directors of GCC in the area of their operation, who is again assisted by the technical & non technical staff. At present as many as 1440 employees are engaged to serve the tribals as envisaged.

At present, 43 affiliated Girijan Primary Cooperative Marketing Societies (GPCM) (GPCMS) are working in sub-plan mandals spread over in the State. GPCMS will have control on Dr. Depai and Maniter their activities with regard to NTFP collected and sale of essential commodities.

GCC is having a wide network of 839 Domestic Requirement Sales Depots (DR Depots) in the tribal habitats to cater to the needs of the tribal consumers by supplying the essential commodities i.e. food grains, oil, Jowar, wheat, sugar, salt and such other commodities supplied under public distribution system and other requirements. These depots function under the control of GPCM Societies.

GCC has also setup three industrial units based on the NTFP. Honey Processing Unit and Sheekakai & Soap nut Powder Making Units have been setup at Rajahmundry and a Soap Making Unit at Vizianagaram. All these are making...
available these commodities to the consumers in the brand name of GCC products. Honey is being accorded ‘AGMARK’ Grading.

GCC and its Activities

GCC is an Apex organization and its activities are carried out through its affiliated Primary Cooperatives Marketing Societies. The money required for the procurement of MFP and Surplus Agricultural Produce (SAP) are provided to the Societies by GCC and the procurement is effected in weekly shandies and seasonal purchase centers. The stocks procured are taken over from the GPCMS and marketed by GCC to the best advantage of the MFP gatherers. The GPCMS are required to run the DR Depots on their own with the working capital provided to them. The credit activity is carried out through GPCMS duly providing them credit limit and advancing loans in every season. The other activities carried out by the GCC include value addition measures to the benefit of NTFP collectors and its retail marketing in the consumer market.

The Divisional Manager is the Head of the division. He supervises all the activities of the GPCMS in his area of operation. He also acts as Chairman on the Board of Management of the GPCM Societies.

GPCMS Administration

The GPCMS membership open exclusively for the local tribals and all the members enrolled form the General Body of the Society. The Board of Management of the Society consists of three Elected Directors from among its members while six official Directors including the Chairman are nominated by the District Cooperative Officer as per the directions of the Government. The day to day administration of the GPCMS is carried out by the Manager who is also the Secretary of the Society. The overall supervision and control of the concerned Divisional Manager GPCMS will
function. The D.R. Depots and Purchase Centers function under the direct control and supervision of the Manager / Secretary of the GPCM Society.

**Procurement Operations**

The GPCM Societies are designated as Agents to GCC for the procurement of Minor Forest Produce and Surplus Agricultural Produce (SAP) from the tribals in their respective areas of operation. They receive money from GCC and procure the produce in the weekly shandies, seasonally notified purchase centers and at the door steps of the tribals at prices fixed and declared by GCC from time to time and handover the produce to GCC as and when procured or once in a month. A commission @ 2 percent is paid by GCC to the GPCMS on the value of the produce purchase on advolaram basis and handed over to it.

**Supply of Essential Commodities**

The GPCM Societies run the DR Depots on their own with the working capital provided by GCC. The major activity carried out by the Societies is lifting and distribution of Essential commodities such as Rice, Sugar, Wheat, Edible oil and Kerosene under the Public Distribution System (PDS) to the ration card holders and also supply of other daily requirements such as dalls, oils, salt, onions, jaggery, cosmetics and other items at reasonable rates to the tribal consumers in general. The GPCMS have also been supplying the food grains provisions and Cosmetics to the Tribal Welfare Hostels, Residential colleges and schools of APTWREIS. The supply of food grains for Mid day meal scheme have also been provided. Grain Banks in tribal areas have also been taken up by the Societies. The maintenance of Mandal level stock points and transportation of Essential commodities under Stage-II in the tribal areas on behalf of the Andhra Pradesh State Civil supplies Corporation,
Supply of LPG, sale of Steel and cement etc. are the allied activities taken up by the Societies as a part of their D.R business.

**Finances for GCC**

GCC obtains credit limit the needed limit from the NABARD AND A.P. State Cooperative Bank and partly it meets from its own sources. GCC also approve the Credit Plans and advances finance to the GPCM Societies with a view to advance short term credit to the eligible tribal farmers in both Khariff and Rabi seasons. The scale of finance for each season is fixed at the GPCMS level taking into account the existing agricultural practices, crops grown, expected yields and the repaying capacity of the tribal farmers so as to avoid the overdue problem and avoiding the loan, Sanction beyond the repaying capacity. The rate of interest charged is at par with the Government rates from time to time. The loans are required to repay the loan on installment basis in the form of cash. Repayment by way of selling MFP/ SAP to GPCMS at their convenience is also allowed. The Societies repay the loans to GCC soon after the collecting the same from their members.

The sharing of staff expenditure of GCC is approved by the Government. GCC receives subsidy from the Government for the payment of Salaries to its staff to the extent of staffing pattern approved by the Government. The expenditure on the staff costs over and above the sanctioned strength is met by the GCC from its own resources. The staff working in the GPCM Societies are on deputation from GCC for which GCC meets the 60 percent of the expenditure on salaries the rest has to meet by the GPCMS from its resources.

**Functioning of GCC in Adilabad District:**

In Adilabad District GCC has wide network of 6 Girijan Primary Cooperative Marketing Societies (GPCMS) and 89 DR Depots (Daily Requirements),
which work in close coordination with Integrated Tribal Development Agency (ITDA) in Utnoor. At present GPCMS are functioning in Adilabad District.

SUMMING UP

The foregoing analysis reveals the marketing intervention strategies at different points of time. NTFP has been brought under regulation to protect the interest of its collectors. Specifically the study emphasized about the functioning of GCC and the services provided through D.R. Depot. The basic objective of D.R Depot is to provide the institutional cover for NTFP trade. It covered storage, grading, GPCMS, PDS, TRIFED. Understanding the philosophy of institutional agencies with particular reference to GCC may help in effective conduct of an empirical study, which is the prime theme of the present study. Such a study helps in analyzing the extent to which GCC has been satisfying the requirements of the NTFP collectors and its impact on reducing sales to private parties. After analyzing the marketing intervention strategies it helps in conducting the effectiveness of the institutional measures in supporting the NTFP collectors.

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