

**IN THE SUPREME COURT OF INDIA
(CRIMINAL APPELLATE JURISDICTION)**

IN

CRIMINAL APPEAL NO(s). 135 OF 2010

IN THE MATTER OF:

BUDHADEV KARMASKAR

Appellant (s)

VERSUS

STATE OF WEST BENGAL

Respondent(s)

AND IN THE MATTER OF:

USHA MULTI-PURPOSE COOPERATIVE SOCIETY

Through

Secretary

12/5, Nilmoni Mitra Street

Kolkata 700006

Impleaded Respondent

**AFFIDAVIT IN RESPONSE TO THIS HON'BLE COURT'S ORDER
DATED 04/05/2011 AS CORRECTED BY THE ORDER DATED
11/05/2011 ON BEHALF OF IMPLEADED RESPONDENT: USHA
MULTIPURPOSE COOPERATIVE SOCIETY**

MOST RESPECTFULLY SHEWETH:

I, Rita Roy, Secretary of the Impleaded Respondent
abovenamed, having its office at 12/5, Nilmoni Mitra Street,
Kolkata 700006, do hereby solemnly affirm and state as under;

1. That I am the Secretary of the Impleaded Respondent and am duly authorized to affirm and swear this affidavit on behalf of the Impleaded Respondent. A copy of the Resolution to this effect passed by the Governing Board of USHA Multipurpose Cooperative Society is being filed herewith as **Annexure R -1**.

2. That the Impleaded Respondent is a Cooperative Society (hereinafter referred to "Respondent Society") registered under the West Bengal Co-operative Societies Act, 1983 (Registration No. 6/Cal of 1995), having its office at 12/5, Nilmoni Mitra Street, Kolkata 700006.

3. That the Respondent Society has been working with sex workers in Kolkata and parts of West Bengal since 1995.

4. That the Respondent Society was impleaded as necessary party in proceedings in Criminal Appeal No. 135 of 2010 by this Honb'le Court by an order dated 04/05/2011, which read as follows:-

"Mr. Pradeep Ghosh, learned amicus curiae informed us that in the Red Light Areas of Kolkata, there are some NGOs and Co-operative Societies like Durbar Mahila Samanwaya Committee and Khush Co-operative Society of the Sex Workers in Kolkata. We direct that they be impleaded as necessary party in this case and service on them be effected through Mr. Tara Chand Sharma, learned Standing Counsel for the State of West Bengal which shall file their response in this case after serving a

copy of the same on the learned amicus curiae. No further delay in filing the response will be tolerated.”

5. That the above mentioned order was corrected on 11/05/2011, as follows:-

“In the second last paragraph of Order dated 04.05.2011 passed by this Court, the words “Khush Co-operative Society” shall be substituted by the words “USHA Multi-purpose Cooperative Society Ltd (Registration No. 6/Cal of 1995) 12/5 Nilmoni Mitra Street, Kolkata 70006.”

“The rest of the Order dated 04.05.2011 shall remain intact”

6. That the Respondent Society was directed by this Honb’le Court to file its response in the present matter in connection with the preparation of scheme for technical/vocational training for sex workers and the manner in which sex workers can be rehabilitated.

7. That the Respondent Society is grateful for the opportunity accorded by this Honb’le Court to present its views on rehabilitation of sex workers, a subject that is of vital interest to it and to the community that it works with.

Brief Background of the Respondent Society

8. That the Respondent Society was formed in response to the economic and social conditions prevailing in Sonagachi, the red light area in Kolkata in the early 1990s.

9. That the sex workers working in Sonagachi did not have access to facilities to save money. They could not open bank accounts without identification and residence proof – documents that their illegal occupation did not allow them to possess. Sex workers also faced humiliation when banks insisted that they bring their ‘husbands’ along. Most sex workers kept their earnings with madams or pimps, who often duped or cheated them. Sex workers were also robbed of money by local *goondas* or extortions by Police. As a result, most sex workers chose not to save and spent the day’s income that day itself.

10. In the absence of savings, sex workers were forced to borrow money to meet unforeseen expenses resulting from illness, marriage or death in the family. Women had to take loans from local money lenders at interest rates as high as 300% or approach chit funds with unfair lending deals. Consequently, sex workers found themselves in deep economic debt and were compelled to engage in risky and unsafe work. Economic desperation exposed sex workers to severe vulnerability and exploitation.

11. With the advent of health services through the Sexual Health and HIV Intervention Programme (hereinafter referred to as “SHIP”) in 1992 led by ‘peers’ from the community, a group of sex workers deliberated on the problem. In order to address economic concerns of sex workers, it was decided that a financial institution be set up exclusively for sex workers. It was agreed that such an agency would

offer easy access and low threshold services to sex workers' while simultaneously ensuring prudent management for financial viability.

12. The Respondent Society - USHA Multipurpose Cooperative Society was established on June 21, 1995 in Kolkata with the aim of providing financial security to sex workers and securing educational and career building opportunities for children of sex workers.

13. The Respondent Society is run by a board of 9 directors, all of whom are sex workers themselves. The directors are elected through a 2 tier electoral system and hold office for a term of 3 years.

14. The Respondent Society has a workforce of 47, of which two-thirds are women employees. Older sex workers and daughters of sex workers are given priority in recruitment.

15. The Respondent Society draws its membership exclusively from sex workers.

16. The Respondent Society presently operates in all the districts of West Bengal. The Respondent Society has set up branch offices in the following towns:- Basirhat and Titagarh in North 24 Parganas district, Siliguri in Darjeeling district, Asansole and Kalna in Burdwan district, Domjur in Howrah district, and Sheorafully in Hooghly district. The Respondent Society has infrastructure in Baruipur in South 24 Parganas, which can be utilized for rehabilitation activities.

Overview of Respondent Society's activities

17. The Respondent Society is primarily involved in: – i) credit and, ii) business operations.

Credit

18. The Respondent Society's micro credit programmes enable sex workers to save in daily collection, monthly income or fixed deposit schemes. The interest rates offered to clients are higher or comparable to the market thus incentivizing savings. Flexible working hours as well as field based deposit and collection facilities make it convenient for sex workers to save part of their earnings.

19. The accumulated capital is made available as loans to sex workers at low interest rates. Poorer sex workers are prioritised for access to loans. The Respondent Society provides easy and flexible loan repayment options that are sensitive to the sex workers' social and financial circumstances.

20. The Rules and Regulations for financial transactions undertaken by the Respondent Society are governed by the West Bengal Co-operative Societies Act, 1983.

Business

21. The Respondent Society undertakes a range of commercial activities. These include:-

(i) Social marketing of condoms, with annual sales of upto 5.4 million pieces of condoms.

(ii) Supply of stationery to different government and non governmental organizations in Kolkata and different parts of West Bengal.

(iii) Travel and tour services including car rentals, air and train ticket bookings, hotel reservations and organization of local tours.

(iv) Marketing sanitary napkins among sex workers, at less than market price. The Respondent Society is also exploring a unit to manufacture sanitary napkins, out of concern for the health and hygiene of sex workers.

(v) Departmental store selling cosmetics to sex workers at Kalighat and at other stores located in red light areas of Kolkata and other districts.

(vi) More recent ventures include kantha embroidery, organic farming and pisciculture. While kantha embroidery is done at Domjur, farming and fish breeding is being pursued at Baruipur. The Government of West Bengal has offered financial aid to the Respondent Society to develop the infrastructure for farming and fish breeding in Baruipur.

Skills training for alternative jobs

22. The Respondent Society also offers training in vocations such as beautician, computer operations, car driving, electrician and carpentry as well as manufacture of sanitary napkins.

Achievements of the Respondent Society

23. The Respondent Society is the largest financial institution in Asia, owned and managed by sex workers.

24. The membership of the Respondent Society has increased steadily over the years, as seen in the table below:

Year	No of Members
1995 - 1996	94
1996-1997	104
1997-1998	214
1998-1999	483
1999-2000	1801
2000-2001	2219
2001-2002	2712
2002-2003	4771
2003-2004	5901
2004-2005	7242
2005-2006	8084
2008	10016
2009	10720
2010	13000
Till June 2011	16228

25. That the Respondent Society offers loans to approximately 4, 000 to 5,000 sex worker members annually.

26. That as a financial institution, the Respondent Society has one of the best recovery rates in the State of West Bengal (>90%).

27. That the Respondent Society has an annual turnover of Rs 11.75 crores and working capital worth Rs 9.25 crores.

28. That the Respondent Society has been a member of the prestigious Federation of National Cooperative Union (the policy making body of cooperative societies in the country) since 1997.

Impact of the Respondent Society's Activities

29. That the Respondent Society has promoted responsible saving and spending habits among sex workers.

30. That the Respondent Society has enabled sex workers to save and create a reserve of earnings to fall back upon in contingency or crisis situations.

31. That the sex workers' dependence on unscrupulous money lenders, loan sharks and other dubious agents has markedly diminished because of the Respondent Society's intervention. The Respondent Society has also reduced indebtedness and economic

bondage among sex workers, due to which they can opt out of or discontinue sex work.

32. That the Respondent Society has encouraged self sufficiency, social security and economic independence among sex workers. This has enabled many to plan rehabilitation and prepare for their old age.

33. That the loans offered by the Respondent Society have enabled sex workers to send their children to schools and colleges. As a result, many children of sex workers are pursuing higher education including graduate degree and diploma, masters and even M-Phil courses. This has helped reduce second generation prostitution.

34. The Respondent Society has helped create alternative jobs for out-of-work and elderly sex workers. Last year alone, the Respondent Society helped 222 such women.

Principles underlying the Respondent Society's work

35. The Respondent Society has been guided by the following principles in its work:-

- (i) Programmers for, of and by sex workers
- (ii) Voluntary membership
- (iii) Democratic participation and self rule
- (iv) Combining benefit and contribution; that is, as sex workers' benefit from economic security they also contribute to the development of the Cooperative Society

(v) Service delivery and capacity building; that is, sex workers learn and grow in the process of managing their money

Respondent Society's suggestions on rehabilitation

36. The Respondent Society believes that social and economic security is indispensable for sex workers and that any rehabilitation programme must address this as priority.

37. The group most in need of rehabilitation is aging and/or out of work sex workers. Interventions for rehabilitation must prioritise this category of sex workers.

38. Besides the individual, rehabilitation programs must also take care of the family. As observed in the borrowing patterns of the Respondent Society's members, sex workers seek loans to meet family needs – children's education, medical treatment of parent(s), building a house or buying land/assets for the family. Therefore, rehabilitation projects must estimate and account for the family as a unit.

39. Skills training must be offered in vocations that sex workers have affinity to and are familiar with, such as personal hygiene, beauty, grooming etc. Technical assistance must be supplemented with marketing and credit support.

40. Vocational training facilities must be located in selected districts where the concentration of sex workers is high. In West Bengal,

Asansole and Kalna (Burdwan), Siliguri (Darjeeling), Domjur (Howrah) and Kolkata are some such sites.

41. Based on its experience, the Respondent Society is of the opinion that in order to make rehabilitation efforts successful, a survey must be carried out to assess the number of sex workers seeking rehabilitation and the needs and preferences thereof.

42. The Respondent Society is willing to assist the State of West Bengal in carrying out the abovementioned survey, if this Hon'ble Court so directs.

43. The Impleaded Respondent craves leave of this Hon'ble Court to file additional affidavits, and documents, if the need arises.

DEPONENT

VERIFICATION

I, Rita Roy, the deponent above-named and the authorised signatory for the Impleaded Respondent above named do hereby state on solemn affirmation that whatever stated hereinabove is true and correct to the best of my knowledge and information, and I believe the same to be true.

Verified at Kolkata on the 14th day of July 2011.

DEPONENT