

II-COOPERATION

The cooperative movement in Delhi started like other States and Union Territories of India with the organization/registration of agricultural credit cooperatives in rural areas. Subsequently, the cooperative movement has made significant progress in the fields of Urban Credit, Housing, Industrial, Consumer Stores etc.

Delhi being a National Capital has a unique characteristic of having magnetic power, which is exhibited by rapid influx of population and vast employment and trade opportunities in the organized and unorganized sector. In Delhi, the character of the Cooperative Movement have changed with development and progress of Mega city. Though there are 5351 registered cooperative societies, yet out of this more than 60% societies are in the Urban Credit, Banking and Housing Sector. Total membership of these societies is over 11 lakhs which covers around 8.1% of the population of Delhi. One of the unique feature of Urban Thrift and Credit movement in Delhi is that their resources cover Rs. 300 crores have been generated by mobilising saving from the members and the rate of recovery is excellent upto 90%. In the recent years, Delhi State Cooperative Bank has also diversified its activities and has opened 27 branches in different parts of the city including rural areas.

In the housing sector, housing cooperatives have played a significant role by providing over 25% dwelling units numbering 2 lakhs which provide shelter to over 10 lakhs people. In order to meet their requirement of long term finance, the Delhi Cooperative Housing Finance Corporation Ltd.(DCHFC) has played a vital role by extending loan facilities of over Rs. 420 crores for construction of over 40743 flats in Delhi. Besides loaning as a part of social commitment, DCHFC has earmarked a sum of Rs.2.50 crores for welfare activities in the Group housing Complexes.

Another important sector is Handloom Cooperatives, where the membership consists of weaker Sections of the society and in order to encourage them, the Delhi Government provided Market Development Assistance (MDA) in the range of Rs. 30 to 40 lakhs annually upto 1999-2000 and in its place a new scheme, "Deen Dayal Hathkargha

Protsahan Yojna” has been launched and is being implemented by the Department of Industry, Govt. of Delhi.

In order to give autonomy to the registered cooperative societies in their working, Govt. of Delhi has prepared a model Cooperative Bill 2001 in consultation with senior cooperators. The Bill has been approved by the government in order to give functional autonomy to the cooperative institutions. The Bill is likely to be passed in the next session of Delhi Assembly.

Since, the cooperative societies are organized for the benefit of members to promote their economic interest through encouraging the habit of thrift and savings among the people, hence, these societies deal with enormous public funds. Therefore, in order to protect the interests of the ordinary members under the Delhi Cooperative Societies Act, 1972, the Registrar, Cooperative Societies, of Delhi has been assigned a vital role of superintendence of the working of the following societies :

S.No.	Category of registered Coop. Societies	As on 30/09/2001
1.	Industrial Cooperative Societies	1042
2.	Labour & Constructions Cooperative Societies	133
3.	Thrift & credit Societies/Banks	1068
4.	Consumer Cooperative Store	581
5.	House Building Societies	148
6.	Group Housing Societies	1940
7.	New Multi-Purpose and Rural Package Societies	439
TOTAL		5351

Financial performance of Cooperation Sector during the Ninth Five Year plan 1997-2002 and Approved outlays for the 10th Five Year Plan 2002-07 & Annual Plan 2002-03 are shown in the following table:-

Tenth plan 2002-07

(Rs. in Lakhs)

S.No	Agency/Department	9 th Plan Approved Outlay	Tentative Expenditure	RE 2001-02	9 th Plan Expd.	10 th plan Approved Outlay	Annual Plan 2002-03 Approved Outlay
1	Cooperation	417.00	189.18	36.0	198.70	300.0	60.0

Keeping in view the growth of registered number of societies and the requirements of Cooperative Societies during the Ninth five Year Plan strategies formulated for the Tenth five Year Plan are given in ensuing paragraphs.

1. The main thrust in Delhi is on the Housing Sector and keeping pace with the needs of its citizens and pressure on land, the concept of Group Housing Coop. Societies have been introduced and about 1940 group housing coop. Societies have been registered. In order to advance loans for construction purposes to the Coop. Societies and the cooperatives on slum dwellers, share capital base of the Delhi Coop. Housing Finance Corporation Ltd., (DCHFC), as an apex level coop, is being strengthened.
2. The overall objective is to strengthen the Coop. Societies under all the categories and also to organise new Coop. Societies.
3. In the rural sector, the strategy is to accelerate the distribution of short term, medium term and long term loans through the Delhi State Coop. Bank to agriculturists for their agricultural operations and also to frame a strategy in the light of the recommendations on the basis of the study of primary Agricultural Credit Coop. Societies being conducted by the National Cooperative Union of India.
4. To encourage women to come forward and form Coop. Societies, separate scheme to provide financial assistance has been formulated.

5. The training as well as educational requirements of office bearers/members of the Coop. Societies and the staff employed by them is being taken care of through cooperative training centre and financed through cooperative education fund.
6. To meet the requirements of consumption loan for the expenses on marriage, education, medical, religious ceremony/of the SC/ST and other weaker sections of the society more funds at reasonable rate of interest are being provided.

Out of 27 C.S.S. of the Department of Agriculture and Cooperation, Govt. of India, five schemes come under the purview of the cooperative sector:-

1. Assistance to cooperative weaker section
2. Assistance to women cooperatives
3. Non- overdue cover schemes
4. Agricultural credit stabilisation fund
5. Special scheme for SC/ST

During Tenth Five Year Plan i.e. from 2002-03 to 2006-07, an amount of Rs.300.00 lakhs has been approved for Cooperation Sector, out of which Rs.60.00 lakhs has been approved for the financial year 2002-03.

The write-up of these schemes is given in the ensuing paragraphs.

1. **Direction And Administration (Stg. of RCS Office)**

(Tenth Five Year Plan 2002-07 Rs.30.00 lacs A.P.- Rs. 6.00 lacs)

As per Sections 60 and 61 of the Delhi Cooperative Societies Act, 1972, the members of the Cooperative Societies have the right to settle the dispute through arbitration. As many as 4906 cases U/s 60 and 61 were received from societies during the year 2000-2001. For want of adequate officers of other Departments/Institutions, retired officers as an Arbitrator are appointed by the Govt. of Delhi. At present, there are 5351 registered Cooperative Societies. In some of the cases, it is observed that officers from other Departments become out of touch due to their pre-assignment with other

departments, so there is likelihood in delaying the cases. Increases in the number of Coop. Societies correspondingly increase the number of disputes under section 60 and 61 of Delhi Cooperative Societies Act 1972. As such, necessity for setting up of an Arbitration Cell is being felt to enable this Department to process and dispose of the arbitration cases efficiently benefiting the petitioner in time. As such, it is proposed to create a separate cell "Arbitration Cell" to handle these cases to provide quick relief to the petitioners with a provision of officers/staff for the year 2001-2002 and 2002-2003.

All the officers of the Cooperative Department viz., Registrar, Joint Registrars, Dy. Registrars and Assistant Registrars besides doing the normal routine work, have also to attend the court cases, arbitration cases etc., U/s. 60 & 61 of D.C.S. Act 1972. There are approximately 4900 arbitration cases received in a year which have to be decided by the Officers of the Department and by the Arbitrators appointed by the Government. Bulk of these cases are decided by the Departmental officers so there should be a provision of one Steno each with the existing 12 Assistant Registrars (Rs. 6500-10500) who can take direction and for secretarial help. As such, it is proposed to create 12 new posts of Stenographers in the pay scale of Rs. 4000-6000 and five new posts of stenographers for Assistant Registrars and Joint Registrars. As such, the total comes to 17.

The registered cooperative societies numbering 5351 are contributing towards share capital/deposits and deposits paid towards allotment of flats and out of this process, there are disputes of different kinds, such as, allotment of sites, land, non-payment of dues, disputes, regarding casualty of staff, membership, recovery, elections etc.

About 200 Court Cases are being defended/ dealt with by this office in the offices, such as, Financial Commissioner's Court, Lower Court, Arbitrators Court, High Court, Consumer Court, Supreme Court etc.

The officers of the Department are heavily preoccupied with the normal duties, and in the event of increasing trend of the disputes pending in the Supreme Court, High Court and other courts, they are attending to these duties also and as such, it has been thought prudent to create a Legal Cell comprising of the following officers: -

Sl. No.	Name of the post	No. of post(s)	Pay Scale
1.	Asstt. Legal Advisor/Law Officer	01	Rs. 6500 - 10,500
2.	Legal Assistant	01	Rs. 5500 – 9000

The Law Officer and the Legal Assistant will be useful in assisting the officers of this Department in attending the court cases. They will also keep a liason in between the legal counsel and the officers of the Department. A.R. Department has already approved for creation of one post of Legal Assistant in the pay scale of Rs. 5500 – 9000 and these are being processed for creation of these two new posts.

With the above justification, it is clear that the following 34 posts are to be created

Sl. No.	Name of the post	Pay scale(in Rs.)	No. of posts.
1.	Joint Registrar	12000 - 16500	1
2.	Asstt. Registrar	6500 -10500	4
3.	Asstt. Legal Advisor/Law Officer	6500 -10500	1
4.	Legal Assistant	5500 - 9000	1
5.	Stenographer	4000 - 6000	17
6.	L.D.C.	3050 - 4590	5
7.	Peon/Messenger	2550 - 3200	5
TOTAL:			----- 34 -----

Under the scheme, provision is included for deputing officers/staff of the Coop. Department to attend various training institutions training fees, organizing seminars/conferences, by the Department with a view to strengthen Coop. movement, research and training.

For running the administrative activities, the expenditure of furniture, stationery, office equipments, telephone, publicity are made from this Head.

During the financial year 2001-02, there was an approved outlay of Rs.6.00 lakhs and the expenditure incurred under this scheme is Rs.2.45 lakhs. An amount of Rs.30.00

lakhs has been approved for the Tenth Five Year Plan i.e. 2002-03 to 2006-07, out of which Rs.6.00 lakhs has been approved for the current financial year 2002-03.

2. Strengthening of EDP Cell (computerisation of of RCS Office)

(Tenth Five Year Plan 2002-07 Rs.125.00 lacs and A.P.2002-03 Rs.25.00 lacs)

At present, in the computer centre, Information of the items, such as, Registration No. , Name of the registered Coop. Societies, address etc. is being gathered and updated. Further information of the C.A., empanelment, their appointment letter, allotment of society to C.A according to their category is updated. Weekly Report, BI-Monthly Report, Annual Report for the MHA, Govt. of India, Annual Publication "Facts & Figures" is prepared on the computer.

This Department is dealing with 5351 registered cooperative societies and Information is to be given to the Ministry of Agriculture, GOI, Ministry of Civil Supplies, Govt. of India, Ministry of Urban Development, GOI, NABARD on urgent basis. The Planning and Statistical Branch has to collect information from different sources, such as, nine different zones of Govt. of Delhi, Delhi State Cooperative union, Delhi State Cooperative Bank, Delhi State Cooperative Training Centre, Delhi Cooperative Housing Finance Corporation. This Department is also bringing out one publication "FACTS & FIGURES". All this requires that the network of the Department in respect of computer may be increased slowly and steadily.

According to the instructions of the Deptt. of Information Technology, Govt. of Delhi, vide their letter dated 3.11.98, the Cooperative Department had prepared a Blue Print Report on computerization of the Cooperative Department in April, 1999 which had been sent to NIC (Delhi Region) and the Deptt. of Information Technology. Thereafter, NIC (Delhi Region) had been asked to prepare a feasibility report on computerization which had been prepared by them and has been submitted to the Cooperative Department in two phases.

As per recommendation of the First Feasibility Report , the hardware has been purchased through NICS. Software is being prepared by NIC. At present there are 16 PCs, 15 UPS, 3 Internet Connection etc. One Web Site has been prepared which is being

updated. UPS Cabling work has been completed and all the new instruments are likely to be started very soon.

In their letter dated 18.8.2001, the Department of Information Technology, Govt. of Delhi has circulated the Government's Information Technology Policy. According to this, the Department of Information Technology has identified nine major public dealing Departments that will go on line by the year 2002. Cooperative Department has been identified as one of these nine departments.

According to the second phase of the Feasibility Report of NIC, the following Instruments of computer are to be procured by this office:-

	P.Cs.	Printers	UPS	Internet Connections	Servers	Web Site
Existing Items	16	14	15	3	1	1
Recommended in 2 nd phase	15	13	14	-	1	-
Total	31	27	29	3	2	1

In the EDP Cell, no EDP post has been created. As per advice of the planning/finance/A.R. Departments, we are getting this work done from the clerical staff and the Statistical Investigators. We are making all our efforts that the statistical staff may not do only the statistical work and also able to handle the computer work. The staff is transferable within a period of three years and no official can be retained for the sake of computer. Therefore, we have already moved the file for creation of five EDP posts as given below:

1. Asstt. Programmer	01	(Rs. 5500-9000)
2. Data Entry Operator Gr. 'C'	01	(Rs. 5000-8000)
3. Data Entry Operator Gr. 'B'	02	(Rs. 4500-7000)
4. Manual Attendant	01	(Rs. 2050-3500)

TOTAL:	05	

We expect that some EDP posts are created and we will be able to work the software as well as the hardware being proposed to be purchased.

During the financial year 2001-02, there was an approved outlay of Rs.20.40 lakh and the expenditure incurred under this scheme is Rs.3.54 lakh. An amount of Rs.125.00 lac has been approved for the Tenth Five Year Plan i.e. 2002-03 to 2007-08 out of which Rs.25.00 lac has been approved for the current financial year 2002-03.

**3. Consumption Credit to SC/ST Members of Co-operative Societies
(Tenth Five Year Plan 2002-07 Rs.50.00 lac and A.P. 2002-03 Rs.10.00 lac)**

This scheme is an on-going State Plan Scheme of the Govt. of NCT of Delhi since the year 1989-90. The objectives of the scheme is to help the SC/ST members of the Thrift & Credit Societies coming under the purview of the Delhi Cooperative Societies Act, 1972.

The eligibility income criteria for selecting an SC/ST member for the benefit of this scheme upto the year 1998-99 was Rs. 2,000/- per month per family. From the year 1999-2000, the criteria for selecting an SC/ST member is Rs. 5,000/- per month per family. The loan permissible for the following purposes has also been raised which is given below:-

S.No	Purpose	Present approved norms since 1999-2000 for income up to Rs. 5,000/- per month.
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
	TOTAL:	35,000

In the beginning of the financial year, the applications of the concerned Thrift & Credit Societies are invited through Advertisements and Sehkari Patrika. The concerned

Zonal Assistant Registrars are directed to inspect whether these T/C Societies/Banks are functional or not, audit of last year has been conducted or not. Ultimately, the applications are sorted out in a Scrutiny Committee under the chairmanship of the Joint Registrar of the Cooperative Department. The income limit of the beneficiary is carefully checked up and adequate proof collected for the purpose by the concerned T/C Societies. The monthly income of the SC/ST member should not exceed Rs. 5,000/- per month per family. The rate of interest in loans is charged as laid down by the Deptt., of Economics Affairs, Ministry of Finance, Govt. of India, vide their letter No. F.6-PD-92 dated 15.6.92 or as may be changed by the Govt. of India from time to time. The rate of interest chargeable is 12.50%. The penal rate of interest is charged @ 2.75 % over the normal rate of interest. The Thrift & Credit Society has to refund the entire amount of loan together with the interest at the above rates to the office of the Registrar, Cooperative Societies, within a period of five years from the date of disbursement to the Society after deducting the margin as allowed. A margin of 0.5% is provided to the society by the Govt. of Delhi in respect of the cooperative loans advanced to them.

The scheme is given wide publicity through advertisements in leading newspapers and in "Sehkari Patrika" of the Delhi State Cooperative Union. The applications received are inspected by the concerned zones of the Cooperative Department and are processed and considered in a Scrutiny Committee Meeting under the Chairmanship of concerned J.R. Thereafter, approval of the Planning/Finance is sought.

During the financial year 2001-02, there was an approved outlay of Rs.10.00 lakhs and no expenditure has been incurred under this scheme. An amount of Rs.50.00 lakhs has been approved for the Tenth Five Year Plan i.e. 2002-03 to 2006-07, out of which Rs.10.00 lakhs has been approved for the current financial year 2002-03.

4. Financial Assistance to Labour and Construction Cooperatives and Weaker Sections (Tenth Five Year Plan 2002-07- Rs.5.00 lacs and A.P. 2002-03 Rs.1.00 lacs)

At present there are 133 registered Labour and Construction Cooperative Societies with over 2000 members. These registered societies are mostly run by the Weaker sections of the Society. With a view to provide self-employment opportunities, it is

proposed to provide financial assistance by way of share capital loan, working loan and subsidy subject to strengthen their financial position.

In order to promote and develop the existing and new cooperative societies to be set up for the weaker sections in the rural and urban areas, the Government proposes to implement the State Plan Scheme for providing financial assistance to weaker section cooperatives to be implemented on project basis. Under the scheme, financial assistance will be provided amongst other to the following existing/new cooperative societies:-

<u>S.No.</u>	<u>Type of the Society</u>
1.	Labour Cooperatives
2.	Leather Cooperatives
3.	Rickshaw Pullers Cooperatives
4.	Washermen's Cooperatives
5.	Cooperatives of Vendors
6.	Multi- professional Cooperatives (comprising persons like barbers, cobblers, blacksmiths, hawkers & washerman and vendors)

As per letter dated 22.6.95 of the Ministry of Agriculture, Govt. of India, the financial pattern had been got approved. According to this financial pattern, the registered cooperative societies coming under the Delhi Cooperative Societies Act, 1972 shall be eligible for the following grant of subsidy as in col. 3 subject to approval of the competent authority:-

<u>S. No.</u>	<u>Item</u>	<u>New Fin. Pattern</u>
1.	Share Capital loan	Rs. 40,000/-
2.	Working Capital Loan	Rs. 40,000/-
3.	Managerial Subsidy	Rs. 20,000/-
TOTAL:		Rs. 1,00,000/-

For the last 3-4 years, no expenditure has been incurred under this scheme since the existing financial pattern is very much less and consequently, there is no response. And as such, a fresh approval of Planning/ Finance Department, Govt. of Delhi has been sought and got approval as in col. 4 for the new financial pattern and we hope to strengthen this scheme.

For the financial year 2001-02, there was an approved outlay of Rs.1.00 lac which has been surrendered since no application has been received. An amount of Rs.5.00 lac has been approved for the Tenth Five Year Plan i.e. 2002-03 to 2006-07, out of which Rs.1.00 lac has been approved for the current financial year 2002-03.

5. Financial Assistance to Primary Consumer Cooperative Stores.

(Tenth Five Year Plan 2002-07 Rs.10.00 lacs and A.P. 2002-03 Rs. 2.00 lacs)

The Government of Delhi is making all out efforts to strengthen the public distribution system of essential commodities through the media of consumer cooperative stores. The State Plan Scheme “Financial Assistance to Primary Consumer Cooperative Store” has been started to cover newly registered consumer stores and the stores which have not been provided financial assistance so far and, are desirous of availing financial assistance. There are about 581 registered primary consumer cooperative stores and 390 Branches working in Delhi

Pattern of assistance will be as under..

S.No.	Item	New Fin. pattern vide GOI letter dt. 13.6.2000
(1)	(2)	(3)
1.	Share Capital loan	Rs. 40,000/-
2.	Working Capital Loan	Rs. 40,000/-
3.	Subsidy for furniture & Fixtures (75% as loan and 25% as subsidy)	--
4.	Managerial Subsidy	Rs. 20,000/-
TOTAL		Rs. 1,00,000/-

The existing financial pattern (Col. 3) had been approved by the Ministry of Consumer Affairs & Public Distribution, vide their letter dated 7.3.91. For the last 3-4 years, no applications had been received in response to this scheme, and, as such, the Cooperative Department made strenuous efforts to revise the upward pattern of financial assistance. And, consequently, this Coop. Department had written to the Ministry of Consumer Affairs & Public Distribution, Govt. of India, on 13.6.2000 and, they have agreed to the views of this Department. The Planning/Finance Departments have also approved new financial pattern on 5.3.2001 (as in col. 4).

Every year, as usual, in the start of the financial year, the applications are invited through advertisement and Sehkari Patrika for seeking financial assistance by the Primary Consumer Cooperative Stores. The reports submitted by the Primary Consumer Cooperative Stores are checked in this Department with respect to audit, election, disciplinary action, present functioning etc. Ultimately, the applications are scrutinized under the Scrutiny Committee under the chairmanship of the Joint Registrar of the Cooperative Department.

During the current financial year 2001-02, there was an approved outlay of Rs.5.60 lakh and since no application has been received, therefore, the amount has been surrendered. An amount of Rs.10.00 lacs has been approved for the Tenth Five Year Plan i.e. 2002-03 to 2006-07, out of which Rs.2.00 lacs has been approved for the current financial year 2002-03.

6. Financial Assistance/ Grant-in aid to Women Cooperative Societies
(Tenth Five Year Plan 2002-07 Rs.25.00 lacs and A.P. 2002-03 Rs. 5.00 lacs)

In order to promote and develop the Registered Cooperative Societies to be organized for women in the rural and urban areas / Existing and new, Cooperative Department proposes to implement the Plan Scheme for providing financial assistance to registered women cooperatives coming under the purview of the Delhi Cooperative Societies Act, 1972. The plan scheme is to be implemented on the project basis. There are about 25 registered women cooperative societies in Delhi.

Assistance will be provided to registered women cooperative Societies (existing/new) organized exclusively for women and carry out economic activities in the areas, such as, schemes/ programmes which aimed at economic development of women through training, production, service programmes, self employment activities, small scale agro-industrial units which may be home based or industrialized, commercial units etc.

The new pattern of financial assistance is given below:-

S.No.	Items	New pattern of financial as approved by GOI letter dt.6/1/98
(1)	(2)	(3)
1.	Share Capital	Rs. 40,000/-
2.	Working Capital	Rs. 40,000/-
3.	Managerial Subsidy	Rs. 20,000/-

		Rs. 1,00,000/-

In the beginning of the financial year, as usual, this scheme is circulated by way of advertisements in the newspapers as well as through 'Sehkari Patrika'. After receipt of the applications in this office, each of the society is examined with respect to audit, election, functioning, disciplinary action etc. Ultimately, all the applications are considered under the Scrutiny Committee under the chairmanship of Joint Registrar, Cooperative Department.

The Women Cooperative Societies/ Federations are weak compared to other registered cooperative societies. They are so weak that if they take loan facility in the existing plan scheme, they are not able to repay the same. In these circumstances, such societies/ Federations have been representing in the Cooperative Department and also in the Cooperative Week inaugurated by the Hon'ble Minister for Development, Govt. of Delhi between the period 14th November, 2001 and 20th November, 2001 they have reiterated that they are not in a position to take loan and the grant-in-aid may be given to them on the pattern as given in other states such as Karnataka/ Gujarat. Some papers of the Karnataka Government had been received and it was observed that such schemes are

being implemented by them. On the same analogy, the Cooperative Department had proposed to launch this new plan scheme as an independent scheme. The Planning Department has suggested that this scheme may be merged in the main scheme with this component. As such, this component has been merged in the main scheme and will be implemented by putting advertisement in the leading newspapers and will also be examined with respect to conduct of elections, audit, functioning etc. The total approved outlay for the two components is Rs.5.00 lacs for the financial year 2002-03 and the appropriate funds will be allocated for this component.

During the financial year 2001-02, there was an approved outlay of Rs.7.00 lacs which has been surrendered since no application has been received. An amount of Rs.25.00 lacs has been approved for the Tenth Five Year Plan i.e. 2002-03 to 2006-07, out of which Rs.5.00 lacs has been approved for the current financial year 2002-03.

7. Market Development Assistance to Leather Cooperatives

(Tenth Five Year Plan 2002-07- Rs.10.00 lacs and A.P. 2002-03 Rs.2.00 lacs)

The main purpose of the scheme is to provide financial assistance to Leather Cooperative Societies linked with performance of such societies in terms of sale of their products. The leather cooperative societies in Delhi are mainly manned by persons belonging to weaker sections of the society. These societies are manufacturing leather goods, such as, shoes, bags etc. Generally, these societies are financially unsound and they require some financial assistance to boost their business. There are 27 leather societies/federations in Delhi.

The norms which have been adopted for eligibility and grant of Market Development Assistance to Leather Societies/federations are given below :-

- i) Must have completed three years and must be working satisfactorily.
- ii) Must not be facing any disciplinary action/inquiry.
- iii) Must have been audited upto the period preceding the year of grant/loan.
- iv) Must have elected representatives.
- v) Must submit Utilization Certificate in support of the last assistance received.
- vi) No disciplinary action going on.

- vii) Past loan, if any, be paid out of MDA/ or otherwise.
- viii) Should not have received MDA continuously for last five years.

In the beginning of the financial year, as usual, this scheme is circulated by way of advertisements in the newspapers as well as through "Sehkari Patrika". After receipt of the applications in this office, each of the society is examined with respect to audit, election, functioning, disciplinary action etc. Ultimately all the applications are considered under the Scrutiny Committee under the Chairmanship of Joint Registrar, Cooperative Department.

An amount of Rs.10.00 lacs has been approved for the Tenth Five Year Plan i.e. 2002-03 to 2006-07, out of which Rs.2.00 lacs has been approved for the current financial year 2002-03.

8. Organization of Sehkari Bazar by the RCS Office and the Cooperative Societies/ Federations (Tenth Five Year Plan - Rs.40.00 lacs and Annual Plan 2002-03 Rs.8.00 lacs)

To augment the sales of goods produced by the Handloom & Handicraft Societies/Federations which consist of the weaker sections of the societies, the Cooperative Department has been organizing the Sehkari bazaars since the year 1994-95 of the 8th five year plan and will continue during 10th five year plan. So far, upto the financial year 2001-2002 up to October 2001, 17 Sehkari Bazars have been held.

Sehkari Bazars are generally arranged on a piece of vacant land/ground by putting up stalls/counters made of tin sheds with lining of the clothing by tent firms. The items for expenditure thereon are as advertisement in newspapers, banner tents/shamianas, rent for ground, pamphlets, temporary electricity connection, security, cleanliness etc.

The Cooperative Department has in mind that these Sehkari Bazars are held on different locations of Delhi such as, Madhuban Chowk, Kidwai Nagar, Raja Garden, Trans-Yamuna area, Pragati Maidan, Bhogal, Parliament Street, etc. This Department is facing difficulty in getting the land at different places and every effort is being made to get

these places for the Sehkari Bazars. However, generally, these Bazars are held in the premises of the office of the Registrar, Cooperative Societies at Parliament Street. The Coop. Department is charging Rs.1000/- per society/ federation, who have participated in Sehkari Bazar for the year 2001-02..

During the financial year 2001-02, there was an approved outlay of Rs.8.00 lacs and the expenditure incurred under this scheme is Rs.2.51 lacs. An amount of Rs.40.00 lacs has been approved for the Tenth Five Year Plan i.e. 2002-03 to 2006-07, out of which Rs.8.00 lacs has been approved for the current financial year 2002-03.

9. Strengthening of Audit Unit

(Tenth Five Year Plan 2002-07- Rs.5.00 lacs and A.P. 2002-03 Rs.1.00 lacs)

There are more than 5351 registered cooperative societies covering interest of more than 10 lakh members with a share capital of Rs.7986.76 lacs and deposits of Rs,150385.00 lacs. This movement has in its ambit 19 cooperative banks, more than 1068 cooperative Thrift & Credit Societies, 1042 Industrial Societies, about 2088 Housing Societies & other stores etc. There are various issues containing financial issues of crucial roles, retrospective and prospective financial involvement pertain to:

1. Financial Audit as per provision of "Section 53" of Delhi Cooperative Societies Act, 1972 has to be carried out every year in respect of all the cooperative societies including cooperative banks. At present, for want of adequate trained staff for auditing of all the societies, the audit work is assigned to chartered accountants which result in loss of Rs. 60 lacs per year to the Government revenue as the fees paid by the societies are paid by them to the Chartered Accountants. As such, the Departmental proposes to strengthen the audit branch of the department proposing a senior financial functionary to supervise the work.
2. Recovery of Govt. dues, the Department is responsible to make recoveries from the societies for out standing loans/share capital/interest and dividend with them and maintain the necessary records for the purpose. The Department has recovered Rs. 1.02 lacs in 1999-2000 and Rs.0.90 lacs in 2000-01 against loan/share capital/interest and dividend. The Department is also responsible for obtaining utilisation certificates

of grant-in-aid released to the parties/societies under various schemes. Still we have to make recovery of approximately Rs.55.47 lacs in March, 2001 the societies as Govt. dues.

3. Recovery Branch: This Department is also responsible to effect recoveries from the members/societies against which awards have been passed under section 61 of Delhi Cooperative Societies Act, 1972 by the Arbitrators and also by the Hon'ble Courts. An amount of Rs. 801.00 lacs was recovered in 1999-2000 and Rs.1016.00 lacs in 2000-01. Further, an amount of Rs.1603.00 lacs is still to be recovered as on March 2000.
4. The Budgetary allocation of Cooperative Department for the year 1998-99 (RE) is Rs. 338 lacs and for the year 1999-2000 is Rs. 383 lacs under Non-plan Scheme besides Rs. 917 lacs for Ninth Five Year Plan under Plan Head of financial assistance to the weaker section of the societies as per provision made in the plan scheme.
5. Inquiries under section 55 and 59 of Delhi Cooperative Societies Act, 1972 where involvement of financial irregularities/ embezzlement/ misappropriation etc. of the societies fund have taken place needs expertise consultancy to examine such issues systematically.

Keeping in view of importance of the said issues, it is proposed that Audit and Recovery Branch/Account functionaries should be strengthened by providing the posts as follows.

Sl. No.	Name of the post	Pay scale(Revised) in Rs.	No. of posts.
1.	Deputy Controller of Accounts	10,000 – 15,200/-	01
2.	Senior Accounts Officer/ Accounts Officer	8,000 – 13,500/-	02
3.	Research Officer	5,500 – 9,000/-	01
4.	Jr. Accounts Officer	5,500 - 9,000/-	10
5.	Stenographer	4,000 - 6,000/-	02
6.	Peon	2550 - 3200/-	03
<u>Total</u>			<u>19</u>

The Dy. Controller of Accounts will work as a Financial Advisor to the Head of Department and will be responsible to examine all the financial matters according to laid down norms, rules and regulations pertaining to the said financial issues, to analyze the financial data to know of trend of its flow, to monitor the progress to streamline function and to evaluate the function for prospective planning and other staff will assist them in discharging the work efficiently and effectively in respect of Financial Audit of the societies, Recovery of Govt. dues, collection of utilization certificates, recoveries from individuals member on behalf of societies pertaining to over 5351 cooperative societies covering interest of more than 11 lacs members.

An amount of Rs.5.00 lacs has been approved for the Tenth Five Year Plan i.e. 2002-03 to 2006-07, out of which Rs.1.00 lacs has been approved for the current financial year 2002-03.