

COOPERATION

Introduction

There are about 5300 registered Cooperative Societies registered in the past years. Out of these, more than 60% Co-operative Societies are in the urban credit, Banking and housing sectors which are actually functioning. Total membership of these societies is over 11.50 lakhs, which covers around 8% of the population of Delhi.

In order to provide autonomy to the registered Co-operative Societies in their working, Govt, of Delhi has enacted the Delhi Co-operative Societies Act' 2003 which came into force w.e.f. 1.4.05.

The overall objective is to strengthen the Co-operative movement and to organize the new Co-operative Societies.

1. Direction & Administration. of RCS Office(Rs.4.00 lakh)

"Cooperative Offences and Legal Unit (COLU): The department need to set up a special unit to deal with the court cases, legal issues, CBI cases, sanction of prosecution and handling of Inquiries under the provisions of DCS Act 2003. The necessity of creation of a special unit is due to following reasons:-

i) Court Cases:

About 650 Court Cases are being defended/ dealt with by this office in the various courts such as, Financial Commissioner's Court, Lower Court, High Court, Consumer Court, Supreme Court etc. It has been thought prudent to create a Legal Cell comprising one Assistant Legal Advisor/Law Officer and one Legal Assistant. Legal cell is to be headed by a separate Assistant Registrar.

Further the department has taken action to liquidated defunct societies and have issued notices to 2500 societies so far and elections are being conducted by ROs appointed by Govt. in all other societies.

ii) CBI Cases and sanction of Prosecution :

As per orders of Hon'ble High Court in the matter of Yogi Raj Krishna CGHS Vs DDA matters, the CBI is investigating the cases of 248 CGHS and till date the CBI has already registered 150 cases against the office bearers of the Managing Committees, builders and officials of the department. Besides vide orders dated 7.9.06 of Hon'ble High Court in the matter of Nehru CGHS Vs Registrar, Cooperative Societies has directed vide it? order dated 7.9.06 that CBI/Crime Branch shall conduct investigations into the cases of the societies where membership had been enrolled by them in violation of the Rule 24(2) of the DCS Rules 1973 from 8.1,03 to 30.6.04. During this period more than 150 societies are involved which have violated the provisions of Rule 24(2). Therefore, these societies are also being sent to CBI/Crime Branch for investigation. In all these 150 societies cases are likely to be filed under Prevention of Corruption Act, Indian Penal Code and DCS Act 2003.

More than 30 societies are already being investigated by the Crime branch as well as various District Police offices under the provisions of the IPC and DCS Act.

Thus, there will be about 400 cases which will be registered by various investigative agencies where prosecution sanctions will be required to be issued by the Registrar in respect of the lower level officials of this department and the office bearers of the cooperative societies. The office bearers of the cooperative societies has been declared as public servant under the provisions of DCS Act and as per section 121 of the Act no prosecution can be initiated under the DCS Act without the previous Sanction of Registrar and such sanctions shall not be given unless the persons concerned has been provided a reasonable opportunity to represent their case. Taking advantage of the provisions of Section 121 of the DCS Act, a number of petitions are being filed before the Registrar to prosecute the bearers for violation of various provisions of this DCS Act. For processing the cases of prosecution sanction required staff is necessary to examine the cases expeditiously so that Registrar is able to give prosecution sanctions.

iii) Inquiries/Inspections

As per provision of Section 62,63,66 of the DCS Act, the inspection and inquires are required to be conducted by officers of other department and in a number of cases action will have to be initiated u/s 118 of the DCS Act which provides offences and penalties. These inquire and inspections are required to be monitored regularly as finalization of the same take years.

There is time bound provision in DCS Act, 2003(Deemed Provision) like registration of Co-operative Societies, admission of dispute, expulsion of members, attending to Right to Information Act queries, Inspections, & Enquiries. There is heavy public dealing as there are more than 5000 Co-op. Societies. As already mentioned huge work load has been created as election, liquidation, CBI investigations etc. is going on in the department. Bulk of these cases quasi-judicial proceedings and are decided by the Departmental officers so there should be a provision of one Steno to each of the Assistant Registrars (Rs. 6500-10500) who can take dictation from the Assistant Registrars and provide secretarial help. It is proposed to create 8 new posts of Stenographers in the pay scale of Rs. 4000-6000 to be attached with the Assistant Registrars.

AUDIT UNIT :-

There are about 5300 registered Co-operative Societies covering the interest of more than 11.50 Lac members with a share capital of about Rs. 9378 Lakh and deposits of Rs.5097.91 Lakh. There are 19 Co-operative Banks, 1150 Co-operative T/C Societies 1077 Industrial Societies, about 2088 Co-operative Housing Societies and more than 590 Co-operative Stores etc. There are various issues containing financial aspect of crucial roles, retrospective and prospective financial involvement pertaining to financial audit, Recovery of Govt. dues, Inquiries and inspection where involvement of financial irregularities/embezzlement/ misappropriation of funds etc. of the societies fund have taken places which needs expertise consultancy to examine such issues systematically.

As per provision of Section 60 of the DCS Act' 2003, every Co-operative Societies shall get it accounts audited annually by an auditor selected from the panel prepared by the Registrar in the prescribed manner within the period of ninety days from the date of close of Co-operative year. The Deptt. proposes to strengthen the audit branch by proposing a

senior (Dy. Controller of Accounts) and a middle level financial functionary(AAO) to supervise the audited work. The Dy. Controller of Accounts will work as a financial advisor to the head of the department and will be responsible to examine all the financial matters according to laid down norms, rules and regulations. The AAO will assist the Dy. Controller of Accounts in the supervision of Audit work. There is a need of one Statistical Officer in the audit unit to collect and analyze the financial data to know the trend of its flow and to monitor the progress of audit work and to compile the statistical data regarding Audit of the Co-operative Societies for prospective planning and other staff will assist the Dy. Controller of Accounts, AAO and S.O in discharging the work efficiently. There is also a need of two Statistical Assistants and three LDC in the audit unit.

An outlay of Rs.4.00 lakh is approved for Annual Plan 2007-08.

2. Computerization of RCS Office (EDP Cell)(Rs.8.00 lakh) :-

The Co-operative Department has a comprehensive computerization Action Plan. The office has a computer center and information in respect of 16 aspects of the societies, such as, Elections, audit, membership of management committee etc. is available. The department has the independent and the dynamic website <http://rcs.delhigovt.nic.in> and has the 20 lakh Hinder-data which are to be updated continuously.

Objectives:-

The department is working hard to prepare and renovate the following Software which will facilitate the Department to progress on the smooth basis:-

1. Software for the payroll on the pattern of the State Software has been upgraded and is to be maintained.
2. The software for the Legal/Court branch to upgraded.
3. The software for the dak Movement is to be started.
4. The software for the Arbitration cases is to be broadened.
5. The software for the Recovery cases is to be renovated.
6. Software for the return of the loans given under the plan schemes of the Govt. of Delhi, Centrally Sponsored Schemes of the GOI is to be prepared.
7. Software for the Personnel Management System is to be initiated.
8. The Software for the Document Handling System is to be initiated which includes microfilming and scanning of Records etc.
9. Software for the audit cases of about 5300 co-operative societies is to be initiated.
10. Software for the warrant System is to be initiated for Recovery cases.

Outlay for the financial year 2007-08 will be incurred on salary, hired computer personnel, AMC of wiring, procurement of 100 new PCs and peripherals, AMC of web Applications, AMC of 35 PCs and peripherals, purchase of new tables and chairs for the computer personnel; consumables, Broad band, scanner etc.

Proposed physical Target for Annual plan (2007-08):-

The department has completed the first and the second phase of Computerization. The Deptt. will procure about 100 new PCs and Software, The process is going on for procurement of 19 new PCs and peripherals in the Third Phase of computerization by which each of the 24 zones/sections will be provided with two PCs along with requisite peripherals etc. besides preparing software for different sections of this office during 2007-08.

An outlay of Rs.8.00 lakh is approved for Annual Plan 2007-08.

3. Credit to SC/ST members of Co-operative Societies(Rs.4.00 lakh):-

Objective:-

To help the SC/ST members of the Co-operative Societies coming under the purview of the Delhi Co-operative Societies Act' 2003. The criterions for selecting an SC/ST member of a Co-operative Societies is that the monthly income of the member should not exceed Rs. 5000/- per month per family. The loan permissible for the following purposes is given below:-

S.No	Purpose	Present approved norms since 1999-2000 for income up to Rs. 5,000/- per month/ per family
1	Marriage expenses	20,000
2	Educational expenses	5,000
3	Medical Expenses	5,000
4	Expenses for funeral rites / Birth ceremony	3,000
5	Religious Ceremony	2,000

The rate of interest chargeable is proposed @ 7% . As certain plan schemes in the SC/ST sector(deptt.) offers interest @ 4% to 8% with a provision of subsidy also e.g. in the plan schemes like Financial Assistant to SC/St for self employment (for purchase of CNG three Wheeler) and composite loan scheme for SC/ST etc. The panel rate of interest is proposed to be charged @ 2.75% over and above the normal rate of interest. The repayment of loan will commence after the expiry of one year and loan amount be deposited with RCS office within 5 years. A margin of 0.5% is allowed for this scheme. Each year 10 Co-op. Societies will be given Financial Assistance.

An outlay of Rs.4.00 lakh is approved for Annual Plan 2007-08.

4. Organization of Sehkari Bazaars [Rs.5.00 lakh]

Objective:

To augment the sales of the goods produced by the handloom, handicraft, leather, food and women Cooperative Societies/Federations which are engaged in production of goods and services and consists of weaker sections of the Societies, the Cooperative deptt. has been organizing the Sehkari Bazaar since the year 1994-95

Sehkari bazaars are generally arranged on a piece of vacant land/ground by putting up stalls/counters made of tin sheds with lining of clothing by tent firms. The items of expenditure include advertisement in newspapers, banners, pamphlets, tent/Shamiana tin sheds erection, furniture rent for ground, temporary electricity connection/Generator, security and cleanliness etc.

This department has charged Rs. 1000/- per Society/Federation as participation charges in the Sehkari bazaar held in October, 2006 in its office premises. In all 30 Co-operative Industrial production/ Services Societies/Federations in the field of handloom, handicraft, leather, food, fruit & vegetable sectors constituting of weaker sections of Society participated in the Sehkari Bazaar held in October' 2006. This Bazaar was inaugurated by Sh. Deep Chand Sharma, Chairman of Delhi State Co-op. Housing Finance Corporation Ltd. The societies were allotted stalls for sale of their products and these facilities are availed by the customers of near by offices and localities at their door steps under one mini market(Sehkari Bazaar) . The industrial products exhibited at the sale outlets in sehkari bazaar includes handloom, handicraft, food products, bed covers, bed sheets, pillow covers, durries, cushions, blankets, towels, handkerchiefs, cotton and khadi clothes leather shoes, chappals, school/office bags, crockeries, potteries, candles, achar, murabba, chatni, kiriyana items such as dai, rice soaps, and other household items.

During 2005-06, one sehkari bazaar was held at the premises of Dilli Haat, INA, New Delhi during October, 2005 which registered moderate sale of products.

In Annual Plan 2007-08, it is proposed to organize two sehkari bazaar. It is to propose that participation charges @ Rs. 1000/-per Society/Federation may be fixed irresbe fixed irrespective of the site of the Bazaar as the participating Co-op. Societies/Federations are comprising mainly of weaker sections of the society.

An outlay of Rs.5.00 lakh is approved for the Annual Plan 2007-08.

5. Financial Assistance to Multipurpose Co-operative Societies of Slum dwellers (Rs.2710.00 lakh)

Objectives;-

The assistance will be provided to registered Multipurpose Cooperative Societies for Slum Dwellers organized exclusively from amongst the slum dwellers for their relocation from the existing place or to carry out economic promotional activity at their existing place in areas such as training in household industrial sector, like tailoring, marketing service, self employment activities, preparation of food processing items like Aachar, Muraba, Papad etc. The proposed pattern of financial assistance is given below:

SN	Items	Patterns of Financial Assistance [In Rupees]	Remarks
1	Share Capital Loan	40,000	For each society to carry out economic promotional activity
2	Working Capital Loan	40,000	
3	Managerial Subsidy each year	20,000	
4	Total	1,00,000	In case society is not interested in taking loan under the scheme, it shall be given only managerial subsidy

Looking into the scarcity of land in Delhi, the approach is that the existing policy of horizontal relocation through allotment of plots, be replaced by vertical relocation of slum dwellers in one-room tenements of the 25 sq .mtr. size in four storied buildings to be constructed by DSIIDC or any agency to be nominated by the Govt. The slum and J.3. Deptt. has submitted a list of 41 sites with 16000 and odd jhuggies to the O/o RCS where and owning agencies have paid the relocation charges. On a pilot project basis five joint teams were made. Statistical Assistant of O/o RCS were made conveners of the joint teams. Other members of the joint teams include officials of NDMC, slum and 3.3. Deptt and Food and Civil supplies deptt.

These joint teams have completed the door to door survey for selection of eligible slum dwellers in the J.J.Clusters at :

1. J.J. Colony, Balmiki Basti, Ferozeshah Kotla Road.
2. J.J. Colony, Kirti Nagar
3. Nehru Camp, J.J.Colony, Patparganj, Rajiv Camp, West Winod Nagar, Mayur Vihar, New Delhi
4. J.J. Colony, Sanjay Camp, Railway line, Chanakya Puri, New Delhi

The Registration process proposed for 4 New Multipurpose Coop. Societies have been completed. After successful completion of the registration, the govt. has desired to register societies in all the slum clusters

Only those slum dweller may be made members of the society who are eligible for relocation as per existing policy in this regard. The size of each society will be about 200 •members. So if we take the estimate of Slum and JJ about number of jhuggies in Delhi (about 6 lakh) then we will have to register about 3000 multipurpose societies for slum dwellers. The Gov. of India has also started the Jawaharlal Nehru Urban Renewal Mission which will provide houses to the urban poor and cooperatives will be required to be registered for construction and maintenance of these houses.

Financial Assistance is proposed to be provided to 10 multipurpose Co-operative Societies.

An outlay of Rs.2710.00 lakh is approved for Annual Plan 2007-08(Rs.2.00 lakh under Revenue, Rs.2700.00 lakh under capital and Rs.8.00 lakh under loan).

6. STATE SHARE FOR 5 CENTRALLY SPONSORED SCHEMES UNDER MACRO-MANAGEMENT (Rs.2.00 lakh)

A provision of Rs.2.00 lakh has been made a state share for 5 CSS under macro management during the annual plan 2007-08.

NEW SCHEMES:

7. INTRODUCTION OF PROFESSIONALISM AND USE OF INFORMATION COMMUNICATION TECHNOLOGY IN COOPERATIVE SOCIETIES(Rs.3.00 lakh)

Objectives and Aim

To provide training in Information Communication Technology (ICT) to Cooperative personnels for management of Cooperatives and better efficiency in the management of Cooperative activities.

For induction of professionals and introduction of information technology in Cooperatives. Cooperative Department intends to take following steps:

- a. Professionals need to be inducted in cooperatives at all levels. Absorption of new talent, better training, job satisfaction, promotion opportunities, transfer of service and talent are some of the measures in this regard. Wherever it may not be possible to employ professionals, educated unemployed youth motivated and trained to develop professional approach may be deployed.
- b. To augment the strength of professionally sound managers for cooperatives, all round professional programmes can be taken up on sustained basis.
- c. Cooperatives today need orientation on modern management techniques, appropriate technologies, viability concepts, information about latest developments of the industry, strategies to face the competition, diversification of activities intelligence about international business practices and how to inter weave 'service motive' with sound business sense,
- d. The cooperatives should now increasingly introduce computers and appropriate softwares to handle their operations.
- e. Cooperatives need sound knowledge of management techniques production, material, inventory, marketing, HR.M and other relevant managements, besides management and financial audit. Fund management and managements of banks are other important areas are addition to industrial, processions and non-farm sector cooperatives management.

- f. Nothing contributes so much to managerial, effectiveness as effective, communication. Cooperative must develop a system of effective communication with members and vice-versa on sustained basis. Higher tier cooperatives can develop their websites.

It is proposed to provide Rs. 10.00 lakh to each institute like Delhi State Coop. Training Centre, Colleges of Govt. of Delhi and I.P University and other govt. institutes, as total fee for training of personnels of cooperatives in Information Communication. Technology and starting professional courses on Cooperative Management. A committee will be formed under the chairmanship of the Secy.(Co-op) to select the institute for grant. Annual assessment of work done by the institution will be assessed by that • Committee. Each institute has to train about 100 Co-operative personnel each year. It is also proposed to award annually equivalent to Rs.1.00 lac each to three best Coop. Societies who have achieved full computerization.

An outlay of Rs.3.00 lakh is approved for Annual Plan 2007-08.

8. AWARD FOR CONSERVATION OF NATURAL RESOURCES TO HOUSING SOCIETIES (Rs.1.00 lakh)

Any Cooperative housing society who have made extra ordinary efforts for conservation of energy and water etc. and practices adopted by it are best and required to be adopted by other societies will be given a cash prize of Rs.1.00 lac to a society every year. The selection of the awardees' society will be made by a committee as may be formed by the govt. for this purpose. Before inviting the entries, the committee shall frame the norms of eligibility in this regard.

An outlay of Rs.1.00 lakh is approved for Annual Plan 2007-08.

9. COOPERATIVE IN EMPLOYMENT GENERATION (RS.1.00 LAKH)

The cooperatives have been playing a significant role in generating employment mainly through

- a. Direct employment in their establishments like societies, federations, processing units and education institutions:
- b. Employment through service cooperatives;
- c. By self-employment;
- d. Indirect Employment through cooperatives have diversified their programmes with their entry into every sphere of activity. This has multiplied business volumes and increased the size of the network. In this way. the cooperatives have succeeded in generating employment lor large population by providing them direct employment and opportunities of self-employment. The cooperatives have huge potentials and can generate adequate employment particularly in diversifying their business towards floriculture, herbs growing, tourism, poultry, water supply, education, service cooperaTlvcs, organizing labour, fishery, packaging, transportation and laundry etc. The cooperatives can also create self-employment by organizing service cooperatives like auto-riksha, trainees, pavement sellers, hawkers, medical

practitioners cooperatives, tailoring, communication and maintenance (ICT), taxi, parking cooperatives etc.

It is also proposed to provide grant-in-aid to the Co-op. Societies working in the employment generation activities to initiate and promote the self employment opportunities among the unemployed members of the Co-op. Societies.

An amount of Rs. 1.00 lac as Grant-in-Aid be provided to each of Cooperative Societies engaged in the field of employment generation to recognize their contribution in their fields.

The selection of the Coop. Societies for aid will be done by the screening Committee headed by the Secretary (Cooperation) and other members to be prescribed by the Government.

In each year five Coop. Societies will be given grant-in-aid.

An outlay of Rs.1.00 lakh is approved for Annual Plan 2007-08.

10. COOPERATIVES FOR WOMEN AND YOUTH EMPOWERMENT [RS.1 LAKH]

1. Women Cooperatives

The economic empowerment of women aims at bringing the women in the mainstream and in cooperative sector women need to be empowered in membership, employment, management, administration and decision-making because women are the prime consumers and prime-producers of the cooperative services. Involvement of women in cooperative movement as members would grant them opportunities of decision-making, planning and accessibility to cooperative services. On the other hand women get a self-managed institutional forum for expressing their views on important legislative and administrative policies concerning women. So cooperatives promoted by women will be encouraged.

The cooperatives should devise new programmes and policies, which can attract youth in an effective manner. The cooperative organization means allowing the young to be leaders who can lead today and not just tomorrow. Cooperatives today need leadership, which has dynamic ideas and fresh orientation to meet the future challenges.

The cooperatives should adopt following action-plan:

1. Cooperatives in educational institutions should serve as learning centers for youth so that they imbibe the idea of cooperation and believe in cooperatives spirit;
2. Cooperation organizations should promote and set up cooperatives in schools and colleges;
3. Cooperative federations should undertake publicity and organize workshops;
4. Linkages with mainstream and student cooperatives should be developed
5. Membership in the campus cooperatives has to be made active and entire student community should be part of the cooperative network;

6. Cooperative for sports, physical fitness shall be encouraged.
7. Linkages among campus cooperatives at various levels should be created with a view to facilitate joint purchase systems, business alliances, integration and networking;
8. Curriculum in schools and colleges should include Cooperation as compulsory/optional subject.
9. Starting of income-generating activities for youth.

Financial Assistance to the tune of Rs. 1.00 lac be provided to each Coop. Society engaged in the field of Women & Youth Empowerment. The selection of the society be done through a Selection Committee headed by the Secretary. Cooperation and represented by RCS, Addl RCS/Joint RCS, President Delhi Coop. Union and one Public representative as may be nominated by the Minister.(Cooperation). In each year 5 Coop. Societies will be given Financial Assistance.

An outlay of Rs.1.00 lac is approved for Annual Plan 2007-08.

11. PUBLIC AWARENESS AND COOPERATIVE CONNECTION ABOUT COOPERATIVE MOVEMENT(Rs.1.00 lakh)

For awareness of Public about Cooperative Movement in Delhi, there is a need for publicity of the various provisions of the Delhi Cooperative Societies Act 2003 and its amendments through Audio & Visual media. Following activities are proposed to be organized for public awareness:

1. Notifications regarding certain provisions of the DOS Act 2003 may be published in the daily newspapers in English. Hindi. Punjabi & Urdu languages from time to time.
2. Special training programmes on member control, member participation in Cooperative & Coop. awareness be carried out.
3. Awareness for Elections and Audits of the Cooperatives may be carried out wherever due as per provision of the DCS Act 2003.
4. Seminars, conferences, workshops for strengthening Cooperative Movement will be organized at the village, district and state level.
5. Regular Press advertisements are required about Cooperative Movement in the Newspapers,
Electronic Media may also be used for awareness purpose.
6. To organize and participate in the conferences, meetings, seminars etc. involving cooperatives of other states/countries to acquaint itself, share experiences, adopt best practices of Cooperative Movement.

An outlay of Rs.1.00 lakh is approved for Annual Plan 2007-08.