ANNEXURE No. I

SUMMARY OF THE RECOMMENDATIONS OF THE COMMITTEES AND COMMISSIONS APPOINTED BY CENTRAL GOVERNMENT

1. ALL INDIA RURAL CREDIT SURVEY COMMITTEE (1951-54)
   Chairman: A.D. Goregaon

   The Rural Credit Survey Report is regarded as Bible of the Co-operative Movement. It revealed that contributions of co-operatives amounted to only 3.1 per cent of the credit requirements of rural population inspite of their existence for over fifty years. Commenting on co-operative credit, it stated, "it satisfied none of the requirements of either good co-operation or sound credit". After analysing the various causes, the Committee concluded that 'co-operation has failed' but also hastened to add that 'co-operation must succeed' and for this, it recommended an 'Integrated Scheme of Rural Credit'. The Scheme envisaged:

   (i) State participation at all levels.
   (ii) Integrated scheme of credit and marketing operations.
   (iii) Expansion of co-operative training and management by trained and experienced personnel.
   (iv) Nationalisation of Imperial Bank for expansion of Banking in rural areas.
   (v) State participation in organisation of Public warehouses.
   (vi) Organisation of large sized limited liability type of primary credit societies, etc.
2. VILLAGE AND SMALL SCALE INDUSTRIES (SECOND FIVE YEAR PLAN) COMMITTEE (1956)/

Chairman : D.G. Karve

The Committee recommended that progressive expansion and modernisation of rural industries can be most economically brought about by the spread of rural industries on co-operative basis.

3. COMMITTEE ON CO-OPERATIVE LAW (1955-57)

Chairman : S.T. Raja

The Committee studied the various co-operative Acts with a view to bring about simplicity, rationality, uniformity in the co-operative legislation. It drafted Model Co-operative Societies Bill, a Model Co-operative Societies Rules, and also Model Bye-Laws generally suited to the whole country.

4. EVALUATION OF CO-OPERATIVE MOVEMENT (1957)

(DONE BY : SIR MALCOLM DARLING)

Sir Darling, as consultant to the Planning Commission under the Colombo Plan, reviewed the Co-operative developments in the Second Plan. Some of his recommendations were as follows:

(i) Pace for development set by Second Plan be slowed down;

(ii) Large sized societies be of three types;

(iii) Credit and marketing should be linked; and

(iv) Co-operative personnel should persuade villagers to reduce their expenditure on social ceremonies where it seems out of proportion to their resources.
5. **RESOLUTION OF NATIONAL DEVELOPMENT COUNCIL (1958)**

The historic resolution discarded the basic recommendations of Rural Credit Survey. It recommended that policy of organising large sized societies should be given up. Instead, multi-purpose rural co-operatives should be organised on the basis of village community as the primary unit. Further co-operatives should function as "service co-operatives".


*Chairman: K.R. Damle*

This group, while recommending measures for implementing the National Development Council’s resolution of 1958, suggested that primary agricultural credit societies be organised on the basis of one society per village in villages having population of 1000 persons.

7. **WORKING GROUP ON INDUSTRIAL CO-OPERATIVES (JULY 1958)**

*Chairman: J.C. Ravi*

The Committee felt that ordinarily an industrial co-operative society should turn to a Central Co-operative Bank for its credit requirements. It also recommended state participation in industrial co-operative banks.

8. **THE WORKING GROUP ON CO-OPERATIVE FARMING (DECEMBER 1959)**

*Chairman: S. Nijalingappa*

The Group suggested setting up Farm Co-operatives in the Third Plan. The principle for formation of such co-operatives should be that 75 per cent of its members
should be those who are prepared to work on the farm, and that the land should be pooled by the members for a minimum period of five years. The Group recommended allotment of waste land to such co-operatives on the preferential basis. It also suggested that adequate training arrangements in co-operative farming be made for the members and staff of these societies.

9. COMMITTEE ON CO-OPERATIVE CREDIT (MAY 1960)

Chairman: V. L. Mehta

The Committee suggested for organising viable societies extended over 2-3 villages or population of 3000 and at a distance of not more than 3-4 miles. State participation in share capital of primary societies, liberal credit to members, and linking credit with production, were some of the other recommendations of this Committee.

10. STUDY TEAM ON CO-OPERATIVE TRAINING (NOVEMBER 1960)

Chairman: S.D. Misra

The Committee emphasised that training should be imparted to those who are outside the co-operative movement so that the latter may be made co-operative minded. It recommended that the Co-operatives should contribute one per cent of net profits to State Co-operative Unions to meet the financial requirements of education and training. It suggested that training of senior personnel may be the responsibility of National Co-operative Union of India while that of junior and intermediate personnel should rest with
State Co-operative Unions and that the subject of co-operation be introduced as a teaching subject in degree colleges and universities.

11. COMMITTEE ON CO-OPERATIVE PROCESSING (APRIL 1961)

Chairman: R. G. Sareja

The Committee suggested that co-operative processing has much to do with co-operative marketing and as such Government should strengthen existing units of co-operative processing and establish new ones.

12. COMMITTEE ON CONSUMER'S CO-OPERATIVES (MAY 1961)

Chairman: P. Natesan

The Committee favoured direct Government assistance to consumer stores by participating in share capital, managerial subsidy, etc. It also recommended preferential treatment to consumer stores in import of consumer goods.

13. WORKING GROUP ON PANCHAYATS & CO-OPERATIVES (OCTOBER 1961)

Chairman: S. D. Misra

The Group suggested the demarcation of responsibilities of co-operatives vis-a-vis panchayats. It emphasised that panchayat has an important role in promotion and development of co-operative institutions. It opined that where co-operatives are not yet strong, some of its functions, as an interim measure, may be discharged by the panchayats. Further, panchayati raj institutions should not be vested with power of supervision over co-operatives, rather the co-operatives should work as Bankers of Panchayats.
14. COMMITTEE ON TACCAVI LOANS AND CO-OPERATIVE CREDIT (AUGUST 1962)

Chairman: B. P. Patel

It recommended that taccavi loans should be channelised through co-operatives and only distress loans be advanced by Government directly. It did not like the idea of providing credit to the non-members.

15. STUDY GROUP ON BACKWARD CLASSES (SEPTEMBER 1962)

Chairman: M. P. Bhargava

It recommended promotion of special co-operatives to serve the needs of Scheduled Castes, Scheduled Tribes and other weaker sections of society by establishing co-operatives for sweepers, leather workers, rickshaw pullers, dhobies, etc.

16. STUDY GROUP ON RAILWAYS AND P & T BOARD (APRIL 1963)

Chairman: C. D. Goswami

It recommended formation of consumer co-operative thrift societies, housing societies and co-operative canteens for employees of Railway and P & T departments and vendor's and labour co-operatives to undertake railway contracts.

17. STUDY GROUP ON HOUSEHOLD INDUSTRIES (MAY 1963)

Chairman: B. P. Patel

The group recommended to engage 20 per cent of families in household industries into co-operative fold by the end of Third Plan through institutional finance and Government assistance.
18. COMMITTEE ON CO-OPERATIVE ADMINISTRATION (OCTOBER 1963)

Chairman: V. L. Mehta

It suggested changes in the administrative set up of the State Co-operation Department. It recommended that Registrar of Co-operative Societies (RCS) should be given equal status to that of heads of other major Development Departments assisted by functional officers at headquarters. It did not favour deputation of departmental staff to co-operatives and recommended that audit of societies be done by a separate wing under the control of RCS.

19. STUDY GROUP ON HOUSING (NOVEMBER 1963)

Chairman: Dharma Vira

It recommended that States should earmark 20-25 per cent of funds under housing scheme for co-operative sector. This proportion may be raised to 40 per cent in States where co-operative housing has made progress.

20. STUDY GROUP ON CREDIT CO-OPERATIVES IN NON-AGRICULTURAL SECTORS (DECEMBER 1963)

Chairman: V. P. Verde

The Group recommended that besides employees credit societies and other credit institutions, urban co-operative banks should be organised in every town with a population of over one lakh.

21. STUDY GROUP ON DAIRY & ANIMAL HUSBANDRY (MARCH 1964)

Chairman: A. D. Pandit

It recommended the establishment of a network of milk
producer co-operatives in villages and speedy co-operativisation of processing and distribution of milk.

22. **STUDY GROUP ON FISHERIES (OCTOBER 1964)**

*Chairman*: L. G. Rajwade

Here again, it recommended formation of fishery co-operatives at different towns so that they cover 50 per cent of the total production during the Fourth Plan.

23. **STUDY GROUP ON TRANSPORT (MAY 1964)**

*Chairman*: S. N. Bilgrami

The Group recommended formation of 1000 goods and passenger co-operatives, 70 taxi co-operatives and 100 Boatmen's and autorickshaw co-operatives - all viable - by the end of Fourth Plan. It emphasised that members of society should preferably be all employees.

24. **STUDY GROUP ON GENERAL INSURANCE (JUNE 1964)**

*Chairman*: L. N. Bongirwar

It opined that nationalisation could never be a substitute for co-operativisation. It recommended that co-operative institutions should insure compulsorily with approved insurance agencies. It also suggested for co-operative crop and cattle insurance.

25. **WORKING GROUP ON CO-ORDINATION OF SHORT, MEDIUM AND LONG TERM LOANS (NOVEMBER 1964)**

*Chairman*: K. P. Pande

It formulated integrated programme through which credit agencies can meet the short, medium and long term requirements
of agriculturists in terms of scale of finance, the period of loan and other arrangements.

26. COMMITTEE ON THE ELIMINATION & PREVENTION OF VESTED INTERESTS AND GROWTH OF NON-GENUINE CO-OPERATIVES OR COMMITTEE ON CO-OPERATION (AUGUST 1965)/

Chairman: R. N. Mirdha

The Committee while citing basic principles of co-operatives said that to combat vested interests, suitable safeguards against refusal of membership, delay in holding elections and entrenchment of office bearers, be made. It also emphasised that instead of non-officials, only Government servants (minimum number) should be nominated to Managing Committees. It recommended that audit of societies be entrusted to an agency under the Government but independent of Registrar. It also asked centre/state Governments to assist co-operatives in a much liberal way.

27. COMMITTEE OF DIRECTION ON CO-OPERATIVE FARMING (SEPTEMBER 1965)/

Chairman: D. R. Gadgil

It recommended that new farming societies should be promoted in areas where there is wide acceptance and support of principles of co-operative farming among its non-official leadership. It suggested that programmes should essentially be focussed to promote societies of small and medium cultivators and landless labourers.
28. **THE COMMITTEE ON CO-OPERATIVE MARKETING (MAY 1966)**

*Chairman: M. L. Dantwala*

It recommended two-tier structure of Marketing Co-operatives, viz., apex society at state level, and primary marketing society at mandi level. As regards their function, the committee suggested that these co-operatives should undertake both agricultural marketing as well as distribution and supply functions. The committee emphasised that all primary agricultural credit service societies in the area of the marketing societies should be affiliated to it.

29. **A.R.C's WORKING GROUP ON CO-OPERATION (1968)**

*Chairman: Brahm Parkash*

This group located the internal and external weaknesses in the efficient functioning of the co-operative movement. It recommended rationalisation of co-operative structure, building up loyalty amongst the members, promoting capital formation, improving operational efficiency, providing right type of training, etc.


*Chairman: B. Venkatappiah*

This Committee reviewed the supply of rural credit, in the context of Fourth Plan in general and intensive agricultural programme in particular. It recommended reorganisation of rural credit system and establishment of agricultural credit board, Rural Electrification Corporation and Small Farmers Development Agency. It also assigned bigger role to the
Agricultural Refinance Corporation in the context of co-operative development.

31. **EXPERT COMMITTEE ON MULTI-STATE CO-OPERATIVE SOCIETIES LEGISLATION (1972)/**

   **Chairman : Udaybhansinhji**

The Expert Committee suggested a comprehensive central legislation for governing the multi-unit co-operative societies. It also recommended extension of the proposed law to the whole of India including Jammu & Kashmir.

32. **INFORMAL EXPERT GROUP ON CO-OPERATIVE EDUCATION, TRAINING AND RESEARCH (1974)/**

   **Chairman : M. R. Swaminathan**

The Expert Group suggested reorganisation of co-operative training arrangement for the co-operative personnel. It recommended setting up of a National Council of Co-operative Training to regulate the work relating to co-operative training.