



59TH **ALL INDIA COOPERATIVE WEEK**

14–20 NOVEMBER, 2012

GUIDELINES



NATIONAL COOPERATIVE UNION OF INDIA
3, SIRI INSTITUTIONAL AREA, AUGUST KRANTI MARG
NEW DELHI-110 016

Phones : 26512750, 26861472, 26861988, 26565146, 26568408

Fax : 011-26865350, 011-26863248

E-mail : ncuidel@ndb.vsnl.net.in

Website : www.ncui.net

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Cooperative Enabling Legislation Including Direct Tax Code Bill

Cooperative Legislation

The first legislative attempt to legalise cooperatives on March 25, 1904 began with the enactment of the Cooperative Credit Societies' Act. The scope of which was subsequently enlarged by the more comprehensive Cooperative Societies' Act of 1912. These Acts extend to the whole of British India. After Chemsford reforms in 1919, the cooperation was transferred as State subject, and every state was authorized to enact their own cooperative legislation. In order to administer the operations of cooperative societies where membership was from more than one state, the Government of India enacted an additional cooperative Act called "Multi Unit Cooperative Societies' Act, 1942 which was subsequently, replaced the Multi-State Cooperative Societies' Act, 1984. In the meantime, the govt. continued to hold equity shares in cooperatives and provide them financial and managerial assistance, which resulted in an increased govt. control in the management because the cooperative legislation allowed vast power to the govt. to do so. Consequently cooperative societies raised the demand for legislative reforms that would restore their autonomy and democracy. In response to this demand the Govt. of India set up a committee under chairmanship of Chaudhary Brahma Prakash, which submitted a bill for Model Cooperative Law in 1991. As a result of the continued demand of cooperative movement, the Multi-state Cooperative Societies' Act, 2002 came in effect w.e.f. 19.8.2002 with incorporating some provisions of Model Cooperative Bill. This Act removed some restrictive provisions and provide functional autonomy and democratic management to multi-state cooperative societies only, But Model Cooperative Bill was prepared for multi-state cooperative societies and state cooperative societies both with main trust to give a genuine

character to cooperatives, to facilitate building of an integrated cooperative structure, so as to evolve a cooperative system, make the federal organisations at various levels more responsive and responsible towards their members, to minimize government control and interference to enable cooperators and cooperatives to develop self-reliance and self-confidence with power of decision-making and to eliminate politicalisation. But state govt. did not accept this Act as cooperation is a state subject. Besides, some states introduced parallel cooperative Act in their states. But the objectives of Model Cooperative Bill were not fulfilled, hence the govt. amended the constitution of India on December 22, 2011.

This constitutional amendment (clause 243ZJ) add new directive and principles in states' cooperative legislation stating that the State shall endeavour to promote voluntary formation, autonomous, functioning, democratic control and professionally managed cooperative societies. The amendment is to keep cooperative free of outside interference and to ensure their autonomy. The number of management committee members are not more than 21, providing to reserve one seat for scheduled caste/scheduled tribes and two for women on each board consisting of individuals as members and having members from such class or category of persons. This provision will help in social cohesion among all classes and moral boosting to weaker community. Providing democratic character to cooperatives, no board can be superseded or suspended for more than six months. But a board which has no govt. shares or financial assistance or any guarantee can neither be suspended nor superseded. In case of suspension of a board, the administrator appointed to manage the affairs of such cooperative society shall arrange for conducting elections within the period and handover the management to the elected board. The legislature of state may by law make provisions for the conditions of service of the administrator. This amendment will give more democratic feature to cooperative societies and minimize Govt. control. According to the Vaidyanathan Committee report, the financial system of societies is not upto to the mark. The audit is pending in majority of PACS for more than a year. As the state machinery is involved in conducting audits, those actually conducting audits may not

be professionally trained to audit financial cooperatives. Keeping in view these facts, the section 243ZM in constitutional amendment provided that the legislature of state may by law make provisions for the conditions for auditing of such accounts atleast once in each financial year. The qualifications and experience of auditors and auditing firms should lay downed in the state legislative and audit should be completed within six months after 31 March of every year. This provision will update the account system and improve economic condition of societies and minimize misutilisation of finance in the cooperatives. As per section 243ZP, every society shall file returns within six months of the close of every financial year to the registrar. This clause will help to update the society records timely.

Simultaneously as per Section 25 bill for amendment in Multi-State Societies Cooperative Act, 2002 is also placed before parliament. If application for admission as member is not disposed of within the period 5 months and the decision is not communicated within period of fifteen days of expiry of the aforesaid period. Multi-state Cooperative Society shall be deemed to have made a decision on the date of expiry such period accepting (earlier it was refusing) admission to the applicant. This amendment will strengthen the cooperative principle "Open and Voluntary Membership". It is also provided that administrator shall not admit any new member to such society without the prior approval of the Central Registrar. Section 35, the govt. share which is hold in multi-state cooperative societies shall be redeemable on the face value or book value of shares whichever is higher whereas earlier the shares were redeemed on face value only. This provision is against of cooperative theme and will check the growth and proper functioning of societies, because book value would be calculated on basis of all assets as well as entire property of society, whereas the share money will be returned from floating money or working capital, in case the number of members raise the demand to return their shares the working capital of society will reduce consequently the business of society will be affected due to lack of working capital. Amendment in Section 41 is also important to give representation of weaker section. As per amendment one seat shall be reserved for scheduled castes or scheduled tribes and two seats for women

in the board of multi- state cooperative societies consisting of individuals as members and having members from such class or category of persons.

Amendments proposed in Section 41(A) are also very important whereas multi-state cooperative society is declared sick, the central govt. may on the recommendation of Central Registrar constitute an interim board for maximum period of five years consisting of experts in the field of cooperation, management, finance, accountancy and in other areas relating to such multi-state cooperative society for the purpose of preparing and implementing a such scheme for rehabilitation or revival of society. In view of this section, the amendment in Section 63 of MSCS is proposed to establish a fund to be called the “the Cooperative Rehabilitation and Reconstitution Fund” amount .005 to 0.1 percent of its turnover maximum Rs. 3 crore per year. This section is also sometime against the cooperatives. For example if society is in loss after doing crores of business and turnover in a year how can give rehabilitation fund hence this fund should be linked with profit of society. This fund may be utilized for reviving of sick societies. The central registrar may issue the certificate of recovery and forward it to any other authority for recovery as arrears of land revenue for collecting this fund. Apart of that amendments in number of sections in MSCS Act are proposed for proper functioning.

Cooperatives and Direct Tax Code Bill

The tax structure for cooperative societies including direct tax code bill is also associated with policy and progress of cooperative sector. The cooperative sector mainly means for socio-economic upliftment of weaker sections, therefore the govts. were giving financial and moral support to the cooperative sector since long. The prime aim of cooperatives to provide services to their members and mass who are residing in the area of operation. Simultaneously, the surplus as well as profit gain for improvement and increment in services which are provided by cooperatives. Besides only surplus, which arises out of the mutual help of members does not lead to any profit but is transferred to the reserve fund to further strengthen the capital base for the substance of the cooperative societies and

only small part is distributed as dividend among members. Keeping in view of the above, it can be safely construed that the imposition of tax on cooperatives is not ethical as well as justified and is against the cooperative principles and thrust. The country like India where the poverty is still spreading, the cooperatives may prove as a tools for poverty alleviation and are as relevant today as they were thought at time of introducing cooperative Act, in 1904 and after independence due to which they were given due thrust in five year plans. On the basis of above reasons, it is observed that the existing and proposed direct tax code structure is not helpful to the growth cooperatives and is against a threat for sustainability of the cooperatives. Therefore, it is necessary to introduce suitable tax reform to revive cooperative institutions for public interest so that they can play their role to improve socio-economic conditions of mass with the focus on weaker section. Cooperative federations and successful cooperatives which are in profit they may give financial support to member organizations for revitalization. The existence Tax Act and proposed direct tax code bills which are describing below are not conducive for proper growth of cooperative society.

- (a) provision of existing act
- (b) Direct tax code bill

Provision as per existing Act

Deduction in respect of income of cooperative societies.

80P. (1) Where, in the case of an assessee being a cooperative society, the gross total income includes any income referred to in sub-section(2), there shall be deducted, in accordance with and subject to the provisions of this section, the sums specified in sub-section (2), in computing the total income of the assessee.

(2) The sums referred to in sub-section (1) shall be the following:-

[(a)] in the case of cooperative society engaged in –

- (i) carrying on the business of banking or providing credit facilities to its members

- (ii) a cottage industry
- (iii) the marketing of agricultural produce grown by its members
- (iv) the purchase of agricultural implements, seeds, livestock or other articles intended for agriculture for the purpose of supplying them to its members
- (v) the processing, without the aid of power, of the agricultural produce of its members
- (vi) the collective disposal of the labour of its members
- (vii) fishing or allied activities, that is to say, the catching, curing, processing, preserving, storing or marketing of fish or the purchase of materials and equipment in connection therewith for the purpose of supplying them to its members.

the whole amount of profits and gains of business attributable to any one or more of above mentioned activities :

Provided that in the case of a co-operative society falling under sub-clause (vi) or sub-clause (vii), the rules and bye-laws of the society restrict the voting rights to the following classes of its members, namely:-

- (1) the individuals who contribute their labour or, as the case may be carried on the fishing or allied activities;
- (2) the cooperative credit societies which provide financial assistance to the society;
- (3) the State Government;

[(b)] in the case of a cooperative society, being a primary society engaged in supplying milk, oilseeds, fruits or vegetables raised or grown by its members to –

- (i) a federal cooperative society, being a society engaged in the business of supplying milk, oilseeds, fruits and vegetables as the case may be; or

- (ii) the government or a local authority; or
- (iii) a government company as defined in section 617 of the Companies' Act, 1956 (1 of 1956), or a corporation established by or under a Central, State or Provincial Act (being a company or corporation engaged in supplying milk, oilseeds, fruits or vegetables, as the case may be, to the public),

the whole amount of profits and gains of such business;]

(c) in the case of a cooperative society engaged in activities other than those specified in clause (a) or clause (b) (either independently of, or in addition to, all or any of the activities so specified), so much of its profits and attributable to such activities as does not exceed, -

- (i) where such cooperative society is a consumers' cooperative society less than rupees and
- (ii) in any other case fifty thousand rupees

(d) in respect of any income by way of interest or dividends derived by the co-operative society from its investments with any other cooperative society, the whole of such income;

(e) in respect of any income derived by the cooperative society from the letting of godowns or warehouses for storage, processing or facilitating the marketing of commodities, the whole of such income;

(f) in case of a cooperative society, not being a housing society or an urban consumers' society or a society carrying on transport business or a society engaged in the performance of any manufacturing operations with the aid of power, where the gross total income does not exceed twenty thousand rupees, the amount of any income by way of interest on securities or any income from house property chargeable under section 22.

Deductions of Income of Cooperative Societies as per Direct Code Bill

In connection with tax a Direct Code Bill 2010 is prepared

and submitted for consideration. The cooperative organizations requesting that provisions of Section 80P of the existing Act should be restored in the Direct Code Bill because not only it would safeguard the interests of cooperative societies but it would also serve the purpose of its members and rural masses for best managed financial services to the masses in general. The Direct Code Bill 2010 provide for deductions from cooperative bank and primary cooperative societies as follows :

(A) Deduction of Income of Cooperative Society from Banking Activities

- I. Clause 85 – Deduction of Income of Cooperative society from banking activities
- II. Clause 86 deduction of Income

Clause 85 of the code provides that (1) A person, being a primary cooperative society, shall be allowed a deduction to the extent of profits derived from the business of providing banking, or credit, facility to its members.

(2) In this section “primary agricultural credit society” within the meaning of Part V of the Banking Regulation Act, 1949; or

(b) a “primary cooperative agricultural and rural development bank”, which

- (I) has its area of operation confined to a taluk; and
- (II) is mainly engaged in providing long-term credit for agricultural and rural development activities.

(B) Deduction of Income Primary Cooperative Societies

Clause 86 of the Code provides that (1) A person, being a primary cooperative society, shall be allowed a deduction in respect of the aggregate of the amounts referred to in sub-section (2).

- (2) The amount referred to in sub-section (1) shall be –
 - (a) the amount of profits derived from agriculture or agriculture-related activities; and

- (b) the amount of income derived from any other activity, to the extent it does not exceed one lakh rupees.
- (3) In this section, -
- (a) “agriculture-related activities” means the following activities, namely:-
 - (i) purchase of agricultural implements, seeds, livestock or other articles intended for agriculture for the purpose of supplying them to its members;
 - (ii) the collective disposal of –
 - (A) agricultural produce grown by its members;
 - (B) dairy or poultry, produce by its members and
 - (iii) finishing or allied activities, that is to say, the catching, curing, processing, preserving, storing or marketing of fish or the purchase of material and equipment in connection therewith for the purpose of supplying them to its members;
 - (b) “primary cooperative society” means a cooperative society whose rules and bye-laws restrict the voting rights to individuals engaged in agriculture or agriculture related activities.

Keeping in view the role and responsibility of cooperatives for upliftment of weaker community to restore of tax exemption as provided under the existing section. 80P for all type cooperative organizations including multi-state cooperative societies, hence the modification in clause 85 and 86 of Direct Tax Code Bill should be made. The definition of a Primary Cooperative Agriculture and Rural Development Bank should not confine its scope to taluk only and its objects may also be expanded to cover long- term credit for all allied activities apart from agriculture and rural development activities. Likewise provision in cooperative legislation which are against the growth of cooperatives should be removed and financial and moral support must be given by govts. so that the cooperatives can pay their role in development of the country. It is also same important the cooperatives must improve their working pattern

and serve to community honestly and properly as per cooperative values and thrust. So that they can win the faith of Indian people. The cooperative week is very significant duration to take up plan of activities for positive change in working of cooperatives.

Cooperative Week Action Plan

The prime objectives of cooperative week celebration to introspect the previous activities and chalk out strategies for strengthening the cooperative sectors. The activities/ action points during the cooperative week celebrations play an important role in identifying the problems and issues relating to legislation and tax system in cooperatives and made effort to remove the weaknesses as well as evils for smooth functioning of cooperatives. In view of above the following action plan as well as activities may be undertaken in the cooperative week in this year.

- I. Organise meeting, conference, seminars, forum, symposium, panel discussions etc. on conducive cooperative legislation and taxation, conclusion should be sent to concerned ministry, Govt. of India for consideration.
- II. Launch, campaigns and prepare dialogue or public conversation about weaknesses of cooperative legislation and tax system for awareness among cooperative members.
- III. A group of eminent cooperative leaders meet to concern ministers and give representation for removing sections from legislation and taxation system which are not conducive for cooperatives.
- IV. Organise parliamentarian forum to persuade the matters relating to legislation and taxation.
- V. Organize training programmes for employees and management committee members for understanding key points of cooperative legislation and taxation. ■

15TH NOVEMBER 2012

Inclusive and Equitable Growth through Cooperatives

Introduction:

"Inclusive and Equitable Growth" is the biggest challenge of the nation at present and it is very important to ensure that all segments of the people are part of this growth. To make the growth process more equitable and inclusive, the role of Government, Policy makers and technology are very important while enhancing the productivity and reducing the cost of delivery. India is predominantly an agricultural country and the contribution of national GDP from agriculture is only 16 to 17 percentage and involving around 55 to 58 per cent of population. It indicates that Indian Farmer or rural masses are still a very deprived position. To overcome the inherent weakness, the former President of India – Dr. A.P.J. Kalam suggested that rural areas must be addressed in true sense and he emphasized why cannot Budget of the Government be allotted as per population ratio in rural and urban areas for inclusive growth? When the seed of Cooperation was sown in India with the passage of First Cooperative Societies' Act (1904), since then, the Cooperative Movement has made a rapid strides in all fields of socio-economic activities.

Role of Cooperatives:

Cooperatives are powerful tools for people centred economic empowerment and social transformation. Development in the real sense means resources to the integrated well-being of their particular society and of humanity in general. This is possible only through empowerment and collective organization of people, capitalizing on the People's Power, the power that comes from unity, cooperation, organization and action. It needs economic morality in building inclusive and

equitable growth. Financial inclusion has been identified to make the growth process more equitable and inclusive.

The enactment of the Andhra Pradesh Mutually Aided Cooperative Societies' Act (1995) has been allowed Self-Help Groups (SHGs) to be registered as Cooperative Societies. Now, the state cooperatives have a separate Act for Self-Help Cooperative Societies to govern separately. At the grass root level the SHGs are playing a vital role for human empowerment and focusing on "Social inclusion" in rural India. There are 47.87 lakh SHGs functioning in India and issued Bank Loans of Rs. 31,221.70 crore for them during the year 2010-11.

Further, to improve the economic status of Handloom Weavers Cooperatives, the Ministry of Textiles, Govt. of India financed Rs. 3884 crore to 15000 Weaver Societies under 'Revival Reform and Restructuring Package' during the year 2011-12. In Maharashtra, the Sugar Cooperatives have made significant role for the State economic development by supporting various ancillary activities such as poultry, dairy, irrigation, credit and cultural activities in schools and colleges. In Tamil Nadu, the movement has promoted the Irula Snake Catchers Cooperative Societies for improving the economic status of the members of the Society.

The last Budget for the year 2011-12 was mainly focused to promote the agricultural farmers by way of providing Rs. 4,75,000 crore for agricultural loan and the Banks have asked to step up direct lending for agricultural production. It shows that the rural credit system has been strengthened through agriculture sector which promotes the inclusive growth of 6 lakh villages in rural India.

Strategy to achieve inclusive and equitable growth:

The Dairy Cooperatives particularly AMUL has changed the lives of poverty stricken people. Dairy Cooperative members are ensured a dignified livelihood by getting a reasonable price for their milk produce. We need to strengthen such cooperatives at grass-root level where poverty is concentrated for which the following strategies are to be adopted:-

- Restructure the policies to achieve a new vision
- Focussing on expanding scope of economic growth of members
- Identify the income group gap between agricultural and non-agricultural activities

Conclusion:

The inclusive and equitable growth should show the ultimate results to reduce the poverty and enhance the poor living standards through attractive income.



Strengthening and Promoting Value Addition in Cooperatives

Cooperative organisations as business enterprise need strengthening with suitable mechanism for materializing their members' common economic goals. Adherence to the philosophy, principles of member support and loyalty may not, by itself, ensure adequate growth. In other words healthy development of cooperatives will ultimately be governed by their strength and capabilities to operate in a dynamic market economy with a focus on customers. In case of cooperatives, membership is the focal point.

Theoretically speaking two important factors can be classified to strengthening and promoting value additions in cooperatives : (i) for creating necessary policy framework for growth of cooperatives, and (ii) for maintaining operational efficiency to compete in the market. While policy support services have to flow from government, which is responsible to create a conducive environment for the growth of cooperatives, the operational efficiency and competitive strength are to be built from within through ceaseless efforts for improvement.

Role of Government

The Government has a very important role in strengthening the support services for luring the state protected cooperatives into a vibrant and competitive business system. Some important areas where government's role has to be very positive during the transition period of cooperative are as follows:

- (i) policy development and legislation;
- (ii) leadership and value-based professional management;
- (iii) Trade and business development;

- (iv) women empowerment and gender equality;
- (v) food security and the environment;
- (vi) consumer cooperative development; and
- (vii) other support.

Thus the main objective of government should be to create environment where cooperatives have the opportunity to flourish on their own strength through competition without losing their identity.

Competition and Efficiency

Cooperatives have made no effort to be competitive in the market, unlike their counterpart in private sector. Competition itself is an incentive which motivates any enterprises to be efficient by innovating new strategies, new products and reaching out to new customers. Many times, too much concentration on the needs of members and aspirations also restricts the cooperatives to diversification of cooperative enterprise. Necessary contribution, therefore, have to be created to make cooperatives more open and market-oriented. The need is a clear corporate vision at enterprise level; responsive and participating membership; structural reformation for integrated functioning of cooperatives and professionalism and value orientation in management of cooperatives.

Corporate Vision and Support Services

The role and responsibility of management and shareholders will be defined as an indicator of success identified for effective implementation in cooperatives.

Participatory Membership

The cooperatives should involve member participating in the decision making process. It is also essential that cooperative business operations develop flexibility in giving way to changes in the external environment and peoples' deeds. In otherwords, the strengthening services should enable cooperatives to have built in member commitment and loyalty in

the internal structure and members have access to the decision-making processes.

Need for Organizational Transformation

Organizational transformation is required to enable cooperative institutions to function in market driven economy. Both the internal structure as well as the vertical federal structure of cooperatives should undergo transformation for ensuring their unified and integrated functioning towards their specific business goals. A shift is required from bureaucratic internal organisation to the network organisation by redefining the role of management working processes and systems within a cooperative.

Professionalised and Value-based Management

Some studies have shown that state management of cooperatives, beside being extraordinarily costly, has sapped out values from them. How to meet these challenges is the basic issue confronting the cooperatives. The people, who manage cooperatives, i.e. board members and managers require to imbibe professionalism and cooperative values to be more responsive to the needs of the members. The present situation within the cooperative system is far from satisfactory. There is no strategy among cooperatives for professional and value-based management. Efforts made are only half hearted. A multi-pronged approach having a blend of HRD policy and programmes and reorientation of systems and process within cooperative enterprises, has become necessary particularly in the context of strengthening and promoting value based management.

Communication and Information Systems

Adoption of information technology is an important pre-condition for success of communication systems. The information technology is an important pre-condition for the success of communication systems. Even through, most of the countries have started to adopt modern information technology, they are still to overcome their ingrained cynicism. Effectiveness of this can be determined by the perception, skills and attitudes of those who manage cooperatives.

Member Education and Training

Cooperatives undertake comprehensive programmes for member education in order to facilitate the process of member participation, members involvement and empowerment, and for training of staff and members of boards of directors. NCUI is providing such type of training programmes.

Value added Operations

Cooperatives undertaken value added operation like select and employ appropriate but advanced technologies, and forge forward integration in order to gain competitive advantage in the market place.

Research and Development

Cooperatives establish viable and strong linkages with research and development/extension agencies in the relevant field.

Further, cooperatives strive to become self-reliant, accumulate capital and develop other resources in order to remain free from all external control and directions, openness, ethical, carving and socially-aware institutions. Cooperatives display social concern in their business operation and in their relations with customers, employees and members, and the community at large.

Consolidation and Amalgamation

The integration of business activities in cooperatives could enhance economy of scale. However, this is only possible if the primary cooperatives are strong. The experiences in the Asian countries show that cooperative movements, which have resorted to merger, consolidation and amalgamation at all levels, have become more stable and self-reliant. In some countries the cooperatives shifted from the three-tier to the two-tier cooperative structure and at the same time they merged and consolidated their primary cooperatives. In other counties, they merged and consolidated at the primary and secondary levels where both receive vertical support from the national level. In this structure, the integrated activities are not overlapping as the primary, secondary and tertiary cooperatives have their own defined role.

Conclusion

The development of value-addition in cooperatives will improve the productivity and further opens up possibility of overall development. Cooperatives should adopt basic requirements like, sound and value-based principles, network, better flow of information system, technology, quality control, linkage between credit and marketing, producer's group, farmer clubs etc. and thereby raising income and employment for weaker sections of the society in particular and country as a whole.



17TH NOVEMBER 2012

Promoting Cooperatives in New Areas including Services and Potable Drinking Water

During the chequered history of cooperative movement in India for over 100 years of its existence and in the process emerging as the largest network in the world, it has all along played a pivotal role in the country's economy. It has proved to be a potent weapon of development and a growth engine for all inclusive growth.

Cooperatives' very presence in all sectors of the economy be it agriculture and allied activities, manufacturing and services has made an indelible impact on the socio-economic life of the members who are basically small and marginal farmers, landless labourers, womenfolk, scheduled castes and tribes, other weaker sections of the community like handloom weavers, fishermen, dairy farmers, labour force engaged in agriculture and service sector, educated unemployed youth etc.

There is no denying the fact that cooperatives have played an important role in increasing production and productivity of agricultural crops / produce by timely delivery of credit, fertilisers, seeds, agricultural implements and machinery and host of other inputs at the door steps of the farmers, a gigantic task having few parallels, creation of storage and cold storage capacity, establishment of agro-industries for value addition, rural industrialisation and employment opportunities, distribution of consumer articles in the length and breadth of the country, import and export of agricultural commodities and promotion of non-farm sector like handlooms, fishery, poultry, dairy, sericulture etc. and above all services which is an emerging area for them.

In the last 20 years or so when the country entered into new era of economic reforms triggered due to onslaught of

globalisation, privatisation and free market economy, it has pushed India's growth story and the country charted the path of second fastest growing economy after China. In this growth story, cooperatives have its role tailor made.

Agriculture credit, banking, sugar, housing, marketing and inputs, area development programmes like ICDP, storage are the important areas where cooperatives have excelled. National Bank for Agriculture and Rural development (NABARD), National Cooperative Development Corporation (NCDC) Cooperative Banking and Financing Institutions, Nationalised Banks, Regional Rural Banks etc. provide financial and developmental / promotional support. National Cooperative Union of India (NCUI) has the onerous task of providing education, training and human resource development support.

The global meltdown and its after effects have been felt all over the world. In this situation, cooperatives also faced number of challenges but could withstand them due to strong linkage with the members, its delinking with the global financial system, unshakable belief in cooperative principles and age old tested values. Not only business turnover of cooperatives increased but they generated profit / surplus despite levy of slew of taxes by the Government.

The economic reforms carried out on global scale and in India have thrown challenges to all the sectors i.e. public, private and cooperatives. The need for greater financial discipline, induction of technology, economy of scale, professionalization of management, consumer satisfaction, introduction of innovations, application of ICT and above all meeting development goals keeping super most in mind the common man and underprivileged sections of the society and taking corporate social responsibility to other level is more felt now than ever before.

All this has necessitated into forging of strategic links between public and private, between public, private and cooperatives with a view not only to sustain themselves in the market but for their very survival. Entering into new areas, increasing the business turnover, economies of the scale, reduction in transaction cost and so on have become order of

the day. In this situation, cooperatives cannot afford to remain aloof and oblivious of the ground realities.

Cooperatives have sensed all this and taken steps. They are entering into new activities at all levels and diversifying their traditional base. Even societies at the village level have risen to the occasion. The national level cooperatives, larger cooperatives, multi-state cooperatives are re-engineering their portfolios and forming strategic alliances for venturing into new activities / areas. This is absolutely necessary to face competition from the private / public sector and improve their viability.

The Primary Agriculture Cooperative Societies are widening their activities net and adding new areas in addition to the traditional activities like providing credit, fertiliser, inputs, consumer goods to mobilisation of deposits, opening lockers, giving jewel loans, supplying consumer durables, recharging their loaning portfolios by giving loans for construction of houses, purchase of transport vehicles, start of small business, issue of Kisan Credit Cards, introduction of computerisation, crop insurance, distribution of L.P.G. Some of them are running petrol pumps and departmental stores etc.

Similarly, national level cooperatives like IFFCO, KRIBHCO, NAFED, AMUL have diversified their activities to new areas. IFFCO has entered into insurance, rural telecom, power, commodity exchanges, agri-inputs, consumer goods, food processing industries. They have set up a farm forestry cooperative and IFFCO foundation. Similarly KRIBHCO has diversified into production of seeds, opened Kisan Vikas Trust, is providing free consultancy to farmers, soil and water testing facilities, transfer of technology and so on. NAFED, in addition to its traditional role and acting as canalising agency of import and export of agriculture commodities has also entered into future trading through National Exchanges, is also undertaking joint ventures with State Cooperative Marketing Federations / Marketing Cooperative Societies, has entered in the field of general insurance, manufacture of organic pesticides / fertilisers, bio-fertiliser, development of seeds, consumer marketing, production of inputs, establishment of cold storage, warehousing and processing industries, setting up of oil complex and host of other activities.

AMUL is now producing 200 milk products and the World Bank has advanced them funds of Rs. 15,000 crore for improving the capacity of cooperative dairy industry. Amul brand of products have also received international recognition.

Cooperative Banks have introduced core banking solution, e-banking and ATMs are adhering to Prudential Norms. They are also being accredited and graded as per their performance.

The State Federations are also venturing into new areas.

Cooperative form of enterprise has distinct advantage over others in providing direct, indirect employment opportunities and generating self-employment potential. Employment generation is crucial for economic development and poverty alleviation. Cooperatives are, otherwise, the second largest employer after public sector in India. By 2020, India would be the youngest country in the world as 60% of its population would be in the age bracket of 15 to 35 years. Cooperatives will have to strive to create job opportunities for youth and also self-employment opportunities. The youth can be engaged in various activities in rural and urban areas. Opportunities for skilled, semi-skilled and unskilled workers by providing vocational and entrepreneurship development training and scope for income generating activities, organisation of SHGs can be created. New areas could be tapped by forming security cooperatives, housekeeping cooperatives, technical service cooperatives, taxi operator cooperatives, parking contract cooperatives, sanitation cooperatives, custom clearing cooperatives, ICT cooperatives and so on.

Service sector is progressing by leaps and bounds. Its contribution towards GDP is between 50% to 55%. It promises vast opportunities for cooperatives. Cooperatives can venture into cyber cafes, call centres, BPO, computer education, software, cell phones etc.

NABARD is financing cooperatives in new areas and so are the cooperative financing system, commercial banks etc. While identifying potential of each and every district for cooperative and rural development, NABARD also portrays new

areas / initiatives and gives details of sub-projects which are bankable. This information can be utilised for promotion of projects in new areas.

NCDC has taken a major initiative and entered into the promotion and financing of cooperatives in new areas viz. all types of industrial cooperatives, cottage and village industries, handicrafts / rural crafts etc. and:

Service Societies & New Initiatives

- Agriculture insurance
- Labour cooperatives
- Water conservation works / services
- Irrigation, micro irrigation in rural areas.
- Animal care / health / disease prevention
- Rural sanitation / drainage / sewage systems
- Tourism
- Hospitality
- Transport
- Generation and Distribution of Power by new, non-conventional and renewal sources of energy.
- Rural Housing
- Hospital
- Health Care
- Education

Assistance is provided to existing cooperatives diversifying into new areas or new societies formed for the purpose. The assistance includes activities like business development, infrastructure creation, processing, promotional and developmental programmes, marketing, storage etc. etc. Cooperatively underdeveloped and least developed states receive concessional finance and preferential treatment. An element of subsidy is provided wherever necessary.

The world is grappling with a situation of food security and ill effects of climate change. The GOI is considering the right to food security bill. Food security does not imply only feeding the poor but a complement of programmes like education, women empowerment, health, sanitation and above all provision of clean drinking water. All this has to go together. Unfortunately, there are still a large number of villages in India which do not enjoy the facility of potable drinking water. Programmes are underway to address to this problem. Cooperatives being community centric organisations have to come forward to ensure that potable drinking water reaches to the people. NCDRC has taken initiative in this regard. Under the Corporate Social Responsibility Scheme, the cooperatives are being assisted to ensure the reach of drinking water in their area of operation. Other cooperatives and funding organisations need to follow suit.

Cooperatives should enlarge their area of activities, diversify it and enter into new areas in a big way. Suitable publicity campaign in this regard need to be launched. NCUI should reorient its education and training programmes in such a way that results in development of skill of youth to enable them to enter into new areas and go for tapping of self-employment opportunities.



Professionalisation of Cooperatives

Cooperatives are business organizations with a social purpose. As a business organization, it should attain operational efficiency like any other business enterprise. At the same time, it is an organization designed to function for the economic and social emancipation of its members. Co-operative movement in India is recognized as one of the oldest and biggest movement of its kind which has been contributing in many spheres of development activities.

Cooperatives are expected to become financially self-reliant, operationally viable and democratically managed institutes. The New Economic Policy (NEP), which was initiated in India during the last decade of 20th century, marked the beginning of Liberalization, Privatization and Globalization of the economy. This obviously had direct impact on Cooperatives as they were to face new challenges in the context of open market economy. Further, with the gradual reduction of Government support, co-operatives need to compete vigorously with their business counterparts including private sector for their survival in the market-oriented economy. Hence, professionalisation of Cooperatives has to be given top priority to improve managerial efficiency of the cooperative personnel to meet the emerging needs of cooperative management.

It has been more than two decades after the Indian economy has opened up to the challenges of competition and liberalization. Cooperative enterprises have been exposed to competition thereby reducing the Government support. No doubt, this liberalization process affected strongly to the workings of many cooperatives due to substantial reduction in the subsidies, support and favours from the Government. Though many cooperative organizations suffered setback, the liberalization, privatization and globalization policy gave ample

opportunity to the cooperative sector to work professionally and compete with other private/public organizations for their survival in the market-oriented economy. The cooperative sector should recognize the importance and significance of acquiring an optimum level of management efficiently to withstand pressures and pulls of a liberalized and competitive economy. Once the cooperatives are placed in the hands of the professional members and users will get the better services and naturally the loyalty and confidence of members can be ensured towards the organization. On the other hand, the Board of Directors feel more confident to take up additional activities.

However, to promote professionalisation in cooperatives, cordial and professional relationship between the BOD and the officials are highly essential. Clear-cut division of responsibilities between non-officials and officials should be prescribed in the management of cooperatives. The Policy of the cooperative organizations should create an environment enabling the Board of Directors to give free hands to the professional staff to provide their best services. The quality of governance is the outcome of objective leaders and highly professional management. In this context, capacity building and development of cooperative human resources namely, cooperative members, leaders, board members and employees assume an added significance.

Cooperative movement which started in India in 1904 could not progress as per visualization. It was rightly observed by Sir Edward Maclagan Committee 1915 that the reasons for slow progress was due to lack of enlightened cooperative Membership and trained personnel. As per recommendations of Cooperative Planning Committee, in 1945 Dr. M.S. Swaminathan (1974) training arrangements were made for cooperative personnel and subsequently National Council for Cooperative Training came into existence under the aegis of NCUI in 1976.

The NCCT has been entrusted to take the responsibility for organising, directing, monitoring and evaluating the arrangement of cooperative personnel, through VAMNICOM, Pune (for senior level personnel) and 5 RICMs and 14 ICMs for Middle Level functionaries. VAMNICOM conducts programmes

viz DCBM (Diploma in Cooperative Business Management), MDP (Management Development Programme) and Research and Consultancy. RICMs/ICMs conduct HDCM, Sectoral Diploma Programmes, MDP, Research & Consultancy for user cooperatives.

Training Programmes for Cooperative Personnel are also arranged by C-PEC, Bankers Institute of Rural Development (BIRD), TOPIC Centre (NCDC), Centre for International Cooperative Training in Agricultural Banking (CICTAB), Regional Training Centres (RTC), Agricultural Cooperative Staff Training Institute (ACSTI), Junior Level Training Centres (JLTC), College of Agricultural Banking (CAB), National Centre for Management Development in Agriculture and Rural Development Banking (NCARDB), North Eastern Institute of Banking Management (NEIBM) (Guwahati), Manpower Development and Management Institute (MDMI) (Shillong) and Administrative Staff College of India etc.)

During the week, Cooperatives should adopt the following Action Plan to sensitize all concerned about the need and importance of professionalisation of cooperatives:-

- Organise Sensitization Programmes for the Office Bearers/Board Directors of Cooperatives about the need for professionalisation of cooperative movement.
- Chalk out the action plan to identify training needs of the employees and depute them for training in the appropriate training Institutes.
- Arrange Visit programmes for cooperative leaders/ Board of Directors to professionally managed cooperatives to sensitize and motivate them to follow the same practice.
- Initiate action to modify the Recruitment and Selection Rules by providing ample scope for entry of professionals in the cooperatives.
- Visit to cooperative training Institutes to find out the

details of training programmes being conducted by them.

- Prepare an action plan chart for Human Resource Development for each and every employee.
- Draw a budget plan for training and development of cooperative employees.
- Organise Seminars and Conferences on the topic 'Need for professionalisation of Cooperative Management' to give awareness to all concerned.
- Arrange film/audio-visual shows on successful cooperatives for leaders/office-bearers/Board of Directors/members/employees.



19TH NOVEMBER 2012

Cooperative and Entrepreneurship Day

Modern cooperation has its origins in the principles and values established in early 19th century Britain and which have been interpreted and brought up to date by the International Cooperative Alliance (ICA). These principles have been variously applied in the different fields of practical cooperation. What all cooperatives have in common, however, is that they are owned and controlled by their users and operated in their interests through member and customer-owned companies. The cooperative company is just one of the many institutions by which society organized economic activities in the most practice and efficient way. The main points of departure in a cooperative organization are that membership is voluntary and open to all and that it produces services in the interests of its members.

Today, cooperation has an important social role to play in the organization of economic relations. Whereas originally cooperatives ensured the balance development of the market economy, in our new globalizing world these national, democratically controlled organizations ensure that the economy continues to serve the day-to-day needs of the ordinary people. The cooperative model has also proved useful in organizing other economic activities in society, particularly within the social economy of the third sector between the private and public spheres.

The cooperative form of enterprise is in extensive use throughout the world. It is applied in most market economy countries and to an increasing extent in the newly developing and CEE countries. The cooperative as a distinct form of company is already over a 150-years old. Its birth occurred at a time when the modern market economy was in its infancy and the need arose for an alternative structure than one based on the

ownership of capital – or in modern terminology , a company owned by its members and /or customer owners. Over the years quite substantial commercial and industrial operations have developed on this basis in many countries.

The central principles of a cooperative society are that it is open to all, unlimited in membership and , as an alternative to producing a profit on capital invested, produces benefits in the form of services for its members. The most general goal is to create a force on the market consisting of many small companies working together for the same objectives, and in which the aims and methods are decided upon democratically in advance according to the principle that the benefit of the collectively owned and operated business accrues as evenly as possible to all participants.

A cooperative enterprise also differs in its structure and operating objectives from other companies in the private sector. From the point of view of the operations of the cooperative model, it is essential that all the elements (Members / owners, Member community, Member administration, Business operations, Customers) also function in practice , that their importance is recognized and informed to their main interest groups, and that a certain balance exists between them. This is also as important when a cooperative is forced for some reason or other (mainly in response to pressures from the operating environment) to acquire elements alien to the original model and so create a hybrid model containing different types of companies. In order that the aim of cooperating on a basis other than capital investment should succeed in practice , internationally applicable principles have been developed over the years - largely through trial and error – for the cooperative form of entrepreneurship derived from the Rochdale pioneers . In practice these consist of certain generally accepted guidelines for cooperation in producing member services – rather like the rules of fair play.

Entrepreneurship Cooperatives are a form of organization that can help private sector business, professionals or public bodies to improve their effectiveness through enhancing access to goods and services that otherwise would not have been available. Aside from the direct benefits to members,

Entrepreneur cooperatives can have broad reaching positive effects that can be attributed to the specific organizational characteristics of Entrepreneur cooperatives and the positive impact on that they have on the business of their members. The option of forming Entrepreneur cooperatives should not be discriminated against in any legal, political or economic way. Any promotional strategy for Entrepreneur cooperatives should involve cooperation between government, cooperative administration, cooperatives and MSME apex organizations, as well as MSME promotion agencies. It should encompass both formal and informal training, in order to ensure that they are empowered to have a positive impact within the locality that they operate.



20TH NOVEMBER 2012

Empowerment of Women and Weaker Section through Cooperatives

Abstract

Women have been always considered to be the source of inspiration & strength for the growth of any individual and thus contributing directly or indirectly towards the prosperity of any nation. They are the major participants in the population too.

Women empowerment is a new phase in the vocabulary of gender literature. The phrase is used in two broad senses i.e. general and specific. In a general sense, it refers to empowering women to be self-dependent by providing them access to all the freedoms and opportunities, which they were denied the past only because of their being 'women'. In a specific sense, women empowerment refers to enhancing their position in the power structure of the society.

Many national and international organizations viz. OECD, UNIDO, APEC, UNCTAD etc. are working towards uplifting this sector. The role of cooperatives in the empowerment of women is contested in the Indian context. However, several studies shows that it has provided women the necessary space and support for promoting economic self-reliance, developing self-confidence, overcoming exploitation and taking effective steps towards achieving greater control over their lives.

Basically, This paper focuses towards the "Empowerment of women & weaker section through Cooperatives". How can be the cooperatives help for them and what facilities they can provide to them in all the sectors?

Introduction

The word women empowerment essential means that the women have the power or capacity to regulate their day-to-day lives in the social, political and economic terms— a power which enables them to move from the periphery to the centre stage.

Women are the equal beneficiaries to the advantages offered by technology and the products and process, which are by-product of the technology use. However, it should not be confined to elite group of society but to flow to the other segments of women in Indian society. The study wanted to know about infrastructure (social, economical, educational etc.) available to different segments of the women and social freedom and opportunities in rural and urban areas.

What is Women Empowerment?

Empowerment is now increasingly seen as a process by which the one's without power gain greater control over their lives. This means control over material assets, intellectual resources & ideology. It involves power to power with and power within. Some define empowerment as “a process of awareness and conscientization of capacity building leading to greater participation, effective decision, making power and control leading to transformative action”. This involves ability to get what one wants and to influence others on our concerns.

With reference to women the power relation that has to be involved includes their lives at multiple levels, family, community, market and the state. Importantly it involves at the psychological level women's ability to assert them and this is constructed by the gender roles assigned to her especially in a cultural which resist change like India.

Today where women is working not in a single field but they all are working in different fields like agriculture, aviation, insurance, research except from these women are more enthusiastic to work in fisheries sector. The fisherwomen are those who work as a bread earner in this field. These women are usually just weaving the nets but in current scenario they

also used to sell out the fishes into the market. In which FISHCOPFED plays a major role in providing the social security to them in the form of accident insurance which helps in their future too.

A woman is entitled to live in dignity & in freedom from want and from fear. Empowering women is also an indispensable tool for advancing development and reducing poverty. Empowered women contribute to the health and productivity of whole families and communities and to improve prospects for the next generation.

CURRENT SCENARIO OF WOMEN

Economic and Social Empowerment of Women

Since the beginning of this decade, much has been achieved in empowering women in the economic and social fields. An increasing volume of development financial resources has been devoted to achieving that objective. Consequently, many countries of the region have been able to report increased female literacy and enrolment rates, improved gender equality in education, reduced infant and child mortality rates, declining maternal mortality rates and expanding access to reproductive health services. The participation of women in formal economic activities has also registered a noticeable improvement.

1. *Growing economic participation*

Economic empowerment constitutes one of the fundamental building blocks in efforts towards the overall empowerment of women. Participation in formal economic activities on terms and conditions which reflect the productive capacity of women, and their control over their own incomes, are some of the important dimensions of economic empowerment. Although the increasing work participation of women has been viewed as part of the general employment boom created by the export-led economic expansion, female labour-force participation rates have tended to increase more than those for men in the Asian and Pacific region, suggesting that women's economic participation has been a critical feature of the region's quest for the economic empowerment of women.

2. *Improvements in social development indicators*

Fertility rates have declined in the region, even though the total fertility rate and the average number of children per woman remain high (over four) in several countries in the region. The fertility rates on average remain high in those countries of Asia where female literacy is low and opportunities for outside work participation are limited. It is therefore increasingly accepted that, in addition to reflecting general conditions of economic growth and the availability of both health care and birth control facilities, fertility rates also serve as a proxy for women's general empowerment. This is because these rates are closely linked to the literacy and educational status of women, age at marriage, and other important features of women's status.

3. *Access to technology, including Information Technology*

Promoting access to productive resources and social support systems constitutes one of the fundamental building blocks in efforts to empower women in the region. Access to productive resources such as credit, technology, infrastructure, marketing links and networking facilities can significantly enlarge opportunities for women to engage in formal economic activities and improve their social status. In that regard, promoting access to new and emerging technologies, including information and communication technology, has become a powerful tool for women's empowerment.

Women Education rate in India

In the Vedic period a woman had usually back in the literacy than the men but after independence government has taken various steps to provide education to all women. As a result women's literacy rate has grown over the three decades and the growth of female literacy has in fact been higher than that of male literacy rate. While in 1971 only 22% of Indian women were literate, by the end of 2001 54.16% female were literate. The growth of female literacy rate is 14.87% as compared to 11.72 % of that of male literacy rate.

Gender discrimination still persists in India and lot more

needs to be done in the field of women's education in India. The gap in the male-female literacy rate is just a simple indicator. While the male literary rate is more than 75% according to the 2001 census, the female literacy rate is just 54.16%.

List of Steps taken by Government of India to improve Literacy Rate in India:

- Free education programs to poor people living in villages and towns.
- Setting up of new school and colleges at district and state levels.
- Several committees have been formed to ensure proper utilization of funds allotted to improve literacy rate.

If we compare the percentage of 2011 census then the literacy rate goes higher than before as shown in table below:

Ranking of States in India by Literacy Rate				
<i>(2011 Census)</i>				
Sl. No.	State	Literacy Rate	Male Literacy Rate	Female Literacy Rate
1	2	3	4	5
1	Andaman & Nicobar Islands	86.3%	90.1%	81.8%
2	Andhra Pradesh	67.7%	75.6%	59.7%
3	Arunachal Pradesh	67.0%	73.7%	59.6%
4	Assam	73.2%	78.8%	67.3%
5	Bihar	63.8%	73.5%	53.3%
6	Chandigarh	86.4%	90.5%	81.4%
7	Chattisgarh	71.0%	81.5%	60.6%
8	Dadra & Nagar Haveli	77.7%	86.5%	65.95
9	Daman & Diu	87.1%	91.5%	79.6%
10	Delhi	86.3%	91.0%	80.9%

1	2	3	4	5
11	Goa	87.4%	92.8%	81.8%
12	Gujarat	79.3%	87.2%	70.7%
13	Haryana	76.6%	85.4%	66.8%
14	Himachal Pradesh	83.8%	90.8%	76.6%
15	Jammu & Kashmir	68.7%	78.3%	58.0%
16	Jharkhand	67.6%	78.5%	56.2%
17	Karnataka	75.6%	82.8%	68.1%
18	Kerala	93.9%	96.0%	92.0%
19	Lakshadweep	92.3%	96.1%	88.2%
20	Madhya Pradesh	70.6%	80.5%	60.0%
21	Maharashtra	82.9%	89.8%	75.5%
22	Manipur	79.8%	86.5%	73.2%
23	Meghalaya	75.5%	77.2%	73.8%
24	Mizoram	91.6%	93.7%	89.4%
25	Nagaland	80.1%	83.3%	76.7%
26	Odisha	73.5%	82.4%	64.4%
27	Pondicherry	86.5%	92.1%	81.2%
28	Punjab	76.7%	81.5%	71.3%
29	Rajasthan	67.1%	80.5%	52.7%
30	Sikkim	82.2%	87.3%	76.4%
31	Tamil Nadu	80.3%	86.8%	73.9%
32	Tripura	87.8%	92.2%	83.1%
33	Uttar Pradesh	69.7%	79.2%	59.3%
34	Uttarakhand	79.6%	88.3%	70.7%
35	West Bengal	77.1%	82.7%	71.2%
	India	74.04%	82.14%	65.46%

GOVERNMENT INITIATIVES:

Empowerment of women is the hall mark of the approach of the Government in its development initiatives (social, political and economic). The State Empowerment Policy for women aims at the following objectives:-

- (i) Gender equality.
- (ii) Gender justice.
- (iii) Social security.
- (iv) Elimination of discrimination against women in all walks of life.
- (v) Economic development and integration of women into main stream of economy.

Women Empowerment through Cooperative Challenges and Social Work Interventions

Social work interventions are necessary for confidence building measures, developing leadership force and entrepreneurial skills of women in the cooperative societies. Social workers should try creating a viable space for women as a productive segment of the work-place.

An active participation and representation of women shows a positive interest in the cooperatives and in decision making. Social workers should also try to change the attitudes of women and help them to overcome the existing resistance. This is also important for creating awareness to recognize the value of the women and shows the contribution to the sustainable economic development.

It is necessary to expand networking of support services so that women can get rid of some of their gender imposed roles. A strong and effective women's cooperative movement should be planned to boost the economic upliftment process of the rural/ fisher women and families.

Women Empowerment in Fisheries

The women in fisheries activities carried out so far had

significant importance and have brought about greater awareness. There is now an opportunity to heighten this awareness through exchange of information, sharing of knowledge and results in the compiled form relevant to different countries in Asian, especially for India. FISHCOPFED had organised one workshop on “Empowerment of Fisherwomen” is the step towards identification of key issues affecting women in the Indian fisheries sector and also celebrate the International Year of Cooperatives. Efforts have been made to bring together heads of various organizations concerned involved in fisheries research, education and training development to contribute their experiences on the role of women in fisheries. FISHCOPFED is one of the organizations which serves as important focal points and stimulates further discussions and development of appropriate programs in India. FISHCOPFED stresses the importance of education of women and increase their awareness to various issues in fisheries, provision of credit facilities and the need to develop women friendly technologies. As fisher women play a major role in fish processing and marketing too, apart from supporting their families. In today’s scenario, the membership of Cooperatives affiliated to FISHCOPFED, now has a 19% share for fisherwomen while the rest are fishermen. FISHCOPFED is trying to provide training and education to women fishers of at least 50% of the total membership. FISHCOPFED is doing work on literacy training in collaboration with ICA, NCUI and many other organizations.

Labour Cooperatives and Empowerment of Women and Youth

Concept of cooperation has been accepted as an effective institutional framework to mobilize and organize the workers and other weaker sections of the community. Important segment of labour cooperatives includes to labour contract and construction cooperatives and forest labour cooperatives. There are nearly 39318 labour contract and construction cooperatives and 2723 forest labour cooperatives. The membership of these cooperatives comprises with 26 lakh labourers. These cooperatives have set up 215 District Cooperative Federations and 16 State Level Federations. These cooperatives have

emerged as an alternative system to private labour contracting system which generally exploits labourers who are uneducated and ignorant of their rights and without any bargaining power. Labour Cooperatives by organizing the workers instill in them self reliance, self-help, self-responsibility and collective bargaining power. Unlike trade unions, labour cooperatives build up economic empowerment as a tool for political and social empowerment. Recognizing the importance of such cooperatives, various State Governments are providing a number of concessions in awarding contract for implementing public works. However, their role in dealing with multifarious problems of unorganized labour has been very limited or rather insignificant. Of the total population of 267 millions of labourers in informal sector, the sector of labour cooperatives covers only 25.75 million. Thus major portion of informal sector is yet to be brought under the umbrella of cooperative sector and still remains exposed to exploitation by contractors. Another important dimension of the problem is application of concept of cooperation only to construction and forest labour and leaving other type of workers untouched.

Factors which affect the Success of Women

- Lack of awareness.
- Lack of social & economic empowerment.
- Lack of political will.
- Feebleness of accountability mechanism.
- Lack of enforcement by the police force.
- Lack of gender culture.

To overcome all these, social work intervention are required in the dissemination of information & creation of awareness about the benefits of cooperatives & the important role that these cooperatives can play in improving the social economic status of the people especially the poor women. There is need to encourage the women to join the country's labour force.

Recommendations

- Organize exclusive women cooperative societies in the states.
- Provide office room to each society besides managerial subsidy for the paid Secretary at least for five years.
- Regular Training with stipend may be provided to the members of the women Societies through organizations on cooperative management, capacity building, skill development etc.
- Financial assistance may be given to the women cooperative societies for their development at par with as given to Agricultural cooperatives, SHGs etc. through cooperative banks.
- Loan facility may be given from Govt. or through any funding agency with subsidy to purchase materials.
- Arrange the study tour for women for increasing their knowledge.
- Provide the financial security to the women in the form of insurance through which they can secure their money.

Conclusion

“When women move forward the family moves, the village moves and the nation moves”. It is essential as their thought & their value systems lead the development of a good family, good society & ultimately a good nation. Indian government has taken several steps towards empowering women. Empowerment of women also requires participation and cooperation of men as they benefit by having educated mothers, wives, daughters and sisters. The economic empowerment will allow raising women’s self-awareness, skill development, creative decision making and it may also lead to produce better citizens and a new and modern India.

Women must become literate, as education is beneficial for them as well as their families. The women have to be up to

the mark and educated so that she could fend for herself and her family during the time of crisis. The condition of the women would improve only if they educate themselves through which they can become more powerful than before.

The main stress should be on equal work and elimination of discrimination in employment. One of the basic policy objectives should be universal education of women. The popular UNESCO slogan should come in handy:

**“Educate a man and you educate an individual;
Educate a women and you educate a family”.**



MESSAGE OF THE INTERNATIONAL COOPERATIVE ALLIANCE

**90th ICA International Cooperative Day
18th UN International Day of Cooperatives
7th July 2012**

‘Cooperative Enterprises Build a Better World’

The 2012 International Day of Cooperatives is a day of unusual significance, as 2012 marks the United Nations International Year of Cooperatives. In keeping with that special occasion, the theme for the International Year is also the theme for this International Day: **‘Cooperative Enterprises Build a Better World’**.

The International Year of Cooperatives is the time to tell the cooperative story to a wider audience. It is not only a story of past success of individuals coming together during difficult economic times to leverage their resources, access markets, and restore balance to price negotiations. The resiliency and stability of the cooperative enterprise model is also a message for today.

Cooperatives are a key part of the way forward for the 21st Century economy. In recent years, the world has demonstrated an urgent need for a more diversified global economy.

Cooperatives have the scale to contribute in a much greater way to that diversification. Even today, the Global 300 Report produced by the ICA shows that the 300 largest cooperatives in the world have a combined annual turnover of USD 1.6 trillion, equivalent to the GDP of many large countries. They provide over 100 million jobs worldwide. In Brazil, Russia, India and Africa, some 15% of the population is a member-owner of a cooperative, compared to less than 4% who are shareholders. In Kenya, cooperatives contribute 45% of GDP, while in New Zealand, they contribute 22%. In the United States, 30,000 cooperatives employ two million people, with the largest regularly appearing on Fortune’s ‘100 best places to work’ list.

Cooperatives are value-based enterprises. The cooperative has the greatest degree of participatory governance

of any of the major enterprise models. Because of this member engagement, cooperatives reflect the values of the community. Since their earliest days, they have been concerned with how their goods have been produced and their services delivered. A commitment to sustainability is one of the seven Principles that ICA's members in 100 countries have agreed to define a cooperative.

These Principles-equity, participation and sustainability a come together to make cooperatives vibrant and successful places for decent work. In every sector, from agriculture, fisheries, and forestry to cooperative banking and credit unions, from housing and healthcare to mutual and cooperative insurance, and especially in worker formed cooperatives, cooperatives create decent jobs, enjoy greater trust among consumers and last longer than other forms of enterprise. They are building a better world.

The ICA was established in 1895 to advance the cooperative model. It works with inter-governmental and non-governmental organisations to promote cooperative development; with countries to advocate for a legal and regulatory framework that recognises the unique and specific needs for cooperatives to flourish; and with its members to encourage inter-cooperation.

The ICA calls on all cooperators throughout the world to take the occasion of this special year's International Day of Cooperatives to tell their cooperative story here. These stories can be found at www.stories.coop.

To celebrate International Cooperative Day, the ICA has launched a series of e-Books in collaboration with the Global News Hub to show how 'cooperative enterprises build a better world'. The eBooks will be released in the run-up to the virtual event of Cooperatives United, which is the global culmination event for the International Year of Cooperatives to be held in Manchester in October 2012. Sign up here to receive further information on the virtual event or to book your place in Manchester visit www.manchester2012.coop. In the meantime, download the IYC eBooks www.thenews.coop/virtual to find out the difference cooperatives make - available from 5 July 2012.

