

# REPORT ON MINORITIES

## VOLUME I



HIGH POWER PANEL  
ON MINORITIES, SCHEDULED CASTES  
SCHEDULED TRIBES & OTHER WEAKER SECTIONS  
MINISTRY OF HOME AFFAIRS  
GOVERNMENT OF INDIA  
NEW DELHI

14th JUNE, 1983

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### PART TWO

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## **PART ONE**





DR. GOPAL SINGH  
CHAIRMAN

(Ph : 698293)

भारत सरकार

गृह मंत्रालय

अल्पसंख्यकों, अनुसूचित जातियों, जनजातियों तथा कमजोर वर्गों  
से सम्बन्धित उच्च-स्तरीय समिति

GOVERNMENT OF INDIA

MINISTRY OF HOME AFFAIRS

High Power Panel on Minorities, S.C., S.T. & Weaker Sections

4th floor, Lok Nayak Bhawan, Khan Market,  
New Delhi-110 003.

June 14, 1983.

Esteemed Home Minister,

I have the honour to present to you our final report on the Minorities of India. Like our Interim Report, submitted to Government on January 31, 1981, this report also, I am glad to say, is unanimous. Three other reports, one each on the Scheduled Castes, Scheduled Tribes and the Other Weaker Sections will be submitted separately as soon as these are finalised.

2. Our work on the present report on the religious minorities of India was as rewarding as it was arduous and complex. While the whole country appreciated that the present Government for the first time in the history of free India had taken such a far-reaching step to bring into being our High Power Panel to see how far the fiscal policies and programmes of the Government, both in the Central and States Sectors, had benefited the minorities, to identify bottlenecks, if any, and to suggest solutions for a breakthrough, we did not realise that the task entrusted to us was so treacherous and time-consuming.

3. No data was available in any public office as to the benefits accruing to the vast religious minorities (now numbering about 120 million) as none were specifically earmarked for them (as they were indeed for the Scheduled Castes and Scheduled Tribes). No data could be made available to us by the Minorities' Commission (established by a previous Government in 1978), which had the necessary authority and the infra-structure to hold such an inquiry. The Universities (including the Muslim Universities) and various social welfare organisations whom we contacted had also no relevant material with them, nor the census reports threw any light whatsoever on the subject of our inquiry. (Even the population figures of the Minorities collected at the 1981 census were not made available to us in spite of our best efforts). Against the employment exchanges, there were bitter and large scale complaints that they did not even register the names of the Minorities, let alone offer them any openings. Distinguished public men and legislators, including Members of Parliament, whom we contacted personally or through correspondence, could not help us out with any factual data, either. Complaints were mostly built on hearsay and emotion rather than hard facts and reasoned arguments. Solutions were suggested to us which would, in our considered opinion, only aggravate the problem.

4. This should give you an idea of what an uphill task we were confronted with. We had, therefore, to look through thousands of employment registers, examination results, lists of licence and quota holders, Bank ledgers, school and

university rolls, administrative records of various Ministries and Departments, etc., basing our calculations mainly on the names entered therein. He had also to evaluate, after inquiry on the ground, the actual benefits accruing to the minorities in various policies and programmes of the Government, to bring them either technical training for self-employment or Bank loans or subsidies for industrial activity, supply of raw materials to the small sector industries and the disposal of their end-products, etc.

5. We could not obviously cover the whole of India in a period of three years in regard to the Government's multi-pronged attack on poverty, unemployment and under-employment, housing, distribution of land, fair wage Acts and their implementation, the condition of landless labourers and marginal farmers, etc., but we did manage to cover over 80 districts (out of 500) to study the situation on the ground so as to cover as many facets of economic activity in relation to the minorities as possible, and to see if the claims made through Government statistics were justified by actual facts.

6. We must here, however, thank the numerous dignitaries of the State—Ministers, officials, and other public servants—throughout the country for the very sympathetic and ungrudging cooperation they gave us in our inquiry. I must also thank my own esteemed colleagues on the Panel with their varied and rich experience of public life besides our hard-working staff for their whole-hearted cooperation in this onerous task. But for this, we would have not been able to cover the ground as extensively and as fruitfully as we have. The large private sector undertakings, after some initial hesitation, also offered their full cooperation in submitting the data in regard to the private industry under their "kind" control and management.

7. Though we were charged with the task only of determining the extent to which the minorities and the Weaker Sections had benefited from the economic policies and programmes of the Government in free India, we could not ignore the over-all conditions of poverty and distress, especially among those who lived below the poverty line and whose number is estimated at between 40 to 60 per cent according to various estimates. We could not therefore distinguish between the "majority" poverty and the "minority" poverty. A poor person is a poor person, no matter what his or her religion or caste. The state must help out all the poor of the land simultaneously, and not discriminate in favour only of the minorities in the removal even of poverty. Unfortunately, and to our dismay, however, we soon realised that as it is the Government's policy (as it should be) to raise the status of the poorest of the poor, among whom, unfortunately, the Minorities and the other Weaker Sections (like the Scheduled Castes and the Scheduled Tribes) formed an overwhelming part, we were thus attacking the general poverty as such, in the whole nation, and not merely out to single out the minorities, etc., for a special treatment.

8. Another factor also has to be borne in mind. The Minorities and the other Weaker Sections on the one hand constitute the majority of those below the poverty line, and on the other contribute substantially to the economic well-being of the nation. As handicrafters, weavers, leather dressers and small manufacturers, who are mostly Muslims or the Scheduled Castes, they account for nearly 25% of our exports and nearly 60% of the domestic producers. As labourers and factory workers, they constitute the overwhelming mass. The hygienic conditions obtaining in the country and town owe exclusively to their carting away all our dirt and refuse. The Sikhs have proved not only their

valour on the battlefield, but also become the broadbasket of India. The Christians have offered this nation atleast 20% of all our health and educational facilities at their own cost. And the industrial enterprise of the Parsis is too well known to recapitulate here. Thus, while demanding equitable treatment and justice for them and the other weaker Sections, we are not asking for doles or undue favours for an indolent, lazy, good-for-nothing section of our society, but a very vital force whose potential if fully utilised could transform this nation. These minorities have also a history of adventure and glory behind them. This must be utilised for the nation's good.

9. We are also aware that the problems even among the minorities are not similar or the same. The Muslims suffer from one kind of handicap, the Christians and Sikhs from another. Hence, we have studied their problems both together and separately. In the field of education and public employment, the Muslim for example suffer from peculiar maladies. One thing however is common to all Indians. They refuse to take advantage even of the free primary education. The drop-out rate of the minorities at the primary level (over 70%) compares "favourably" with the rest of the people. And, yet due to their very inadequate percentage at the University level (both general and technical) brings in its train their very inadequate representation in the higher echelons of public services as well. Their reluctance to educate their womenfolk also is a very vital handicap in lowering their percentage in education and public employment. Something massive, both at the Government and private levels, will have to be attempted, therefore, to rectify this lacuna as early as possible, not only in the interest of the Muslims (who form about 11% of our population) but in the national interest.

10. We have however resisted the temptation in asking for reservation for them at the higher levels, though we fail to see why they and the other minorities should not have an adequate share in the Class III and IV services (including Police and para-military services with which their very security of life and property is involved). Also, that we should do everything possible to initiate special coaching courses for competitive examinations for them and also make reservations in technical and professional colleges, to offer the ablest among their poor a large number of scholarships and to offer them seats in public schools, free of charge, on the basis of merit and poverty. Thus, we have tackled this problem, which is agitating the Muslim minority acutely, from a national angle, and not from a communal or partisan one.

11. The Sikhs suffered colossal losses due to the Partition of the country. Half their numbers were rendered destitute, and thrown literally on the streets. Yet, they have by their gruelling and hard effort, added massively by Government in bringing irrigation and power facilities to the deficit Punjab and the knowledge of new seeds and technology brought to them by our agricultural universities, brought about a green revolution in the country. But, the green revolution has exhausted its potentialities, and either more land has to be brought under the plough through more irrigation facilities or heavy industry (especially agro-based) is to be installed in the Punjab (where they constitute the majority) of which they have received only 2% of the nation's share. They do not want reservation in services or in other economic concessions: just fairplay, equality before the law, and no curbing of their initiative for extraneous reasons. We are sure, such a vital section of our society will not be given any opportunity to nurse a grievance on this score, nor would they communalise purely economic issues to their own detriment or the nation's.



12. The Christians and the neo-Buddhists need the same kind of concessions for their converts from the Scheduled Castes as are offered to the Hindus and Sikhs. And, their plea, we've recommended, should be heeded with utmost sympathy. They too suffer from the same economic handicaps and social neglect and isolation as the Hindu Scheduled Castes, as is amply illustrated by us in our report elsewhere. The Parsis being too small in numbers need our special sympathy and support. The affluence of one or two big houses among them should not be mistaken for their general well-being at present.

13. We are aware that the Government, due to paucity of resources, cannot embark upon the programmes of massive education or employment so as to cover everyone in the near future. In this situation, it becomes imperative for Government atleast to encourage the Minorities' own endeavours in this behalf. It is tragic that certain well-endowed and equipped minority medical or engineering colleges, (the 15-year old St. John's Medical College at Bangalore is a classic example) or technical institutes were not recognised by Government for one reason or another, or land or funds or a certificate of incorporation denied to them. Even Muslim Wakf properties were not got released from illegal occupation, and expropriation, nor laws passed to frustrate their misuse so that their vast incomes could be utilised for promoting education among the Muslims. This is contrary to both the letter and the spirit of our Constitution. And why not allow the Minorities to start their own Banks to help out their own constituencies, when these are anyhow to function, under the direction and control of the Reserve Bank of India?

14. Why there is such a heavy drop-out and colossal sums of the nation are being wasted on University education of a kind which neither brings employment nor culture to the students and even makes the teachers a laughing stock of the world is a mystery to us. If the system is bad or inadequate (from the primary level right upto the University level), we must scrap it, or amend it. But we should not criticise it and also continue with it for generations. We would land in a worse moral, economic and political crisis in a decade, if we do not act in this matter with determination and farsightedness here and now. We have made several recommendations in this behalf.

15. What is more, the sense of discrimination now prevailing among the Minorities must be eliminated, root and branch, if we want the minorities to form an effective part of the mainstream. For this, two things are absolutely necessary. Wherever the Government has to make appointments through nominations, as in the case of governing bodies of Banks and other Public undertakings, utmost care should be taken to have a fair number of the minorities representatives, especially at the decision-making levels. Similarly, every recruiting agency or Services Commission must have an adequate number of their representatives so that the sense of discrimination now prevailing may end. And, what is there to stop the Government from appointing more High Court Judges, University Vice-Chancellors, etc., from among the minorities throughout India and not only where they are more concentrated. Here merit and integrity should be the criterion, not numbers or political pull.

16. Government has indeed initiated many worthwhile schemes for the uplift of the poor, including the poor among the minorities. We have discussed all of them at length. But while the schemes are highly commendable, their implementation leaves much to be desired. The deserving among the poor are not identified properly. A good deal of pull and corruption at all levels frustrates the schemes in every detail. Worthless animals or birds are selected for distribution. No medical care is provided nor any proper thought given to the

disposal of the products. There is no monitoring of the benefits. Loans are disbursed, but only one-third to one-half reaches the beneficiaries, and that too after a long and frustrating wait. The number of recipients of Bank and other loans and subsidies sometimes seems highly impressive, but the amounts advanced to them are so meagre as to make the whole scheme look ridiculous. Allocations and disbursements of funds seem alright on paper, but fail to create the impact which is intended by the Government due to the reasons we have amply illustrated in our report.

17. In the case of handicrafts and small-scale industries (which account for 45% of the country, industrial production and in which the minorities are largely involved), the same story is repeated. Bank and other institutional loans are tardy and meagre, the procedures time-consuming and frustrating. The demand for security even for small sums negatives the purpose behind the loans. Why not take the group surety or better still the security of the goods or machinery purchased with the sum? Why must we insist on margin money which the poor man cannot raise? What is even worse, the raw materials and sale outlets in this small sector are all in the hands of middlemen and even cooperatives set up by and for the small-scale industries (as in the case of handloom yarn) do not deal directly with the users, but only through middlemen. The benefit of even the small and cottage industry and exquisite workmanship of artisans (which, as we have pointed out earlier, account for roughly 25% of our exports) falls into the hands only of the middlemen. In fact, India's industrial advance at every level has benefited mostly the middlemen, brokers and go-betweens and not the producers. As the minorities are engaged in these sectors on a very large scale, we have made strong recommendations to end this distressing state of affairs. If acted upon in all earnestness and good faith, it will bring succour, economic independence and security to millions.

18. As for artisans and landless labourers (mostly belonging to the minorities or the Scheduled Castes) and others who have nothing but their manual labour to sell, the non-implementation of Minimum Wages Act all over the country is a crying shame. With one massive effort, these people who are being miserably exploited either by the landed gentry or the middlemen, could be enabled to cross the poverty line. Again, while the "unclean" and most arduous jobs are reserved by fate and custom to the minorities and the Scheduled Castes (as in the case of leather for instance—a highly profitable export-oriented industry whose scope within the country is also ever-expanding) the production and sale is the near monopoly of the others. Why couldn't this anomaly be rectified? Again, certain industries could be reserved for minorities and the Scheduled Castes which have traditionally been their preserve. It would also be in the fitness of things if that which can be made with the hands should be taken out of the competitive process of mills and factories to open up millions of new opportunities for the poor among the Minorities and the Weaker Sections.

19. And, while distributing surplus land we have strongly recommended that no preference should be exercised in favour of any caste or community. Poverty should be the main and the only criterion. Thus, the minorities too will have shared the benefits of land distribution. A similar criterion should be applied for the distribution of house-sites and flats, shops and other concessions, like licences for petrol pumps, cooking gas distribution, transport, fair price shops and so on. If we are not recommending reservation for these numerous and profitable outlets, we have also recommended that all such allocations should be on a "Just and equitable" basis. We trust the Government would see to it that full justice is done to all the Minorities in this behalf.

20. Unfortunately, a great psychological barrier exists today between the majority and the minorities. Some religions are considered "extra-territorial" not only by the masses but also by some of our state Governments. Laws have been passed in a north-eastern state to encourage the building of places of worship only of "indigenous" religions, whatever the word might mean. Elsewhere, Acts were passed virtually aimed at depriving the minorities from exercising their constitutional right of religious propagation. Riots have taken place over small-scale conversions, and the communal elements had a field day to emit venom about the minority religions and cultures. History, as written by the foreigners and still taught to us in our schools and even at the Universities divides us more than makes of us a cohesive nation. It is not even a true or faithful history but just a selective one, out to malign millions of our co-citizens whose only fault is that they own the same religion as did some occasional invaders or bigots who ruled over us centuries ago. Pakistan is quoted always against the Muslims. Also that they are growing faster than the others, which as we have shown elsewhere through statistics is not a fact. That they have migrated in large numbers from Bangladesh to swamp Assam, since independence is also a travesty of truth. (Only 27,000 of them came between 1961 to 1977, the rest were all Bengali-speaking Hindus). The Sikh contribution to India's freedom is hardly, if ever mentioned, let alone that of the Muslims. The Government should come down heavily upon the newspapers, book publishers and writers, public speakers and communal leaders, who spread this poison throughout the country, day in and day out. They should also get the history books revised by unbiased experts who would place all past events in their proper perspective. If the minds of the masses as well as the elite (including the bureaucrats) continue to be inflamed against particular communities on this account, we cannot expect them to integrate emotionally with the nation. They will also continue to nurse a permanent grievance against the majority. In this, the Government media like the Radio and T.V., etc., could make a powerful impact. In this connection, we have also emphasised especially the simplification of our national language, Hindi and the more opportunities for the use and growth of Urdu and Punjabi which, though languages common to all communities in the regions where they are spoken extensively, have unfortunately been identified with the Muslims and the Sikhs respectively, due to causes into which we need not go here.

21. We are deeply conscious of the fact that it was the mature and enlightened leadership of this great country which, in spite of our Partition on the basis of religion, evolved a secular and democratic constitution, assuring equal opportunity to all. In matters of political participation the minorities are fully represented in Parliament, state legislatures, cabinets and other political organs. But, unless a permanent and constitutional machinery is brought into being to go into and redress their day-to-day economic and cultural grievances, their minds will not be settled and even economic and cultural issues will continue to be communalised as at present. Occasional inquiries (like ours) or a Cell in the Home Ministry, however well-intentioned, will not be of much help in redressing the day-to-day grievances of the Minorities and in monitoring the benefits which the far-sighted leadership of this country is seeking desparately to reach them. Hence, we have recommended that either a High-Power Commission for Minorities and the Weaker Sections (with suitable statutory powers) be brought into being and all existing commissions, commissioner, etc., in this behalf abolished to avoid confusion and duplication, or a Ministry for the Minorities and the Weaker Sections both at the Centre and the States be constituted forthwith to deal with the problems of the Minorities as they arise from time to time and also to implement the recommendations make by us in this and the subsequent reports. At present no data is available to determine from time to time

the conditions of the various minorities. The Census operations conducted every ten years can and should be utilised for this purpose. The fear that this may perpetuate the feeling of majority and minority is erroneous. The more we deal with the problems in a straight-forward and direct manner, facing the reality as it is rather than living in a dream-world of our own, the more we shall make it the vested interest of the minorities to become an inseparable part of the mainstream. And let us remember that in dealing fairly with the Minorities and the Weaker Sections, we are fruitfully tackling the problems of over sixty per cent of our population. The religious minorities alone account for nearly one-fifth of our nation. In this context, we have drawn much hope and inspiration from the Congress (I) Manifesto of 1980, and the recent communication of the Hon'ble Prime Minister addressed to the Chief Ministers of the States and the Ministers of the Central Government, to do full justice to the Minorities. Most of these recommendations were included in our Interim Report and are repeated in this report as well.

22. As we have high hopes on our progressive Government and the totally secular and democratic outlook of its leadership under the much-esteemed Mrs. Indira Gandhi, we trust our very balanced and workable recommendations (which call for no change in the Constitution) will be accepted in full, and in the spirit in which they are made.

With kindest regards,

Yours Sincerely,

Sd/-

(DR. GOPAL SINGH)

The Hon'ble Shri P. C. Sethi,  
Minister for Home Affairs,  
Government of India,  
New Delhi.



## CHAPTER I

### INTRODUCTION

The Government of India constituted a High Power Panel on May 10, 1980, with the Hon'ble Dr. V. A. Seyid Mohammad, former Union Minister of State for Law as its first Chairman and the following persons as its Members :—

- (1) Dr. Gopal Singh, former M.P. and Ambassador of India.
- (2) Dr. L. Bullayya, former Vice-Chancellor, Andhra University.
- (3) Shri Hokishe Sema, former Chief Minister of Nagaland.
- (4) Shri Arvind Netam, M.P. (former Union Deputy Minister of Social Welfare).
- (5) Prof. N. C. Parashar, M.P.
- (6) Shri I. D. Jawahar Raj, Advocate.
- (7) Shri Khurshid Alam Khan, M.P., Member-Secretary.

Subsequently, Shri M. P. Srivastava, a senior officer in the Ministry of Home Affairs, was appointed Joint Secretary in the Panel.

2. The following terms of reference were laid down *vide* Government Resolution No. 3/4/A/80-CHC, dated the 10th May, 1980, as notified in the Government of India Gazette :—

“A feeling persists that the benefits of the various fiscal policies of Governments, both Union and States, do not really reach the minorities, scheduled castes, scheduled tribes and other weaker sections of the society. The Government of India attaches the highest importance that incentives, facilities and other encouragements, entitlements like licences, quotas, loans etc. are fully availed of by them, in order to improve their economic condition.

2. The Government of India has, therefore, resolved to set up a High Power Panel to go into the whole question and make recommendation.
3. The High Power Panel will be entrusted with the following functions :—
  - (i) To ascertain if the benefits of various fiscal policies of Government, both Union and States, really reach the minorities, scheduled castes, scheduled tribes and other weaker sections of society;

- (ii) To identify the constraints or bottlenecks whereby incentives, facilities and other encouragements are not being fully availed of by them;
- (iii) To suggest ways and means by which the benefits of various fiscal policies, incentives, facilities and other encouragements reach them;
- (iv) To make recommendations with regard to other allied matters.

4. The headquarters of the Panel will be located at Delhi.
5. The Panel will devise its own procedures in the discharge of its functions. All the Ministries and Departments of the Government of India will furnish such information and documents and provide such assistance as may be required by the Panel. The Government of India trusts that the State Governments and Union Territory Administrations and others concerned will extend their fullest cooperation and assistance to the Panel.”

3. The Hon'ble Dr. V. A. Seyid Mohammad, resigned in early September, 1980, to take over as India's High Commissioner in London and Dr. Gopal Singh was appointed as Chairman on September 26, 1980. After Mr. Khurshid Alam Khan was appointed Minister of State, in the Ministry of Commerce, Government of India, his place was taken over on 28th November, 1980 by Dr. Rafiq Zakaria, M.P., a former Revenue Minister, Government of Maharashtra, as the Member-Secretary. Shri Hokishe Sema, who has been a Member of the Panel since its inception, resigned on 16th April, 1983 on his appointment as Governor of Himachal Pradesh. At the time of making this report, the following are the Members of the High Power Panel :—

1. Dr. Gopal Singh, Chairman.
2. Dr. Rafiq Zakaria, M.P. Member-Secretary.
3. Dr. L. Bullayya, former Vice-Chancellor, Andhra University.
4. Shri Arvind Netam, M.P. (former Union Deputy Minister for Social Welfare).
5. Prof. N. C. Parashar, M.P.
6. Shri I. D. Jawahar Raj, Advocate.
7. Shri J. Leon D'Souza, M.P. (former Mayor of Bombay).

8. Shri L. R. Naik, ex-M.P., and former Member, Backward Classes Commission.
9. Smt. Aloo J. Chibber, M.L.C., Maharashtra.
10. Ven'ble Lama Lobzang, Director, Ladakh Budha Vihar.

4. The Panel was inaugurated by the Union Home Minister, Hon'ble Giani Zail Singh on 26th May, 1980 in the meeting hall of the Parliament House Annexe, which was attended by Cabinet Ministers, Members of the Planning Commission, Secretaries to the Government of India and other concerned officials.

It took some time for us to get the necessary sanction of the staff and the office accommodation. By the end of August, 1980, however, some accommodation was made available to us in the Lok Nayak Bhavan and we were given some skeleton staff to start with. We, therefore, began the work of the Panel from September, 1980. Since then the Panel has held 25 meetings in which we deliberated upon the various policy aspects and analysed the results of the field studies undertaken by our research teams.

5. As is well known, India is the second largest country in the world in terms of population, which stands, according to the latest Census\* (1981) at 658.14 millions. All the major religions of the world find a place in this country. There was adequate appreciation of this fact in the minds of the framers of our Constitution, who felt that safeguards would be required to be built into the Constitution to protect the legitimate rights of the religious minorities and that such rights should be capable of being enforced through courts of law. Accordingly, a number of articles have been incorporated in our Constitution providing safeguards for the rights of religious minorities. Before going into the terms of reference of our Panel and the principles emerging therefrom we would like to have a look at the relevant articles of the Constitution :

*Article 15 :*

- (1) The State shall not discriminate against any citizen on grounds only of religion, race, caste, sex, place of birth or any of them.

\* \* \*

- (4) Nothing in this article or in clause (2) of Article 29 shall prevent the State from making any special provision for the advancement of any socially and educationally backward classes of citizens or for the Scheduled Castes and the Scheduled Tribes.

*Article 16 :*

- (1) There shall be equality of opportunity for all citizens in matters relating to employment or appointment to any office under the State.

- (2) No citizen shall, on ground only of religion, race, caste, sex, descent, place of birth, residence or any of them be ineligible for, or discriminated against in respect of, any employment or office under the State.

\* \* \*

- (4) Nothing in this article shall prevent the State from making any provision for the reservation of appointments or posts in favour of any backward class of citizens which, in the opinion of the State, is not adequately represented in the services under the State.

- (5) Nothing in this article shall affect the operation of any law which provides that the incumbent of an office in connection with the affairs of any religious or denominational institution or any member of the governing body thereof shall be a person professing a particular religion or belonging to a particular denomination.

*Article 19 :*

- (1) All citizens shall have the right—

\* \* \*

- (g) to practise any profession, or to carry on any occupation, trade or business.

*Article 25 :*

- (1) Subject to public order, morality and health and to the other provisions of this Part, all persons are equally entitled to freedom of conscience and the right freely to profess, practise and propagate religion.

*Article 26 :*

Subject to public order, morality and health, every religious denomination or any section thereof shall have the right—

- (a) to establish and maintain institutions for religious and charitable purposes;
- (b) to manage its own affairs in matters of religion;
- (c) to own and acquire movable and immovable property; and
- (d) to administer such property in accordance with law.

*Article 27 :*

No person shall be compelled to pay any taxes, the proceeds of which are specifically appropriated in payment of expenses for the promotion or maintenance of any particular religion or religious denomination.

*Article 29 :*

- (1) Any section of the citizens residing in the territory of India or any part thereof having a distinct language, script or culture of its own shall have the right to conserve the same.

\* Census of India 1981 Series I Paper 2 of 1981.

(2) No citizen shall be denied admission into any educational institution maintained by the State or receiving aid out of State funds on grounds only of religion, race, caste, language or any of them.

*Article 30 :*

(1) All minorities, whether based on religion or language shall have the right to establish and administer educational institutions of their choice.....”

All these are important provisions and have a direct bearing on the problems of Minorities which have been entrusted to our Panel.

6. The term ‘Minorities’, with which our Panel has been concerned, are only the religious minorities, namely, Muslims, Christians, Sikhs and Parsis. Later Buddhists were also included in this list after a reference to the Union Home Ministry. The identification of Minorities was done strictly in conformity with the approach of the Constituent Assembly and its Advisory Committee on Minorities, as well as the Constitution of India in which Article 30 defines minorities as those “based on religion or language”. The linguistic minorities have, however, not been brought under the purview of our enquiry except where language became a definite constraint in the economic progress of the above mentioned religious minorities.

7. It became clear early enough that for this Panel to go deep into the general question of poverty (of which the Planning Commission is already seized and is more competent to handle on a long-term and continuing basis) would be to extend our functions and terms of reference too far and on too wide a ground. It was also not possible to do so within the time allotted to us.

8. We also faced some other difficulties. For instance while the term ‘Loans’ was easily identifiable, there were no specific instructions issued by the Government of India at any time that these were to be offered in any fixed proportion to the sections with whom our Panel was concerned except in the case of Scheduled Castes and Scheduled Tribes for whom instructions exist to give certain percentage of such loans. The same applies for permits and quotas. There are no such instructions for the minorities. We had also to define ‘concessions’, ‘encouragements’, ‘other facilities’ and ‘related matters’. After a thorough review of the related matters, we decided that we must include, under our enquiry, educational facilities, services with the Government, both State and Central, and Central and State Corporations and public sector undertakings and all activities having a bearing on economic conditions.

9. Our terms of reference are clear that on the one hand we had to identify the areas of varying concentrations of our target groups, namely, the Minorities, Scheduled Castes and Scheduled Tribes and other Weaker Sections, and on the other, to co-relate their economic conditions with the various policies, programmes and activities for the economic

development of these sections, to ascertain the likely impact thereof and in the process to identify the constraints and bottlenecks due to which they were not able to avail of to the full extent. Broadly the minorities, with which we had to deal with were Muslims, Christians, Sikhs, Parsis and Buddhists. Lists of Scheduled Castes and Scheduled Tribes are available in respect of each State and Union Territory. There is, however, no list of other backward classes recognised by the Government of India. Some State Governments have, no doubt, their own lists of “other backward classes” (O.B.Cs), either based on social backwardness or caste. As our terms of reference refer mainly to economic conditions, we have to confine ourselves to a study of these conditions as they affect the minorities and other target groups.

10. Most of the Central Ministries, State Governments and their public undertakings, concerned with the economic development of the people, have got schemes and policies to further the economic interests of all sections of the population and have laid down methods and procedures for doing so. While there is a clear-cut reservation in favour of the Scheduled Castes and Scheduled Tribes, there are no such benefits earmarked for the minorities and other weaker sections. This, by implication, means that these sections are to avail of the benefits along with the rest in the same manner and to the same extent.

11. The first task, therefore, which faced us was to find out, in detail, the policies and programmes of the various departments of the Government of India, according to which the benefits are intended to flow not only to Scheduled Castes and Scheduled Tribes, but also to other groups, including the minorities and the other weaker sections. Similar exercise had to be undertaken in respect of the State Governments. It must be clarified here that the activities of the Government in this regard are so vast and numerous that it was not possible for us to cover all aspects of economic life. In fact, all economic activity in a welfare state, such as ours, is intended to confer some benefits or the other on the people. It will, therefore, not be possible for us to go into the entire gamut of policies and programmes of the Central and State Governments, but to confine ourselves to certain selected areas of economic activities which are believed to offer direct and sizable benefits to these sections.

12. As a vast majority of our people live in the villages, depending for their livelihood on agriculture, we have paid special attention to some of the activities connected with agriculture and allied operations. Moreover, more than 60 per cent of our people in the villages live below poverty line and are either landless labourers who depend for their livelihood by working as farm labourers or are engaged in some vocations as artisans/skilled workers. Their activities also formed a subject of our study. It is well known that a large number of these people live on small business or some tiny or small or cottage industry, whereby they not only earn their living but also offer avenues of employment to others. These included handicrafts, handlooms, khadi and village industries, small scale industries etc.



13. As education is a pre-condition for availing properly the economic benefits and as educated persons constitute the bulk of officials and employees both in public and private sectors, as well as in Government and semi-Government establishments, we had to go deep into the impact of education from the primary to the University level on minorities and other target groups.

14. However, we had to confine ourselves to sample studies in all these matters as each one of these subjects is too complex and widespread to be covered in such a short time. These sample surveys are, no doubt, representative and conclusions drawn from them should, therefore, fairly reflect the real state of affairs.

15. Having, thus, identified the areas of our studies, which are likely to benefit all our target groups, the next task which faced us was to identify the areas of concentration in various forms of each of our target groups. This exercise did not prove to be difficult, as from the Census reports of 1971, we were able to take out the various districts and blocks in each State with particular concentration of Minorities, Scheduled Castes, Scheduled Tribes and then to study the impact of the policies and programmes on their overall economic conditions. Unfortunately the latest 1981 Census figures, despite our best efforts, could not be made available to us.

16. Co-relating the economic policies and programmes with our target groups presented a few problems. Firstly, numerically the most predominant minority, namely, the Muslims are spread all over the country with varying degrees of concentration in different regions in both rural and urban areas. The population pattern along with the changes it has undergone in the last thirty years, due to various factors, including the economic, had to be studied in detail. The cities and the urban areas had to be identified and therein the particular pockets of concentration of the Muslims had to be selected on a sample basis. Similarly, in rural areas, districts and blocks with larger concentration had to be studied and identified. This was necessary to make our sample studies more representative. Similar exercise had to be done in the case of other Minorities like Sikhs, Christians, Buddhists, Parsis and the Scheduled Castes, who are most numerous among the Weaker Sections.

17. Secondly, policies and programmes of the Governments even on the sample subjects are not uniform. Very often, State Governments follow different policies with varying emphasis on implementation to tackle similar problems. Moreover, the implementation of the policies from State to State and region to region is not uniform. The pattern of subsidy and the benefits accruing from the Central Government programmes and policies are the same for the entire country, but due to paucity of funds and other constraints the area development programmes, like the SFDA (Small Farmers' Development Agency), DPAP (Drought Prone Area Programme), CAD (Command Area Development), TADP (Tribal Area

Development Programme), Hill Area Development Programme, Desert Development Programme etc., could not be implemented in the entire country at the same time, though IRDP (Integrated Rural Development Programme) has now been in force in all the blocks of the country from 2nd October, 1981.

18. All the variations in population pattern as well as the formulation and implementation of policies and programmes had to be taken into account while formulating the strategy for our studies to give a balanced and representative picture.

19. In addition, there is a large area of economic activity in private hands which derives a large percentage of its funds from the governmental institutions, based on programmes of the governments intended to encourage economic activity in particular areas and fields. The benefits accruing from this sector, therefore, had also to be studied to some extent in regard to our target groups. The area of self-employment which is considerably large, no doubt, rests on individual initiative and enterprise, but the Government had formulated schemes and policies which are intended to confer benefits on such people. Needless to say that there is a large percentage of self-employed people belonging to our target groups and the impact of such policies and programmes, as are intended to benefit them, had also to be studied.

20. It will, thus, be seen that we have been faced with the enormous and arduous task of covering almost the entire gamut of the economic life of our target groups, with particular reference to the fiscal policies of the Government, both Central and States, and to study their likely impact on almost 60 per cent of the population of the country comprising the Minorities, Scheduled Castes, Scheduled Tribes and other Weaker Sections. At first, the time allotted to us was three months. We took our job seriously and produced and presented our Interim Report on Minorities relating to the Central Sector to the Hon'ble Prime Minister and the Home Minister of India on January 31, 1981. Apart from the Central Sector, we were also required to go into the State Sector and the Private Sector. Even the impact of the reservation policy of the Government in regard to the Scheduled Castes and Scheduled Tribes was referred to us, as stated by the Union Home Minister in his reply to Shri Jagjivan Ram in Parliament on March 5, 1981. As figures and statistics were hardly available, our research teams had to travel from one corner of the country to the other, collecting relevant data. This was, indeed, a most time-consuming process. Thus, our term was extended, from time to time, upto 30th September, 1983. And the reports on Minorities, the Scheduled Castes, Scheduled Tribes and other Weaker Sections being presented now are the results of our sustained and continuous efforts. The task has not been easy and the difficulties encountered were numerous as we tried to unfold the problems and fathom their implications. While discussing the methodology in tackling these problems, we shall be highlighting the most significant and important.

21. Apart from the guarantees and assurances given to the minorities by the Constitution, the Prime

Minister, Shrimati Indira Gandhi, has written, from time to time, several letters to Chief Ministers, calling upon them to ensure a fair deal to Minorities, Scheduled Castes, Scheduled Tribes and other weaker sections in all walks of life, including employment and other avenues of economic upliftment. The response to her appeal, however, we are sorry to note, has been far from satisfactory.

22. Distressed by the non-implementation of many of the directives issued by her both to the Central Ministries and State Governments, the Prime Minister issued the following directives to all concerned on 12th May, 1983 :

“The increase of communalism in recent months and the large number of attacks on the lives and properties of minorities is cause for deep sorrow. These incidents are a blot on the good name of our country. They have been deliberately created by militant communal elements who do not hesitate to sacrifice the strength and security of the country for their own narrow, nefarious ends.

From my earliest childhood I have been committed to the secular ideal. The India of our dreams can survive and prosper only if Muslims and other minorities can live in absolute safety and confidence. Since the meeting of the Integration Council, in Srinagar, several measures have been suggested from time to time. But perhaps because the situation had improved, some slackness crept in and there is need to take new initiatives to combat this growth of communalism and to prevent and deal promptly and firmly with communal tension. We must devise mechanisms by which the conscience and political power of the entire nation are enlisted to deal with such situations.

I have met several delegations of Members of Parliament and other representatives of Muslims and other minority groups and have discussed measures to prevent the recurrence of communal violence and to improve the economic conditions of Minorities. After careful consideration of the suggestions which emerged I have decided that immediate action should be taken as indicated below :

### I. Communal Riots

- (1) The State Governments are being advised that in the areas which have been identified as communally sensitive and riot prone district and police officials of the highest known efficiency, impartiality and secular record must be posted. In such areas and even elsewhere, the prevention of communal tension should be one of the primary duties of DM and SP. Their performances in this regard should be an important factor in determining their promotion prospects.

- (2) Good work done in this regard by district and police officials should be rewarded.
- (3) Severe action should be taken against all those who incite communal tensions or take part in violence.
- (4) Special courts or courts specifically earmarked to try communal offences should be set up so that offenders are brought to book speedily.
- (5) Victims of communal riots should be given immediate relief and provided prompt and adequate financial assistance for their rehabilitation.
- (6) Radio and TV must also help in restoring confidence, communal harmony and peace in such affected areas.
- (7) It is unfortunate that certain sections of the Press sometimes indulge in tendentious reporting and publication of objectionable and inflammatory material which may incite communal tension. I hope that editors, printers, publishers and other concerned will cooperate in finding a way to avoid publication of such material

### II. Recruitment to State and Central Services

- (1) In the recruitment of police personnel, State Governments should be advised to give special consideration to minorities. For this purpose, the composition of selection committees should be representative.
- (2) The Central Government should take similar action in the recruitment of personnel to the Central police forces.
- (3) Large-scale employment opportunities are provided by the Railways, nationalised banks and public sector enterprises. In these cases also the concerned departments should ensure that special consideration is given to recruitment from minority communities.
- (4) In many areas recruitment is done through competitive examinations. Often minority groups have been handicapped in taking advantage of the educational system to compete on equal terms in such examinations. To help them to overcome these handicaps, steps should be taken to encourage the starting of coaching classes in minority educational institutions, to train persons to compete successfully in these examination.
- (5) The acquisition of technical skills by those minorities who are today lagging behind would also help in national development.

Arrangements should be made to set up ITIs and polytechnics by Government or private agencies in predominantly minority areas to encourage admission in such institutions of adequate number of persons belonging to these communities.

### III. Other Measures

- (1) In various development programmes, including the 20-point programme, care should be taken to see that minorities secure in a fair and adequate measure the benefits flowing therefrom. In the various committees which are set up to oversee the implementation of such programmes, members of those communities should be actively involved.
- (2) Apart from the general issues to which I have referred there are various local problems which develop into needless irritants to minorities. For instance encroachment of wakf properties and on grave-yards have led to protests and grievances in some places. Suitable steps should be taken to deal with such problems on an expeditious and satisfactory basis.

- (3) Problems relating to minorities need to be attended to on a continuing basis so that apprehensions are allayed and genuine grievances redressed. To facilitate this, a special cell will be created in the Ministry of Home Affairs to deal with matters relating to minorities.

Some other measures are also under consideration. Decisions on them will be announced as early as possible. I am sure that the measures that I have indicated above and others which will be announced shortly will facilitate the full participation of Muslims and other minority groups in all aspects of national life and, thus, promote the cause of national integration.

I would like to receive from you a special report every quarter on the results of action taken to implement the above decisions."

23. The Panel hopes that in the spirit of the Prime Minister's circular, the Government will consider our report with utmost seriousness and initiate immediate action to implement our recommendations. Time is of the essence of the matter and any delay in this regard will only worsen the situation.

## CHAPTER II

### METHODOLOGY

1. The High Power Panel tried to cast its net as wide as possible to collect the basic data in regard to the economic problems faced by these sections of our society. For this purpose, communications were addressed to all ministries and departments of the Government of India and the various States and Union Territories, public sector undertakings, banks other financial institutions, universities, technical colleges and institutes, employment exchanges, institutions connected with social work, Directors of Public Instructions and Public Service Commissions.

2. Dr. Gopal Singh, the Chairman, addressed letters to all the Members of Parliament and Members of State Legislatures and all major political parties, to provide data or suggestions and recommendations. Leaders of public from various religious communities, leaders of the Scheduled Castes and Scheduled Tribes (including Members of Parliament) were invited for detailed discussions with the Chairman in the office of the Panel in New Delhi. Meetings of the representatives of various communities, including eminent economists, Vice-Chancellors of Universities, former diplomats and politicians, Members of Parliament, political leaders and other prominent persons were called for discussion of the problems not only in New Delhi, but in several State capitals, including Calcutta, Bombay, Bangalore, Patna, Panaji, Hyderabad, Bhopal and Lucknow.

3. The Member Secretary, Dr. Rafiq Zakaria visited almost all the State capitals, including Gangtok in Sikkim, and many other places, where there is concentration of minorities and held meetings and discussions not only with the important leaders of the minority communities but also with the State Chief Ministers, Ministers, MLAs and others to have a first hand view of the problems being faced by the minorities.

4. A questionnaire (See Appendix II.1) was drawn up and sent to various important individuals and other organisations. A general notice was also issued to the public in both national and regional newspapers of the country in various languages.

5. The Chairman, the Member-Secretary and other Members of the Panel attended several conferences of the minorities in various parts of the country. They also elicited information from various Embassies as to the safeguards offered by their respective countries with regard to their minorities, with a view to understand the situation in a world wide context.

6. However, as was feared, while considerable (though no complete in any way) data was forthcom-

ing in respect of the Scheduled Castes and Scheduled Tribes for whom statutory provisions existed, no such data was available, except in vague and general terms, in respect of the religious minorities. No Central Government Department or Public Sector Undertaking could enlighten us specifically as to the number of employees belonging to the minorities, nor how much benefits were they deriving from their economic activities. About the minorities, we were informed that as the authorities concerned were not required by law to maintain any data, they were unable to provide any data to us.

7. The States have, however, furnished the details of the concessions (Details in Annexure II. 2 & 3) allowed to some sections of Muslims and Christians, where they have been included among backward classes, but the extent of benefits actually derived by them were not indicated.

8. Even in respect of the Scheduled Castes and Scheduled Tribes, while percentages of reservations were quoted, exact figures were not revealed as to how far these reservations have actually benefited the target groups. Hence, we pursued it in a more thorough-going manner through personal visits and collection of statistics on the spot.

9. We also took advantage of the reports of the Commissioner for Scheduled Castes and Scheduled Tribes, of the Backward Classes Commission, the Minorities Commission, the Scheduled Castes and Scheduled Tribes Commission, and other reports on the relevant subjects issued from time to time by the Planning Commission.

10. From the general public, over 500 replies were received but these were mostly personal complaints mainly from Scheduled Caste employees in regard to their service conditions, lack of promotion and so on.

11. As we have already indicated, the work entrusted to the Panel is *inter alia* an extensive evaluation of the economic policies and programmes of the Government and their likely impact on our target groups, including the Minorities, which has so far not been undertaken by any of the agencies (including the Minorities Commission) at the Central or at the State levels. There was, therefore, no information available on the subject to enable us to formulate any worthwhile ideas. Field studies had to be necessarily undertaken at the State Headquarters, at the District Headquarters and the Block and village levels, not only to get first-hand information on the relevant points but also to formulate ideas regarding the flow of benefits to our target groups. Needless to say that the nature of

the work was arduous and time-consuming. It involved prolonged studies at the State and District headquarters as well as visits to remote villages and basties where alone the people belonging to our target groups could be contacted.

12. Before we discuss the methodology followed in selecting the areas for our studies in different States, we would like to discuss first the principles followed in selecting the various segments of the activities and policies from which our target groups are expected to benefit.

13. It would appear from our terms of reference that, strictly speaking, we had to cover only the benefits flowing from the economic policies of the Governments to our target groups, namely, Minorities, Scheduled Castes, Scheduled Tribes and other Weaker Sections, and had to identify the constraints and bottlenecks due to which the incentives, facilities and the encouragements are not being fully availed of by them. This includes the economic benefits flowing from the policies and programmes of agriculture and allied activities, minor irrigation, animal husbandry, cottage and small scale industries, local infrastructure, etc., including the benefits being derived from bank loans and financial assistance from cooperative institutions, but *prima facie* does not seem to include education, employment, housing, transport, etc., which constitute the core of the programme of economic uplift and without which no meaningful assessment of the impact of policies and programmes on our target groups can be made.

14. We have given a good deal of thought to this problem and have come to the conclusion that as education is the key to all human advancement including economic and social uplift, our first and foremost job was to make an appraisal of the participation of our target groups in the educational field at various levels. It has been seen that lack of education is the single most important constraint in the way of the people due to which they cannot avail of benefits from the economic policies of the Governments. It is in the context of this over-riding consideration that we decided to undertake the study of the educational level of our target groups at various stages, their drop-out rates and their participation not only in academic courses but also in technical, medical and engineering courses.

15. As the governments, both at the Centre and in the States, implement their policies and programmes through the Government agencies which are manned by persons of varying academic attainments at different levels, they become crucial so far as the flow of benefits to our target groups is concerned, particularly when they constitute the weaker sections. The idea here is not to say that unless the positions in the Government are manned by persons from our target groups, they cannot derive the benefits due to them, at all. However, the manning of such positions of authority can result in a direct benefit to these sections in terms of economic gain and social status and, therefore, their participation in the employment potential had to be studied. Moreover, one of the main objectives of economic planning is the creation of more and more emp-

loyment opportunities. We have, therefore, considered it worthwhile to cover as many employing agencies as possible, including the private sector, to assess the likely impact on the generation of jobs.

16. As employment exchanges are meant to offer employment opportunity to all sections of our people, on a fair and equitable basis, we have studied the registration and placement pattern in employment exchanges all over the country, on a sample basis, to assess the participation of our target groups in the job opportunity available to them along with others.

17. Having thus covered these most important aspects, we concentrated our attention on those schemes and policies which offer direct economic benefits to our target groups. As quite a large percentage of our target groups are self-employed in the handloom, handicrafts, small scale industries as well as in Khadi and Village industries, we have covered these sectors in detail on a sample basis all over the country.

18. Most people belonging to our target groups live in villages, and derive direct benefits from the area development schemes pertaining to agriculture and allied sectors, minor irrigation, animal husbandry, poultry, fisheries and pottery. We have, therefore, studied these sectors in detail in various States.

19. As the financial institutions, *viz.*, commercial banks, regional rural banks, land development banks, cooperative banks and State financial corporations, form the basis of providing financial credit support to our target group for furthering the economic activity in the field indicated above, we have studied the role of the various types of banks at different levels and in different areas, both with regard to the quantum of loan advances given to the various sections forming our target groups, as well as the types of concessional loans given to them under the schemes sanctioned by the Governments.

## SELECTION OF AREAS

### *Urban Areas*

20. (i) As a large number of people of our target groups in the urban areas earn their livelihood by means of small business, trade and commerce, we have studied the accrual of benefits to them from the issue of licences and quotas, permits for establishing shops and commercial establishments for distribution of essential commodities, purchase of commercial vehicles etc., which enable them to carry on such business.

(ii) Quite a sizable population of our target groups live in specific pockets in the urban areas, devoid of basic amenities of life and earn their living as hawkers, rickshaw pullers, factory workers, domestic servants, daily wage earners, etc. They constitute the poorest section of our population. We have studied the impact of the opportunities available to them in running small business, in establishing shops etc., as a result of licences and quotas issued. We have also studied their socio-economic conditions in relation

to the benefits which they are able to derive from facilities, available in educational and employment fields, of loans from banks and other financial institutions. We have conducted these studies in large urban centres, like Bombay, Calcutta, Madras, Delhi, Hyderabad and Lucknow etc.

(iii) The study of the problems of the artisans in the handicrafts and handloom sectors due to which they are not able to avail of the benefits offered under various schemes in these sectors, would cover a large percentage of our target groups living in urban areas. We have, therefore, identified the urban areas with large concentration of our target groups in the handloom and handicrafts sectors and tried to study the impact of economic programmes and policies of the Government on them.

#### *Rural Areas*

21. As majority of the population of our target groups lives in the villages under the control of the district administration, we had to conduct field studies in various districts with a view to find out whether benefits of various economic policies are really reaching them. As a logical corollary, the field studies had to be conducted at the district headquarters, at the Block headquarters and in the villages. For this purpose, we had to select such samples as would be representative of their population as well as how some of the schemes were being implemented in the area. Among the schemes selected, the area based programmes like IRDP which offers assistance to beneficiaries on income criteria, is of crucial importance.

22. While selecting areas, we concentrated on a particular area having a sizable population of our target groups and then another area with less and mixed population to give us a balanced result. The total number of districts covered in this manner in the entire country comes to about one hundred. We could not do more due to the limited time at our disposal.

23. Our discussion of the methodology would be incomplete without drawing attention to some of the handicaps faced by us throughout our studies. Firstly, as the problems of these sections have been viewed only from the point of view of allocation of resources and funds, we could not do any exhaustive evaluation and monitoring of the funds involving these schemes as also the total impact of the various policies on the functioning of the various sectors. This was because no systematic data was available anywhere in the country, not only in respect of minorities and other weaker sections but also in respect of Scheduled Castes and Scheduled Tribes. Our Research Teams, therefore, had to go through the basic records and registers maintained in various districts and block offices, day in and day out, and to collect data not only regarding the benefits and entitlements which were given under the various schemes and policies of the Government but also to cull out therefrom the number of beneficiaries belonging the various sections of our target

groups, basing their identification purely on names and surnames.

24. This exercise, as is obvious, suffers from various handicaps. Firstly, counting the number of beneficiaries under various schemes and policies may involve some personal error and, secondly, counting the number purely from their names and surnames is prone to errors, as very often surnames are not true indicators of a particular community to which a beneficiary may belong. This method was followed not only in collecting information in the field of education and employment, but also in respect of all the economic schemes which we have studied at the State, District, Block as well as the Village level. The conclusions based on such data may not be absolutely correct, numerically, but this may be considered to be fairly indicative and representative of the real state of affairs.

25. As we were entrusted with the task of evaluating the impact of the economic developmental schemes on our target groups, it became imperative on our part to contact them wherever they lived in the cities as well as in the villages and to hold discussions with them on a personal basis not only to ascertain whether they have received the benefits and entitlements as claimed to have been given by the official agencies but also to ascertain whether these have helped them in bettering their economic lot. The task has been difficult and arduous, involving miles of long walks in dirty and unhygienic surroundings in the urban centres, and in inhospitable terrains in the villages. We carried out this exercise in the belief that unless the true conditions in the field were studied in collaboration with the beneficiaries, our studies might suffer from the handicap of being partly statistical and partly theoretical. However, despite these infirmities, our personal contacts, have proved of immense value in assessing the true nature of the difficulties faced by our target groups in implementing the policies and programmes of the Central and State Governments. The material, thus gathered and the information so collected, is unique in the sense that it was never done in this manner by any agency in the past, involving such sensitive sections of our population, as the Minorities, Scheduled Castes, Scheduled Tribes and other Weaker Sections in vast areas of our country, involving hundreds of districts, blocks and villages on one side and scattered urban centres on the other.

26. While visiting the State headquarters and the districts, we have also availed of the opportunity of discussing the impact of economic policies on our target groups, both with the Government officials in the secretariat as well as in the districts, and also with Members of Parliament, State Legislatures, local bodies and other prominent representatives of the Minorities, Scheduled Castes, Scheduled Tribes and other Weaker Sections, we did so almost at all the State headquarters and in hundreds of villages, blocks and districts. However, the problem has been, and continues to be so complex, that majority of the officials and popular representatives were not of much help to us on evaluation and assessment of the impact of economic development on the poorer sections.

Certain individuals belonging to certain groups and areas were in a position to throw some light on the reasons due to which the benefits have not been availed of, based purely on their individual impressions and ideas, but most of them were unable to throw much light on the constraints and bottlenecks due to which the policies and programmes could not provide benefits to our target groups. This is all the more regrettable in the case of government officials who are responsible for the implementation of these policies and programmes. In most cases, after allocations have been done and money has been spent, they did not bother to find out what benefits had accrued to different beneficiaries; how grants or loans were given and were utilised; as to why there had been no follow-up. There were no records of any of these facts. That is why our research teams went from person to person, area to area, and sector to sector, to first discover and then analyse the results in concrete terms, in the case of both individuals and groups.

27. However, we wanted to verify and check these facts, collected by us, no doubt, with the help and association of the officials of the State Governments at different levels, before becoming part of our final report. Accordingly, letters were addressed to the Chief Ministers of the States by the Member Secretary for their cooperation and assistance in this task. Consequently, the representatives of the State Governments went through the facts collected by our Study Teams from the different districts in their respective States. They studied the reports prepared by us, and made valuable suggestions. These have been duly taken note of by us.

28. A few words of explanation about the methodology adopted in the preparation of this report. It would be seen that we have presented here the problems of the Minorities, namely, Muslims, Christians, Sikhs, Buddhists and Parsis. The people professing these faiths being interspersed and mixed throughout the rural and urban areas, their problems were both varied, depending on the local conditions, and common in the national context. That is why a correct appreciation of their problems necessitated an in-depth appreciation of demographic features, level of education of our target groups and the extent of their involvement in the economic progress of the country.

29. The most distressing revelation in this regard has been in the field of education, where our target groups had been hit the worst. Most of their children still do not go to school and those who do soon drop out. This is true as much of the primary as of the secondary stage. By the time, the University stage is reached, their number dwindles so substantially that it is insignificant to take advantage of the opportunities for jobs or professions or vocations, which the country offers. One of the solutions to this problem that we have recommended is an integrated scheme of national scholarships based on economic criteria, to the same extent and in the same manner, as the economic

schemes formulated for integrated rural development. We have also made several other recommendations in respect of admissions to technical and professional colleges. We feel that having thus strengthened the educational base, the other problems will be easier to solve, or at least the educated will have the necessary intelligence and stamina to claim what is due to them.

30. Similarly, a thorough examination of the schemes for rural development revealed great weaknesses in their implementation at the grass-root level. The same has been our conclusion in regard to the implementation of the schemes in the traditional industrial sector, meant to benefit our target groups, both in the rural and in the urban areas. While discussing measures to strengthen the implementation machinery, we have recommended an integrated structure, consisting of all the developmental departments at the block, district and divisional levels, providing for adequate staff in the district industries centres and in the project offices, to function under the overall control of the Chief Development Officer and the District Magistrate.

31. As a means of effectively curbing the conflicts arising out of social tensions in the urban as well as in the rural areas, we have recommended integration of the law and order enforcement machinery with the developmental wing. We have also made special recommendations with regard to the role of the provincial constabulary and the need to overhaul and supplement its personnel. Flow of credit being the key to the success of all developmental programmes, we have recommended elaborate arrangements for the provision of banking and cooperative credit facilities, earmarking their areas of operation to function as complimentary to each other.

32. To solve the problems of the urban poor, we have recommended the establishment of a complete administrative infra-structure in the shape of Urban Marketing Centres, Banks and Cooperative Societies in specific areas predominantly inhabited by our target groups. In addition, setting up of societies like SETWIN\* to provide integrated training and self-employment has also been recommended on the same pattern as is in operation in Hyderabad city in Andhra Pradesh.

33. Thus in preparing this report, we have all along been anxious to highlight the constraints and disabilities from which the weaker sections of the society belonging to the Minorities, Scheduled Castes, Scheduled Tribes and other weaker sections suffer and due to which they are not in a position to derive full benefits from the planned development of the country. To solve these problems we have not only suggested the strengthening of the existing implementation machinery but also certain structural changes in the entire set up to make it more responsive, in addition to streamlining the procedures to reach the benefits to them. Certain changes in the national priorities for economic development have also been recommended.

\* Society for Employment Promotion and Training in Twin Cities (Hyderabad and Secunderabad).

34. We wish to clarify here that our intention is not to discriminate between the poor belonging to the majority community and the poor belonging to our target groups. The poor are poor and they should all be uplifted. As the task entrusted to us was relating to the Minorities, Scheduled Castes, Scheduled Tribes and other Weaker Sections, we naturally had to concern ourselves with the problems faced by them in those spheres of economic activity where due to historical, traditional or social reasons, they suffer. In fact, we have taken pains to pin point their difficulties and problems, recommend solutions, which will uplift our target groups so as to make them not a drag on the nation but an asset to its progress. For no nation can really advance if a part of it, indeed, a vital part, lags behind.

35. Our analysis of the data collected by us and the observations made during our studies in the fields show that the poor belonging to some of our target groups, the Muslims particularly, could not avail of the opportunities in the fields of education, employment and economic activity, because of the following reasons :

- (i) They have developed a certain complex and aloofness born out of their feeling of separatism and group isolation or due to occasional communal conflicts and tensions which vitiate the atmosphere for a long time. Depressed and dejected, they have developed a certain fatalistic outlook and feel that nothing can be done to improve their lot; that they are doomed to remain hewers of wood and drawers of water.
- (ii) This may be due to various factors—historical and otherwise—but we were sad to note that very few enlightened leaders among them have tried to take their co-religionists out of this morass

- (iii) Likewise, officials, charged with this responsibility have failed in their duties to give them all the help and cooperation that they should have, mostly because of their own communal prejudices.

36. With a view to overcome these difficulties, we have recommended that :—

- (1) Special efforts must be made to identify the areas inhabited by the weaker sections of our target groups and special measures should be undertaken to help them, in every field, so as to make it a vibrant part of the national mainstream;
- (2) Special programmes for such areas should be launched which must be implemented with all sincerity and dedication;
- (3) Special implementation machinery with micro-delivery system must be introduced wherever necessary so that the fruits of development may reach them;
- (4) Special Cells may also be set up to give them relevant information which might help them to participate in these programmes.

37. Thus, we have tried to highlight the requirements of a just and equitable social order, keeping in view the ideals of national integration, ensuring the flow of benefits to each group, according to its labour and efforts, by providing a strong, integrated, impartial, administrative infrastructure, which can withstand the onslaughts of prejudices and complexes, pressures and strains, and where everyone, irrespective of his birth or race, caste or creed, can have the fullest opportunity of growth and development.



## CHAPTER III

### POPULATION PROFILE

1. Minorities form 16.42% of the total population, of them the Muslims are the largest and the Parsis the smallest. Their problems are, by no means common; these differ in many respects from community to community. That is why we have discussed them separately. However, the poor in each community face more or less the same difficulties; a common approach to the removal of these difficulties and a common solution of their problems is inevitable.

#### *Muslims*

2. According to 1971 Census, Muslims constitute about 11.2% of the population of the country, being 6.14 crores. The overall growth rate recorded by them during 1961—71 was 30.85%. Any worthwhile appraisal of the impact of the economic policies of the Governments on Minorities must necessarily be concerned with Muslims. However, before we take up their sector-wise impact on the Muslim population, it will be worthwhile having a look at some of the demographic features of this community.

3. The State-wise population of Muslims in India is as follows :—

| S. No. | State/UTs                  | Muslim population | %age to total population of the State/UT |
|--------|----------------------------|-------------------|--|
| 1.     | Andhra Pradesh . . . . .   | 35,20,166         | 8.09                                     |
| 2.     | Assam . . . . .            | 35,94,006         | 24.03                                    |
| 3.     | Bihar . . . . .            | 75,94,173         | 13.48                                    |
| 4.     | Gujarat . . . . .          | 22,49,055         | 8.42                                     |
| 5.     | Haryana . . . . .          | 4,05,723          | 4.04                                     |
| 6.     | Himachal Pradesh . . . . . | 50,327            | 1.45                                     |
| 7.     | Jammu & Kashmir . . . . .  | 30,40,129         | 65.85                                    |
| 8.     | Kerala . . . . .           | 41,62,718         | 19.50                                    |
| 9.     | Madhya Pradesh . . . . .   | 18,15,685         | 4.36                                     |
| 10.    | Maharashtra . . . . .      | 42,33,023         | 8.40                                     |
| 11.    | Manipur . . . . .          | 73,969            | 6.61                                     |
| 12.    | Maghalaya . . . . .        | 26,347            | 2.60                                     |
| 13.    | Karnataka . . . . .        | 31,13,298         | 10.63                                    |
| 14.    | Nagaland . . . . .         | 2,966             | 0.58                                     |
| 15.    | Orissa . . . . .           | 3,26,507          | 1.49                                     |
| 16.    | Punjab . . . . .           | 1,14,447          | 0.84                                     |
| 17.    | Rajasthan . . . . .        | 17,78,275         | 6.90                                     |

| S. No. | State/UTs               | Muslim population | %age to total population of the State/UT |
|--------|-------------------------|-------------------|--|
| 18.    | Tamil Nadu . . . . .    | 21,03,899         | 5.11                                     |
| 19.    | Tripura . . . . .       | 1,03,962          | 6.68                                     |
| 20.    | Uttar Pradesh . . . . . | 1,36,76,533       | 15.48                                    |
| 21.    | West Bengal . . . . .   | 90,64,338         | 20.46                                    |

#### UNION TERRITORIES

|    |                                     |             |       |
|----|-------------------------------------|-------------|-------|
| 1. | Andaman & Nicobar Islands . . . . . | 11,655      | 10.12 |
| 2. | Arunachal Pradesh . . . . .         | 842         | 0.18  |
| 3. | Chandigarh . . . . .                | 3,720       | 1.45  |
| 4. | Dadra & Nagar Haveli . . . . .      | 740         | 1.00  |
| 5. | Delhi . . . . .                     | 2,63,019    | 6.47  |
| 6. | Goa, Daman & Diu . . . . .          | 32,250      | 3.76  |
| 7. | Lakshadweep . . . . .               | 30,019      | 94.37 |
| 8. | Pondicherry . . . . .               | 29,143      | 6.18  |
|    | All India . . . . .                 | 6,14,17,934 | 11.21 |

(Source : Census of India, Series I, Paper 2 of 1972, Religion)

4. Muslims are spread all over the country from a high concentration of 65.85% of the total population in Jammu & Kashmir to a low density of 1.49% in Orissa. They constitute a high percentage of the total population in the States of Assam, Bihar, Kerala, West Bengal and Uttar Pradesh. In certain districts of these States Muslims account for as large as 25% of the population as is apparent from the following table :

#### Districts with over 25% population of Muslims (1971—Census)

| S. No. | Name of State   | Name of District | Percentage of total Muslim population | Percentage of Muslim population |       |
|--------|-----------------|------------------|---------------------------------------|---------------------------------|-------|
|        |                 |                  |                                       | Rural                           | Urban |
| 1      | 2               | 3                | 4                                     | 5                               | 6     |
| 1.     | Assam . . . . . | Goalpara         | 42.25                                 | 96.64                           | 3.36  |
|        |                 | Kamrup           | 28.93                                 | 96.86                           | 3.14  |
|        |                 | Nowgong          | 39.39                                 | 97.82                           | 2.18  |
|        |                 | Cachar           | 39.89                                 | 97.86                           | 2.84  |
| 2.     | Bihar . . . . . | Purnea           | 39.62                                 | 86.09                           | 3.91  |

| 1  | 2             | 3             | 4     | 5     | 6     |
|----|---------------|---------------|-------|-------|-------|
| 3. | Kerala . . .  | Kozhikode     | 30.62 | 69.90 | 30.10 |
|    |               | Malappuram    | 63.93 | 92.88 | 7.12  |
| 4. | Uttar Pradesh | Bijnor        | 36.66 | 70.12 | 29.88 |
|    |               | Moradabad     | 38.15 | 67.04 | 32.96 |
|    |               | Rampur        | 45.76 | 69.01 | 30.99 |
|    |               | Bareilly      | 29.20 | 71.71 | 28.29 |
|    |               | Saharanpur    | 31.11 | 74.02 | 25.98 |
|    |               | Muzaffarnagar | 28.83 | 82.88 | 17.92 |
| 5. | West Bengal . | Baharaich     | 26.99 | 87.54 | 12.46 |
|    |               | W. Dinajpur   | 35.89 | 98.86 | 1.14  |
|    |               | Malda         | 43.13 | 98.73 | 1.27  |
|    |               | Murshidabad   | 56.34 | 96.36 | 3.64  |
|    |               | Birbhum       | 29.19 | 96.57 | 3.43  |

5. Secondly, 29% of the Muslim population which is much higher than the national average of 20%, lives in the urban areas. It is also seen that in the States with higher percentage of Muslim population, the main concentrations are in the rural areas as is apparent from the following table :—

| S. No. | Name of State   | Total Muslim population (in lakhs) | Total Muslim population %age in the State | %age of Muslim population in the State |       |
|--------|-----------------|------------------------------------|---|--|-------|
| 1      | 2               | 3                                  | 4   | Rural                                  | Urban |
| 1.     | Assam*          | 35.94                              | 24.03                                     | 95.96                                  | 4.04  |
| 2.     | Bihar . . .     | 75.94                              | 13.48                                     | 87.01                                  | 12.99 |
| 3.     | Kerala . . .    | 41.62                              | 19.50                                     | 81.63                                  | 18.37 |
| 4.     | Uttar Pradesh . | 136.76                             | 15.48                                     | 73.26                                  | 26.74 |
| 5.     | West Bengal . . | 90.64                              | 20.46                                     | 86.28                                  | 13.72 |

\* Includes Mizoram Dist., now a Union Territory.

6. Conversely, as the table below shows, in the low percentage States, Muslims account for a larger proportion of the total urban population.

| S. No. | Name of the State     | Total Muslim population %age in the State | %age of Muslim population in the State |       |
|--------|-----------------------|---|--|-------|
| 1      | 2                     | 3   | Rural                                  | Urban |
| 1.     | Andhra Pradesh . . .  | 8.09                                      | 52.64                                  | 47.36 |
| 2.     | Gujarat . . . . .     | 8.42                                      | 45.82                                  | 54.18 |
| 3.     | Madhya Pradesh . . .  | 4.36                                      | 44.42                                  | 55.58 |
| 4.     | Maharashtra . . . . . | 8.40                                      | 41.01                                  | 58.99 |
| 5.     | Tamil Nadu . . . . .  | 5.11                                      | 40.29                                  | 59.71 |

\*"Muslims in India", edited by Zafar Imam, (1975).

In the States of Gujarat, Madhya Pradesh, Maharashtra and Tamil Nadu, Muslims are almost evenly divided between urban and rural areas, with an edge to the urban side. In these States 55% Muslims live in urban areas; and 45% in rural areas.

7. Thus, it is seen that quite a large percentage of Muslim population lives in the cities in concentrated areas but a far larger percentage of the community is spread over the country in the villages, in large numbers in higher percentage districts, and in smaller numbers in the lower percentage districts of the country.

8. Thirdly, States with higher percentage of Muslim population do not account for larger Muslim population in terms of numbers. Hindi-speaking States like Uttar Pradesh, with total Muslim population of 1.37 crore, Bihar with 0.76 crore, Rajasthan with 0.18 crore, Madhya Pradesh with 0.18 crore and Haryana with 0.04 crore, constitute more than 40% of the total Muslim population. The next area in importance is West Bengal, where Muslims number almost a crore. The remaining 44% of the Muslim population is spread over the rest of India, with Maharashtra and Gujarat having 0.65 crore Muslims. The total Muslim population of the four Southern States of Andhra Pradesh, Karnataka, Kerala, and Tamil Nadu is 1.29 crores.

9. Urbanisation of Muslims which is much higher than the national percentage of 20% is not a new phenomenon. Before the advent of the British, as the rulers of most of India, they constituted the privileged class and, therefore, most of the urban areas were patronised by them as the centres of commerce, arts and culture. This trend continued during the British rule as well as in the post independence era, as is apparent from the following table :—

|   | 1931 | 1941 | 1951  | 1961  | 1971   |
|---|------|------|-------|-------|--------|
| Urban Muslim total in lakhs . . . . .                     | 30.2 | 59.4 | 93.3  | 127.7 | 176.86 |
| Urban percentage of the total Muslim population . . . . . | 13.5 | 14.6 | 26.2  | 27.0  | 28.79  |
| National urban population percentage . . . . .            | 11.1 | 12.8 | 17.29 | 17.97 | 19.91  |

10. To understand this phenomenon, we will have to go back to the days of the partition which resulted in the migration of lakhs of urban Muslims to Pakistan, the rough estimate is about 23.4 lakhs.\* It is estimated that by 1948 without this migration the urban Muslim population would have been about 76 lakhs whereas it was reduced to 52.6 lakhs. This means that the urban Muslims in post-partition India were reduced by one-third.

11. On the other hand, migration of rural Muslims to Pakistan was limited to 36.6 lakhs out of which overwhelming majority went over from East Punjab and the adjoining areas in the West. The remaining

15% or 5.6 lakhs went over from the different regions of the country. Migration of 36.6 lakhs, therefore, out of a total rural population of 292 lakhs was hardly of much significance.

12. However, migration from urban areas of such a large number of Muslims to Pakistan gave, no doubt, a blow to their development. Moreover, it took place from such traditional urban Muslim centres as Delhi, Calcutta, Bombay, Bhopal, Ahmedabad, Hyderabad, Madras, Aligarh, Rampur, Meerut, Moradabad, Lucknow, Allahabad, etc. and the migrants were mainly the intelligensia such as civil servants, doctors, lawyers, engineers, officers and jawans from Armed Forces, etc. This also resulted in considerable drain in skilled and trained personnel, with adverse economic consequences. The residual Muslim population in the urban areas, comprised the lower income groups, such as artisans, craftsmen, petty shopkeepers and factory workers. On the other hand, the migration of rural Muslims to Pakistan was so small that it did not affect the rural Muslim population in India much adversely.

13. However, the vacuum created in the urban areas had to be filled up. This happened as a result of the migration of a large number of Muslims from the rural areas to the urban areas within four or five years after partition. It is difficult to define precisely the extent and the reason for this unprecedented shift but it appears that the small land owners and zamindars could no longer hold their own after the abolition of Zamindari which took place in most of the States within this period. Moreover, the migration of the Muslim urban population to the cities provided avenues of employment traditionally held by the Muslims in the towns and industrial centres, *i.e.*, artisans, petty shopkeepers, workers, domestic servants, etc. Thus the fall in agricultural income and the lack of opportunities in rural areas forced the literate elements amongst the peasants and craftsmen, who had traditionally maintained their links with villages, to migrate to urban areas. However, even with the unprecedented shift of population from urban areas to Pakistan, urban population among the Muslims rapidly rose again and constitutes a large and significant proportion of urban India.

14. The urban Muslim population, (29% of the total Muslim population in the country), however, is not homogeneous. It consists of the rich as well as the poor. The businessmen, a small percentage of the educated men and other type of professional persons consist of the upper strata. The middle-class consists of petty shopkeepers, small businessmen, educated employed and others. At the last rung of the ladder are the workers and other salaried people in the lower income groups such as clerks and peons.

15. A large majority of the Muslims constituting about 71% of their population live in the villages. Therefore, their condition is not as good as that of the urban Muslim masses. Like the other segments of the society in the rural areas they comprise landless labourers, small and marginal farmers, artisans, craftsmen and small businessmen. Their social

stratification and class interests are more or less in common with other people living in the villages. The solution to their problems, therefore, is linked with the solution of the problems of the other rural poor in the country.

16. There is a common belief that Muslims in India have remained largely unaffected by the economic development in the country, despite the successive Five Year Plans and further, that their general economic condition is becoming worse than before. The explanations offered are of varying nature depending on the perspective of the particular persons or groups. Firstly, there are those who believe that Muslims have been the victims of the discriminatory implementation of the various developmental schemes resulting in the deprivation of any benefits to them. Secondly, there are those who believe that the reason for the Muslims not being able to avail of the benefits of this development is their conservative, social and cultural ethos and their tendency to remain aloof from the main stream of national progress. The truth may be somewhere in between. No serious attempt has so far been made to examine the causes of their backwardness and to devise ways and means to remove them. The Muslims are unfortunately left very much alone and very few, among their leaders, have tried to help them to rise economically. In the pages which follow in this report, we wish to examine this crucial aspect in the light of the evidence which has come to us as a result of our on the spot surveys of their economic conditions and the reasons, which have been given to us by various individuals and groups, who were examined by our Research Teams.

#### Christians

17. Christians are next to Muslims in terms of population. They constitute 142.23 lakhs, being 2.6% of the total population of India. Their State-wise break up is as follows :—

| S. No. | State/UTs                  | Christian population | %age to total population |
|--------|----------------------------|----------------------|--------------------------|
| 1      | 2                          | 3                    | 4                        |
| 1.     | Andhra Pradesh . . . . .   | 18,23,436            | 4.19                     |
| 2.     | Assam . . . . .            | 6,67,151             | 4.46                     |
| 3.     | Bihar . . . . .            | 6,58,717             | 1.17                     |
| 4.     | Gujarat . . . . .          | 1,09,341             | 0.41                     |
| 5.     | Haryana . . . . .          | 9,802                | 0.10                     |
| 6.     | Himachal Pradesh . . . . . | 3,556                | 0.10                     |
| 7.     | Jammu & Kashmir . . . . .  | 7,182                | 0.16                     |
| 8.     | Kerala . . . . .           | 44,94,089            | 21.05                    |
| 9.     | Madhya Pradesh . . . . .   | 2,86,072             | 0.69                     |
| 10.    | Maharashtra . . . . .      | 7,17,174             | 1.42                     |
| 11.    | Manipur . . . . .          | 2,79,243             | 26.03                    |
| 12.    | Meghalaya . . . . .        | 4,75,267             | 46.98                    |
| 13.    | Karnataka . . . . .        | 6,13,026             | 2.09                     |

| 1   | 2                       | 3         | 4     |
|-----|-------------------------|-----------|-------|
| 14. | Nagaland . . . . .      | 3,44,798  | 66.76 |
| 15. | Orissa . . . . .        | 3,78,888  | 1.73  |
| 16. | Punjab . . . . .        | 1,62,202  | 1.20  |
| 17. | Rajasthan . . . . .     | 30,202    | 0.12  |
| 18. | Tamil Nadu . . . . .    | 23,67,749 | 5.75  |
| 19. | Tripura . . . . .       | 15,713    | 1.01  |
| 20. | Uttar Pradesh . . . . . | 1,13,810  | 0.15  |
| 21. | West Bengal . . . . .   | 2,51,752  | 0.57  |

## UNION TERRITORIES

|    |                                     |            |       |
|----|-------------------------------------|------------|-------|
| 1. | Andaman & Nicobar Islands . . . . . | 30,342     | 26.35 |
| 2. | Arunachal Pradesh . . . . .         | 3,684      | 0.79  |
| 3. | Chandigarh . . . . .                | 2,504      | 0.97  |
| 4. | Dadra & Nagar Haveli . . . . .      | 1,918      | 2.58  |
| 5. | Delhi . . . . .                     | 43,720     | 1.08  |
| 6. | Goa, Daman & Diu . . . . .          | 2,72,509   | 31.77 |
| 7. | Lakshadweep . . . . .               | 239        | 0.75  |
| 8. | Pondicherry . . . . .               | 41,296     | 8.76  |
|    | All India . . . . .                 | 142,23,382 | 2.60  |

(Source : Census of India, 1971, Series I, Paper 2 of 1972, Religion)

18. Out of their total population of 142.23 lakhs, as many as 106.6 lakhs live in rural areas (about 75%), and 35.56 lakhs live in urban areas (about 25%). The urban segment is predominant in the Northern States, while rural segment is in the Southern States. They are 44.94 lakhs in Kerala, 23.67 lakhs in Tamil Nadu, and 18.23 lakhs in Andhra Pradesh. These three States together account for more than 60% of the Christian population. The States and Union Territories where Christians constitute over 20% of their population are Nagaland (66.76%), Meghalaya (46.98%), Goa, Daman and Diu (31.77%), Andaman and Nicobar Islands (26.35%), Manipur (26.03%) and Kerala (21.05%).

19. Christians have shown a relatively higher rate of growth as compared to any other community. Their decadal growth rate during 1921—31 was 32.5%; during 1931—41 it was 20.75%; during 1951—61 it was 27.38%; and during 1961-71 it was 32.60%.

20. The Christian missionaries were able to spread literacy and offer health care services not only to the Christians but also to the other communities. The Christian community, therefore, ranks above the general population in several major indices of social and economic development, particularly in literacy and education. The first Christian institution to develop the general community welfare was founded by St. Francis Xavier as early as 1540. From the beginning of 18th century, onwards, the European missionaries began setting up schools and the number

of Christian missionaries in the country has increased considerably after Independence. The Roman Catholics, being the largest among Christians in India, conduct 7072 primary schools, 1198 secondary schools, 114 colleges, 183 technical schools and 74 teachers' training colleges by 1969. Apart from the Roman Catholic institutions, other Christian denominations have also set up a number of social service institutions for the spread of literacy and health care but accurate statistics are not available.

*Occupational distribution*

21. Quite a large number of Christians are living in rural areas who are mainly converts from lower Hindu and other backward castes and, therefore, follow the same occupational pattern. It is estimated that in Kerala about 7.51 lakhs of the Latin Catholics are converts from Scheduled Castes and many of them continue to follow the occupation of fishermen. They are both socially and economically backward. The lower income groups belonging to the SIUC of this State are also converts from scheduled castes and they continue to be engaged in their traditional occupation. In the State of Tamil Nadu, specially in Kanyakumari and Tirunelveli districts, a large number of fishermen belonging to Scheduled Castes and other backward classes have converted to Christianity and are both socially and economically backward. It is regrettable, however, that the large Christian population in the southern parts of India other than Latin Catholics, SIUC and converts to Christianity from Scheduled Castes, are still not regarded as "other backward classes". Even Latin Catholics & SIUC have not yet been so declared in Tamil Nadu.

22. There are no separate studies available showing the socio-economic conditions of the Christians. However, the reports of the Backward Classes Commissions in the States of Kerala, Tamil Nadu and Karnataka show that a large number of Christians in these States are represented in Government and other private institutions. However, quite a significant percentage of Scheduled Castes converts to Christianity continues to be poor and illiterate, and suffer the same social retardation as the Hindu Scheduled Castes. Recognising their plight, these groups are treated as persons belonging to backward classes by the States of Andhra Pradesh, Assam, Gujarat, Karnataka, Maharashtra, Punjab, Kerala and Tamil Nadu for the purpose of granting certain educational and other concessions. In other States, they have yet to receive this recognition.

*Sikhs*

23. The Sikhs number 103.79 lakhs, out of which 81.60 lakhs are in the Punjab. They constitute 1.89% of the total population in India. Their state-wise break up is as follows :—

| S. No. | State/UTs                | Sikh population | %age to total population |
|--------|--------------------------|-----------------|--------------------------|
| 1      | 2                        | 3               | 4                        |
| 1.     | Andhra Pradesh . . . . . | 12,591          | 0.03                     |
| 2.     | Assam . . . . .          | 12,347          | 0.08                     |

| 1                        | 2                                   | 3          | 4     |
|--------------------------|-------------------------------------|------------|-------|
| 3.                       | Bihar . . . . .                     | 61,520     | 0.11  |
| 4.                       | Gujarat . . . . .                   | 18,233     | 0.07  |
| 5.                       | Haryana . . . . .                   | 6,31,048   | 6.29  |
| 6.                       | Himachal Pradesh . . . . .          | 44,914     | 1.30  |
| 7.                       | Jammu & Kashmir . . . . .           | 1,05,873   | 2.29  |
| 8.                       | Kerala . . . . .                    | 1,284      | 0.01  |
| 9.                       | Madhya Pradesh . . . . .            | 98,973     | 0.24  |
| 10.                      | Maharashtra . . . . .               | 1,01,762   | 0.20  |
| 11.                      | Manipur . . . . .                   | 1,028      | 0.10  |
| 12.                      | Meghalaya . . . . .                 | 1,262      | 0.12  |
| 13.                      | Karnataka . . . . .                 | 6,830      | 0.02  |
| 14.                      | Nagaland . . . . .                  | 687        | 0.13  |
| 15.                      | Orissa . . . . .                    | 10,204     | 0.04  |
| 16.                      | Punjab . . . . .                    | 81,59,972  | 60.22 |
| 17.                      | Rajasthan . . . . .                 | 3,41,182   | 1.33  |
| 18.                      | Tamil Nadu . . . . .                | 4,355      | 0.01  |
| 19.                      | Tripura . . . . .                   | 318        | 0.02  |
| 20.                      | Uttar Pradesh . . . . .             | 3,69,672   | 0.42  |
| 21.                      | West Bengal . . . . .               | 35,084     | 0.08  |
| <b>UNION TERRITORIES</b> |                                     |            |       |
| 1.                       | Andaman & Nicobar Islands . . . . . | 865        | 0.75  |
| 2.                       | Arunachal Pradesh . . . . .         | 1,255      | 0.27  |
| 3.                       | Chandigarh . . . . .                | 65,472     | 25.45 |
| 4.                       | Dadra & Nagar Haveli . . . . .      | 3          | neg.  |
| 5.                       | Delhi . . . . .                     | 2,91,123   | 7.16  |
| 6.                       | Goa, Daman & Diu . . . . .          | 885        | 0.10  |
| 7.                       | Lakshadweep . . . . .               | 4          | 0.01  |
| 8.                       | Pondicherry . . . . .               | 51         | 0.01  |
|                          | All India . . . . .                 | 10,378,797 | 1.89  |

(Source : Census of India, 1971, Series I, Paper 2 of 1972 Religion).

Sikhs are an important minority, not only because they constitute almost 2% of India population but also because of their military valour and contribution to our agricultural advancement. They are in majority (60.22% in 1971) in the State of Punjab but are spread over, in varying numbers in all other States. The concentration of Sikhs in the State of Punjab is about 78.62% of the total Sikh population of the country. The other States accounting for sizable Sikh population are the States of Haryana (6.29%), Rajasthan (1.33%), Delhi (7.16%), Jammu & Kashmir (2.29%), Uttar Pradesh (0.42%), Maharashtra (0.20%), West Bengal (0.08%) and Madhya Pradesh (0.24%).

24. Sikhs have adopted agriculture as their dominant profession and heralded the Country's Green Revolution, in spite of half of their numbers having

been rendered refugees and migrated *en masse* from Pakistan in 1947 :

- (i) The Punjab State contributed 48.23 lakh tonnes of wheat to the Central pool during 1981-82 which was 73% of the total procurement. 50% of the Central procurement in rice also came from Punjab in 1981-82;
- (ii) The per hectare yield of wheat produced by them is about 2,730 kg., the highest in the country;
- (iii) Their per capita income is about Rs. 3,000 again the highest in the country;
- (iv) The minimum wages of their agriculture labourer is Rs. 14 per day, again the highest in the country;
- (v) The life expectancy of a Sikh male is 66.8 years and female is 61.9 years, which is far ahead of the national average; and
- (vi) Punjab is the first State to identify economically weaker sections of the society (all households with an income of less than Rs. 3,600 per annum), and offers each household Rs. 10,000 as interest-free loan for specified cottage industries or other vocations, (25% of this is subsidy and the interest is paid to the Banks by the State Government).

#### Literacy among Sikhs

25. Though the literacy rate among the Sikhs is not available, it is generally believed that a large percentage of Sikhs is literate. Punjab's literacy is 38.69% as compared to Kerala's 69.75% as per 1971 Census Report. However, the Sikh community itself is taking keen interest in spreading education and a number of educational centres are run by the Sikhs throughout the country. Even as early as on 15th September, 1972 it is reported that the Sikh community was managing over 42 institutions/colleges of higher education in the country. Their women are as educated as men.

#### Occupational distribution

26. Though a large percentage of Sikhs is engaged in agriculture, they are also working in other spheres such as small scale industries (particularly engineering), teaching medicine, transport and commerce. Their part in the defence services is also commensurate with their traditional valour. The Punjab's share in recruitment was 11.5 per cent in the Army during the last 5 years.

27. The concessions enjoyed by the Scheduled Castes among the Hindus are also available to the Sikh Scheduled Castes. Quite a sizable number of Scheduled Caste Sikhs in Punjab who have also joined the Army (and special battalions of these sections called the Sikh Light Infantry were raised even during the British regime) have shown remarkable courage in many wars. Their standard of living is generally higher than that

enjoyed by their Hindu counterparts elsewhere, though much still remains to be done for them both socially and economically. In Sikh religious institutions, however, no untouchability is practised and Sikh converts from the Scheduled Castes participate on an equal footing with Sikh priests, musicians and partake on equal terms in the community kitchens.

### Buddhists

28. The Buddhists, including the Neo-Buddhists who became converts to Buddhism in 1950s; number 38.12 lakhs and constitute 0.70 per cent of the total population. The Buddhists population of the country during the years 1951, 1961 and 1971 as per the Census reports was as follows :

| Year           | Buddhists population | Percentage in total population |
|----------------|----------------------|--------------------------------|
| 1951 . . . . . | 1,80,823             | 0.05                           |
| 1961 . . . . . | 32,56,036            | 0.74                           |
| 1971 . . . . . | 38,74,942            | 0.71                           |

29. The increase in the population estimated in 1951—1961 was on account of mass conversion of Scheduled Castes of Maharashtra and other States to Buddhism from 1956 onwards. However, the 1971 Census report shows a lower population percentage of 0.71 and growth rate of 19.01 per cent during 1961—1971. This growth rate is conspicuously low as compared to the general growth rate. This requires an in-depth study. The possibility of an undercount in the Census population of Buddhists cannot be ruled out owing to the fact that the Census enumerators, while recording the religion of illiterate persons, generally follow their own inclination as they do not distinguish between Buddhists and Hindus. For instance, the position becomes complicated in an area like Kinnaur where the Buddhists have two names each, a Bhoti name and a Hindu name.

30. Statewise Buddhists population during the three census, the percentage of the Buddhists in the States/Union Territory population and the decennial population figures of Buddhists is given in Annexure III-1.

31. The Buddhists population in the country in 1971 (males 14,60,223 and females 14,45,954) as against an urban population of 9,68,765 (males 5,15,115 and females 4,54,650). The States/Union Territories in which the Buddhists population percentage is equal to or exceed their national population percentage of 0.71 are : (i) Himachal Pradesh (1.039%), (ii) Jammu and Kashmir (1.255%), (iii) Maharashtra (6.475%), (iv) Sikkim (29.84%), (v) Tripura (2.717%), (vi) Arunachal Pradesh (13.133%), and (vii) Mizoram (6.813%).

32. In 45 districts covering 7 States and 2 Union Territories administration (out of total of 359 districts in the whole of the country) the population of

Buddhists is equal to or exceed their population percentage in the country (0.71%) and same is given at Annexure III-2.

33. It may also be seen from the above Annexure that in 41 districts in the country population of Buddhists exceed 1% of the district population.

34. There are two distinct categories of Buddhists in the country viz., the old traditional groups of Buddhists which have existed for centuries, rather millennia, and the Neo-Buddhists who adopted Buddhism in 1956 or later. There are wide distinctions between the two categories of Buddhists from several angles—linguistic, educational, cultural, economic and even theological. The Neo-Buddhists are generally converts from the Scheduled Castes. In the wake of embracing of Buddhism by Dr. B. R. Ambedkar in 1956, his followers followed suit and due to this en bloc adoption of Buddhism by a large vocal group, the Neo-Buddhists tend to have a political overtone. Integration between the old Buddhists and the Neo-Buddhists as a homogenous religious group is yet to be achieved.

35. The Buddhists living in the northern and eastern borders of the country (barring Ladakh) are declared as Scheduled Tribes and they share their economic problems with the other tribal and hill area people living in those areas. In addition to their economic problems they also face the difficulty in the preservation of their distinct cultural identity.

36. The problems of Buddhists living in tribal areas have been included in our report on Scheduled Tribes. In this report, the problems of Buddhists as a religious minority especially Neo-Buddhists have been dealt with.

### Parsis

37. The Parsis live mostly in Bombay and Surat. They number 91,266 and constitute 0.02% of the total population. They are the smallest minority in number; but their contributions in various fields of national progress have been tremendous. State-wise population of the Parsis shows that in the State of Maharashtra their population is 72,266 and in the State of Gujarat is 15,131. Thus, over 96% of the population lives in these two States.

38. The Parsis came to India about 1200 years ago to protect their religion. They settled in some of the cities of Gujarat and then they migrated to Bombay on or about 1815. The Census taken in the year 1830 shows that out of a total of 10,801 inhabitants in the Bombay area, 5,464 were Parsis. In 1816, the Parsis in Bombay were 60% of their total population.

39. As per the 1961 Census, the degree of urbanisation of Parsi community was estimated at 94.3%. The Parsis are by far the most urbanised community on the Indian sub-continent. A study of the Parsi population figures in the last 60 years shows that their

population is declining, due mainly to non-conversion and late marriages. They normally do not marry outside their community, but, if a girl marries outside the religion then her children cannot be converted to Parsi religion. This has also contributed to reduction in their number.

#### *Literacy Rate*

40. Though the literacy rate among the Parsis is not available, it is generally agreed that quite a large percentage of Parsis is highly literate. A number of Parsi educational institutions at Bombay and in Gujarat has helped in spreading education among all communities.

#### *Occupational distribution*

41. A large number of Parsis are engaged in various urban avocations and have been pioneers in banking, industry, ship-building, trade, commerce, professional services like advocates, doctors, engineers, professors and lecturers and others. The report of 1864 Census shows that about 40 per cent of Parsis were in five occupational branches like trade, money transactions and housing incomes; about 14.6% were engaged in secretarial and book-keeping jobs; 14.4% in services, about 12% in wood processing and 7.3% as clergies. At one time the liquor trade was mainly in the hands of Parsis in Maharashtra, Gujarat and Rajasthan but now this is almost negligible.

42. With the advent of industrialisation in the 19th Century, a number of Parsis set up industries and even

today they continue to be leaders in some of the important industrial sectors such as steel, textile, cement, etc. Tatas and Wadias are giants. Parsis were also pioneers in banking and ship building. Similarly many Parsis became prominent educationists. Even today despite the fact that other communities have come forward in all these fields, Parsis continue to enjoy a prominent position.

43. Parsis have done a lot for the general welfare of India. They have established some of the most prestigious national institutions such as the Indian Institute of Science, Bangalore, Tata Institute of Fundamental Research, Bombay, Tata Cancer Research Institute, Bombay, Tata Memorial Hospital, Bombay, etc. They have also founded many scholarships for higher education and research. Likewise their concern for the poor and down-trodden has been evident in several fields. For instance, Tatas have taken special measures in the economic development of tribals in and around Jamshedpur. They not only provide good education and training to tribals but also employ them in various cadres in their own establishments.

#### *Socio-economic conditions*

44. There are no separate studies showing the socio-economic conditions of Parsis. However, it is generally agreed that quite a large number of Parsis is comparatively better off than the general population. But there are also Parsis among workers, clerical cadres and in small scale industry, who are poor and suffer the same social retardation as other communities.

## CHAPTER IV

### EDUCATION

1. In the development of a country, education plays a major catalytic role. It is, therefore, a vital instrument of progress both economic and social. Poverty breeds its own culture of acceptance and resignation which only education can break down. The spread of education alone can remove poverty, superstition, sectarianism, and obscurantism from among the people and develop self-reliance in them. Recognising the importance of education, our Constitution provides for the provision of universal, free and compulsory education for all children upto the age of 14 years.

2. Our Government have included this subject in the successive Five Year Plans which broadly emphasises the following objectives :—

- (i) ensuring equality of educational opportunities as part of the overall plan of ensuring social justice;
- (ii) establishing closer links between the pattern of education on the one hand and the needs of development and the employment market on the other;
- (iii) improvement of the quality of education imparted; and
- (iv) involvement of the academic community including students, in the tasks of social and economic development.

3. The expenditure incurred by the Government on education has been on the increase with every successive Five Year Plan. From a mere Rs. 153 crores in the First Five Year Plan (1951—56), the expenditure went upto Rs. 1,330 crores in the Fifth Plan (1974—79). The proposed outlay in the Sixth Plan (1980—85) has been further increased to Rs. 2,524 crores, which is almost equal to the funds allocated in all the previous Five Year Plans. Besides the funds provided under Plan Schemes, funds to the extent of over Rs. 3,500 crores per year, are spent by the various States as well.

4. To ensure equality of educational opportunities as part of the overall plan of ensuring social justice, both States and the Central Government provide financial grants, subsidised/free hostel accommodation, special coaching facilities and various other concessions to the economically weaker sections like the Scheduled Castes and the Scheduled Tribes.

5. We conducted field studies in different districts and at State headquarters to evaluate the participation of minorities in education at different levels from the elementary stage to the University level. The elementary level (Class I to Class VIII) being the most important, from the point of view of assessing the overall level of education, we determined their participation by collecting the figures of enrolment at this stage. As the maximum wastage is at the primary level from Class I to Class V, we determined the drop-out rate at this level by collecting the information about the enrolment at the beginning of the Primary stage (Class I) and the corresponding information at the final stage (Class V). All this information was collected from the records maintained in the offices of District Education Officers of 51 districts in 14 States\*. Next to the elementary stage, secondary stage is important to determine the level of education which in turn would serve as a base for higher education. We, therefore, collected information about their enrolment in Class IX and above in the similar way from the District Education Officers of the districts concerned.

6. To assess the performance of students belonging to minorities, we conducted sample studies of the examination results, both at the level of Class X and Class XII, in respect of some of the Board of Secondary Education. The results of these studies are given in the following pages.

7. Similarly, to assess the participation and performance of students of our target groups at the higher education stage the information about the number of students who appeared in the examinations as well as their results was collected from 22 Universities\*\* in 12 States pertaining to the last one year for (a) Graduate level General Education (B.A./B.Sc./B. Com.), (b) Post-graduate General Education (M.A./M.Sc./M.Com.) and (c) pertaining to professional courses viz., B.Sc. (Engg.) and M.B.B.S.

#### Data Analysis

##### *Enrolment at Elementary School Stage (Class I to VIII)*

##### *Muslims*

8. Our Research Teams collected the data from 45 districts in 12 States\*\*\* in regard to the enrolment of Muslim students at the elementary school stage. This study shows that out of a total enrolment of 98.48

\*Please see Annexure IV. 1 for details of the States and the districts concerned.

\*\*These Universities are : Gauhati, Bhagalpur, Patna, Ranchi, Baroda, Kurukshetra, M.D. University, Rohtak, Calicut, Awadhesh Pratap Singh, Indore, Marathwada, Bombay, Utkal, Berhampur, Punjabi, Madras, Aligarh, Allahabad, Gorakhpur, Lucknow, Delhi and Nagpur.

\*\*\*Please See Annexure IV. 2 for details.



lakh students at the elementary stage, the enrolment of Muslims was 12.20 lakhs accounting for 12.39% of the total enrolment, which is quite fair as compared to their population percentage of 17.32 in the sample districts.

9. The State-wise analysis shows that only in Karnataka, Tamil Nadu and Madhya Pradesh, the participation rate of Muslims is slightly better than their population percentage. In the case of West Bengal their participation in Malda and Murshidabad districts is 46.38 per cent as compared to their population proportion of 51.66 per cent. In all other States, their participation rate is below their population percentage. In the States of Bihar, Haryana and Uttar Pradesh, the gap between their participation in elementary education and their population percentage is appreciable.

#### Christians

10. On the basis of the information collected from 32 districts in 12 States@, the total enrolment of Christians at elementary stage in these districts was 66.81 lakhs. Out of this, their enrolment was 2.51 lakhs which constituted 3.76 per cent of the total enrolment. This was higher than their corresponding population proportion of 2.33 per cent.

11. State-wise analysis shows that except for the States at Bihar, Kerala, Orissa, Rajasthan and Punjab, where the participation of Christians was slightly lower than their corresponding population proportions, it was generally higher or at par with their population in other States. The gap between the enrolment ratio of Christians and their corresponding population proportion was quite large in the States of Bihar (enrolment ratio 0.04% and population proportion 0.22 per cent), Orissa (enrolment ratio 0.82 per cent and population proportion 1.66 per cent), Rajasthan (enrolment ratio 0.05 per cent and population proportion 0.23 per cent) and Punjab (enrolment ratio 0.04 per cent and population proportion 0.11 per cent).

#### Sikhs

12. Based on the information collected from 24 districts located in 10 States\*, the enrolment of Sikhs at the elementary level was 2.78 lakhs out of a total enrolment of 47.74 lakhs at this stage. This constituted 5.82% of the total enrolment which was better than their corresponding population proportion of 4.06% in the districts surveyed.

13. State-wise, Haryana and Punjab are the two States where there is a large concentration of Sikhs. They are in majority in Punjab with a population proportion of 60.22%. In both the States, the participation rates of Sikhs at the elementary school stage are slightly lower than their corresponding proportion in population. Apparently, this is due to the low parti-

cipation rates of Scheduled Caste Sikhs. In other States, the population of Sikhs was quite low, but their participation percentage in education was better than their population percentage.

#### Buddhists

14. In our sample studies, data about the elementary education of Buddhists was collected from four districts of Maharashtra namely, Amravati, Kolhapur, Aurangabad and Pune,\*\* this is because almost 85 per cent of their population is concentrated in this State. The remaining 6 lakhs Buddhists out of 38 lakhs are spread over other parts, out of which almost half of them are in the State of Sikkim, where being the ruling community, their condition is comparatively much better. An analysis of the Maharashtra Buddhists shows that out of a total of 21.99 lakh students enrolled in elementary education in the four districts of Maharashtra 48,392 were Buddhists constituting 2.20% of the total. This was quite low in comparison to their population proportion of 6.23% in the districts concerned.

#### Drop-out Rate (Class I—V)

15. Drop-out rate of students at primary stage (Class I—V) indicates the proportion of students who could not reach Class V in relation to the total enrolment in Class I over a period of four years. To arrive at this rate we have taken into consideration the enrolment of students in Class I in 1976-77, and the corresponding enrolment in Class V in 1980-81 and have applied the following formula :

$$\text{Drop-out Rate} = \frac{\text{Enrolment in Class I (1976-77)} - \text{Enrolment in Class V (1980-81)}}{\text{Enrolment in Class I (1976-77)}} \times 100$$

Accordingly the drop-out rates for minorities at primary stage have been worked out which is discussed in the following paragraphs.

#### Muslims

16. The drop-out of Muslim students at primary stage, worked out on the basis of the data collected from 27 districts in 8 States†, was 65 per cent which means that out of 100 students enrolled in Class I in 1976-77, only 35 reached Class V in 1980-81. This rate though high, is at par with the general drop-out rate for all communities in the districts covered. In four districts of Uttar Pradesh, namely, Hamirpur, Nainital, Rampur and Saharanpur, the drop-out rate of Muslim students was 90% against the general drop-out rate of 78%.

#### Christians

17. The drop-out rate of Christian students at primary stage worked out on the basis of data collected

@Please see Annexure IV. 3 for details.

\*Please see Annexure IV. 4 for details.

\*\*Please see Annexure IV. 5 for details.

†Please see Annexure IV. 5A for details.

from 18 districts in 8 States\* was 50% which means that out of 100 Christian students enrolled in Class I in 1976-77, only 50 students reached Class V in 1980-81. This rate was lower than the general drop-out of 65% amongst all communities.

#### *Sikhs*

18. The drop-out rate of Sikh students at primary stage worked out, on the basis of data collected from Patiala and Sangrur districts of Punjab, was 70% which means that out of 100 Sikh students enrolled in Class I in 1976-77, only 30 reached Class V in 1980-81. This rate was higher than the general drop-out rate of 68% in these districts.

#### *Buddhists*

19. The drop-out rate of Buddhist students at primary stage worked out on the basis of the data collected from Pune and Kolhapur districts of Maharashtra, was 52% which means that out of 100 Buddhist students enrolled in Class I in 1976-77 only 48 students reached Class V in 1980-81. This is below the general drop-out rate of 56% in these districts.

#### *Enrolment at Secondary School Stage (IX to XII)*

##### *Muslims*

20. The analysis of the data collected from 38 districts spread over 11 States\*\* regarding participation of Muslim students at Secondary stage shows that out of a total enrolment of 19.64 lakhs, the Muslim students were 2.09 lakhs and thus their participation rate at this stage was 10.66% of those enrolled as against their population percentage of 18.56 in the sample districts.

21. Their participation rate is better in Sirohi district of Rajasthan, in Mysore district of Karnataka and in a few districts in Tamil Nadu and Madhya Pradesh. In the remaining States, their participation rate is lower than their population percentage. This is particularly low in Bihar and Uttar Pradesh, where the gap is too wide and where they constitute 12.36 per cent and 22.21% respectively of their India-wide population.

##### *Christians*

22. On the basis of the information collected from 34 districts in States†, the total enrolment at Secondary stage in these districts was 11.88 lakhs out of this, the enrolment of Christians was 26,417 which constituted 2.22% of the total enrolment. This was higher than their corresponding population proportion of 0.98%.

23. State-wise analysis shows that except in the States of Punjab, Rajasthan and Orissa, where the

participation of Christians was comparatively lower than their corresponding population proportion, it was higher in other States. The gap between the enrolment ratio of Christians and their corresponding population proportion was observed to be quite large in Punjab (enrolment ratio 0.05% and population proportion 0.14%) and Rajasthan (enrolment ratio 0.09% against the population proportion of 0.23%).

##### *Sikhs*

24. Based on the information collected from 24 districts spread over 10 States‡, the total enrolment at Secondary stage was 8.35 lakhs. Out of this, the enrolment of Sikh students was 0.29 lakhs which formed 3.53% of the total enrolment. This was slightly less than their corresponding population proportion of 4.12% in the district surveyed.

25. State-wise analysis shows that in the States of Haryana and Punjab, where Sikhs are mainly concentrated, their enrolment ratios were 7.06% and 56.59% respectively. These ratios were slightly less than their corresponding population proportions of 8.00% and 60.38% respectively. In other States their population was small and their corresponding share in the enrolment at this stage was quite satisfactory. As compared to their share in the enrolment at elementary stage, their position in the enrolment at Secondary stage was lower on account of high drop-out rates amongst them at the Primary stage.

##### *Buddhists*

26. For Secondary education also, data was collected from Amravati, Kolhapur, Aurangabad and Pune districts of Maharashtra£. Here, out of 1,64,538 students enrolled, the Buddhists' participation was 2796 which in terms of percentage comes to 1.70%. This was even lower than their participation at elementary education level. This indicates that the drop-out rates amongst Buddhist students at elementary education level was quite high.

#### *An analysis of the examination results at Class X level*

##### *Muslims*

27. The study of Class X examination results pertaining to 8 Boards of Secondary Education@ shows that out 13.44 lakh students who appeared in the examinations 0.54 lakhs students were Muslims. This constitutes only 4.00% of the total who appeared against their population percentage of 11.28% in the sample States. Thus the participation of Muslims here also is less than half of what their numbers warranted. This is in contrast to their pass percentage which is 59 as against the general pass percentage of 54 only. State-wise participation of Muslims at the Matriculation level varies from 0.53% in Haryana to 6.33% in Bihar.

\*Please see Annexure IV. 5B for details.

\*\*Please see Annexure IV. 6 for details.

†Please see Annexure IV. 7 for details.

‡Please see Annexure IV. 8 for details.

£Please see Annexure IV. 9 for details.

@Please see Annexure IV. 10 for details.

*Christians*

28. Based on information collected from 5 Boards of Secondary education\*, out of a total of 7.31 lakh students who appeared in Matriculation/High School Examination the number of Christian students was 5937 only. This constituted 0.81% of the total appeared as against their population proportion of 0.67% in the States surveyed. Thus their participation was marginally higher than their population proportion. The performance of the Christian students was also found satisfactory as their average pass percentage was 60.05 as against the general pass percentage of 53.97 in the examinations conducted by the above mentioned Boards.

*Sikhs*

29. Based on the results of the four Boards of Secondary Education\*\*, out of a total number of 7.11 lakh students who appeared in examination of these Boards at matriculation level, the number of Sikh students was 1.05 lakhs. This constituted 14.81% of the total number appeared as compared to their population proportion of 7.71% in the four States. Not only that their number was higher than their corresponding population proportion, but even their performance in terms of pass percentage (53.47%) was also higher than the general pass percentage of 51.73.

30. State-wise, the participation of Sikh students in the examination results of Punjab Board of Secondary Education is slightly higher than their corresponding population proportion whereas in other States their participation was higher. This may be on account of educational backwardness amongst Scheduled Caste Sikhs in Punjab.

*Buddhists*

31. The data was also collected regarding participation of Buddhists in Secondary Education Board results from Pune and Greater Bombay regions of Maharashtra State.

32. A total of 3,01,282 students appeared in the Secondary Education Board Examination out of which 3,604 were Buddhists forming 1.20%. This was quite low in comparison to their population proportion of 6.47% in the State.

33. Out of 1,54,309 students declared successful in the examination, 1,473 were Buddhists. Their performance in terms of pass percentage was 40.60 which was again lower than the general pass percentage of 51.22.

\*Please see Annexure IV. 11 for details.

\*\*Please see Annexure IV, 12 for details.

†Please see Annexure IV. 13 for details.

‡Please see Annexure IV. 14 for details.

@Please see Annexure IV. 15 for details.

*Parsees*

34. The data about the participation of Parsees in education is available in the examination results of Maharashtra State Secondary Education Board only.

35. The data collected in respect of Pune and Greater Bombay regions reveals that out of 3,01,282 students appeared, 697 were Parsees constituting 0.23% of the total. Their participation in the field of school education seems to be quite significant when compared with their population proportion of 0.14% in the State.

36. A total of 1,54,309 students were declared passed, out of which 464 were Parsees. Their performance in terms of pass percentage (66.57%) was also higher than the general pass percentage of 51.22.

*An analysis of the examination results at Class XII level**Muslims*

37. We also analysed the results of the higher secondary examination at Class XII level for five Boards†. It is seen that out of 2.26 lakh students who appeared in these examinations, the number of Muslim students was 5,645, constituting 2.49% of the total number who appeared. Thus the number of Muslim students who appeared in these examinations was far below their population percentage in the districts, surveyed by us; it comes to 10.30%. The percentage of those who passed in these examinations was 59.74 which is almost at par with general pass percentage of 60.80.

*Christians*

38. Out of a total of 2.26 lakh students who appeared in the Higher Secondary Examination conducted by the four Boards‡, the number of Christian students was 446 constituting 0.19% of the total number appeared. The participation of Christian students was low as compared to their population proportion of 1.02% in these States. However, their success in the examination was found better since their average pass percentage was 61.14 as against the general pass percentage of 60.76.

*Sikhs*

39. Out of a total of 1.80 lakh students who appeared in the Higher Secondary Examination conducted by the three Boards, the number of Sikh students was 19,478@. This constituted 10.82% of total appeared and was less than their corresponding population proportion of 22.13%. Their pass percentage was 52.02 as against general pass percentage of 56.52.

*Graduate level general education (B.A., B.Sc., & B.Com.)*

*Muslims*

40. The examination results from 21 Universities spread over 11 States have been analysed to assess the participation of Muslims at the University level which shows that out of 2.19 lakh students who appeared for these examinations, Muslims accounted for 13,571, constituting 6.21% of the total as against their population percentage of 10.73 in the States covered in the sample surveys\*.

41. State-wise analysis shows that though the overall picture of admission of Muslims at this level does not appear to be satisfactory, yet the position is not uniform in all the States. In some States like, Tamil Nadu, Bihar, Madhya Pradesh and Uttar Pradesh, their participation was better or almost at par with their population percentage. In some Universities like Aligarh in Uttar Pradesh and Marathwada in Maharashtra where the concentration of Muslim population is quite sizable, the institutions were able to attract quite a large number of students from this community and their performance was equally good. In Aligarh University out of total 1960 students, who appeared in graduate level examinations, 1466 (74.80%) were Muslims. Their pass percentage in these examinations was 65.76 as against general pass percentage of 66.53. In Marathwada University their participation was 5.34% as against their population proportion of 8.40% in the State. Their pass percentage was 61.34 as against general pass percentage of 77.11. However, in the State of Haryana and Delhi their participation at this level is low. Thus, we find that, though the number of Muslim students who appeared in these examinations is low but their performance compares well with the general performance.

*Christians*

42. The information received from 13 Universities from 10 States shows that out of a total of 1,39,500 students who appeared in B.A./B.Sc./B.Com. examinations, Christians accounted for 5187 constituting 3.72% of the total appeared as against their population proportion of 2.50% in the States covered\*\*.

43. State-wise analysis shows that out of the ten States covered, in four States participation of Christians was more than their population proportion. So far as their performance is concerned, it was better than that of other communities in most of the States. The average pass percentage of Christians was 63.74 as against the general pass percentage of 60.09.

*Sikhs*

44. Based on the information received from 10 Universities located in 7 States†, out of a total of

95,286 students who appeared at the graduate level examinations, the number of Sikh students came to 8436. This formed 8.85% of the total appeared, which was better than their corresponding population proportion of 3.29% in the States covered. The pass percentage of Sikhs was 47.76 as against the average pass percentage of 53.66 for all communities.

45. State-wise most of the Sikh students are from the Universities located in Haryana and Punjab States. In Haryana, the Sikh students constituted 10.13% of the total number appeared as against their corresponding population proportion of 6.29% for the State as a whole. The results of Punjabi University in Punjab showed that the percentage of Sikh students who appeared in Examinations at the graduate level came to 55.03. This was slightly lower than their corresponding population proportion of 60.22% in the State. The performance (51.57%) of Sikh students in terms of their pass percentage was also slightly lower than the average performance of 55.30% for all communities. In other States, their number was small but their participation was quite satisfactory in relation to their population in the concerned States. On an overall assessment, the position of Sikh students in graduate level examinations was quite satisfactory.

*Post-Graduate level General Education (M.A., M.Sc. & M.Com.)*

*Muslims*

46. Information obtained from 16 Universities belonging to 9 States‡ shows that out of a total of 23,723 students who appeared in post-graduate level examinations, the number of Muslim students was 2162 constituting 9.11% of the total appeared as against their population proportion of 10.95% in the States covered. Thus, the number of Muslim students at the post-graduate level examinations was commensurate with their population proportion. Their pass percentage was also 75.85 as against the general pass percentage of 77.59.

*Christians*

47. Information obtained from 9 Universities shows that out of a total of 15,122 students who appeared in these examinations, the number of the Christian students came to 698@. This constituted 4.62% of the total, who appeared as against their corresponding population proportion of 2.92% in the States covered showing that the number of Christian students at the Post-graduate level examination was better than their corresponding population proportion. Their pass percentage in these examinations was 70.77 as against general pass percentage of 79.94.

*Sikhs*

48. Information obtained from 9 Universities belonging to 7 States£ shows that out of a total of

\*Please see Annexure IV. 16 for details.

\*\*Please see Annexure IV. 17 for details.

†Please see Annexure IV. 18 for details.

‡Please see Annexure IV. 19 for details.

@Please see Annexure IV. 20 for details.

£Please see Annexure IV. 21 for details.

16,073 students who appeared in these examinations, the number of Sikh students was 1,430 constituting 8.90% of the total appeared as against their population proportion of 3.29% in the States covered. This shows that the number of Sikh students was higher than their corresponding population proportion. However, their pass percentage in these examinations was 56.22 as against the general pass percentage of 78.42.

49. It is seen in the case of Sikhs that the States having low proportion of Sikh population had better participation rates in these courses. On the other hand, in Punjab and Haryana, their participation rates were slightly lower than their corresponding population proportion.

### Professional Degree Courses

#### Muslims

##### *B.Sc.(Engg.)/B.E.*

50. For these courses, information was received from 9 Universities belonging to 6 States\*. Out of a total of 2698 students who appeared in this examination, the number of Muslim students was 92, constituting 3.41% of the total students appeared. The percentage of Muslim students in Engineering courses thus is quite low (3.41%) as compared to their population proportion (12.44%). Their pass percentage was also 45 as compared to the general pass percentage of 65 in this examination.

#### M.B.B.S.

51. For this course, information was received from 12 Universities belonging to 8 States\*\*. Out of a total of 2845 students who appeared in this examination, the number of Muslim students were 98, showing a low percentage of 3.44 as compared to their population percentage of 9.55. However, their performance in this examination was not bad, as their pass percentage was 52.04 in comparison to the general pass percentage of 62.71.

#### Christians

##### *B.Sc.(Engg.)/B.E.*

52. For this course, information was received from 5 Universities belonging to 3 States†. Out of a total of 5073 students, who appeared in this examination, the number of Christian students was 367, which came to 7.23%. This is quite high as compared to their corresponding population proportion of 5.40% in the States covered. Their pass percentage in this examination was 80.65 which was slightly lower than the general pass percentage of 90.64.

\*Please see Annexure IV. 22 for details.

\*\*Please see Annexure IV. 23 for details.

†Please see Annexure IV. 24 for details.

‡Please see Annexure IV. 25 for details.

@Please see Annexure IV. 26 for details.

£Please see Annexure IV. 27 for details.

#### M.B.B.S.

53. For the M.B.B.S. course data was received from 6 Universities of 5 States‡. Out of a total of 2816 students, who appeared in this examination, the number of Christian students was 173 showing a percentage of 6.14 which is quite good as compared to their population percentage of 4.02 in the States covered. Their pass percentage in this examination was 75.72, which is below the general pass percentage of 78.27.

#### Sikhs

##### *B.Sc.(Engg.)/B.E.*

54. For this course, information was received from 4 Universities belonging to 3 States@. Out of a total of 4947 students who appeared in this examination, the number of Sikh students was 84, showing a percentage of 1.70 which is quite good. Here also it is seen that their number in States outside Punjab is far better than in Punjab as compared to their population. Their pass percentage in this examination was 88.10, which was comparatively higher than the general pass percentage of 82.21.

#### M.B.B.S.

55. For the M.B.B.S. course, information was received from 4 Universities belonging to 4 States£. Out of a total of 1456 students who appeared in this examination, the number of Sikh students was 108, showing a percentage of 7.42 in the States covered. Their pass percentage in this examination was 61.11 which was higher than the general pass percentage of 52.61.

#### Buddhists

##### *B.Sc.(Engg.)/B.E.*

56. For this course, information was received from Bombay University. Out of 418 students who appeared in this examination, the number of Buddhist students was 5, showing a percentage of 1.20. This is quite low as compared to their population proportion in the State covered. Their pass percentage in this examination was 60 which was lower than the general pass percentage of 71.30.

#### M.B.B.S

57. For M.B.B.S. course, information was received from Bombay University. Out of a total of 709 students who appeared in this examination, the number of Buddhist students was 6, showing a percentage of 0.85 which is quite low as compared to their population percentage in the State. Their pass percentage

in this examination was 83.33 which was comparatively lower than the general pass percentage of 94.92.

*Parsees*

*B.Sc.(Engg.)/B.E.*

58. For this course, information was received from Bombay University. Out of a total of 418 students who appeared in this examination only one was from Parsee community, showing a percentage of 0.24. Only one Parsee student passed the examination.

*M.B.B.S.*

59. For this course, information was received from Bombay University. Out of a total of 709 students who appeared in this examination, the number of Parsee students was 4, showing a percentage of 0.56 which is quite good as compared to their population proportion in the State. Their pass percentage in this examination was 50 which is much lower than the general pass percentage of 94.92.

*Causes of educational backwardness of Minorities*

60. Due to various historical and other factors, Muslims have not taken to modern education as readily and on such a large scale as others. But the most important cause of the backwardness of the Muslims in education was due as much to the poverty of the large sections of the population, as a general apathy towards secular education or inability to secure admission in technical institutions. Moreover, half of their population, namely, women do not pursue even school education, let alone higher education (This inhibition does not apply to the Christian or the Sikh minority where women sometimes outnumber men in the educational field). As a consequence of these causes, the economic condition of the Muslims was far from satisfactory, as they could not avail of the opportunities due to lack of education. Quite a large percentage of them is poor and illiterate who continue to practise their old professions. Bulk of them consist of artisans. They earn their living by doing their day's job and can hardly afford any time for education. This is more or less true of poorer sections among the other minorities as well.

61. However, in the larger arts and crafts centres in Uttar Pradesh, Maharashtra, Gujarat and even in the South, the Muslims have bettered their economic conditions mainly through their craftsmanship. They are engaged on a large scale in lock manufacturing industry in Aligarh, brass work in Moradabad, wood-work in the western parts of Uttar Pradesh (e.g., Saharanpur) Silk and Carpet weaving in the district of Varanasi and handloom in Azamgarh and Ghazipur. Similar is the story in other parts of the country. A child, when he is four or five years of age, starts getting trained in the traditional crafts and the parents find modern education hardly of any use for him. At best, he is sent to a religious school where he is given some religious instructions through the medium of Arabic or Urdu.

62. The parents fear that a boy educated under the present system of education loses interest in the ancestral trade and, therefore, the general trend that

came to our notice is to engage the child in the respective trades from the very beginning. Certain communities which are engaged in trade and business hardly consider it worthwhile to give higher education for their children, which, they feel, hardly advanced their economic condition.

63. Most members of the Minority communities living in the rural areas are poor and illiterate belonging to the working class. Their children, therefore, due to economic compulsions, have to do manual work and cannot think of education. Economic compulsions coupled with illiteracy have formed a vicious circle out of which they cannot get out.

64. Assistance offered to the students to cross the economic hurdles at the primary levels where they drop out in large numbers is too meagre. There is no central scheme to help them. The poor belonging to our target groups, namely, Muslims, Christians, Buddhists etc., are left to fend for themselves, like the poorer students of other sections of the society and have to make the best of the difficult situation.

65. In Southern States, specially in Kerala and Karnataka all Muslims and Scheduled Caste converts to Christianity have been included in the list of 'Other Backward Classes' and made eligible for educational and other concessions. In Tamil Nadu also over 60% of the Muslims and Scheduled Caste converts to Christianity have been included in the list of 'Other Backward Classes' and are eligible for all the concessions available. In these States we found that certain percentage of benefits have accrued to the Minorities.

66. In Andhra Pradesh, Assam, Gujarat, Haryana, Himachal Pradesh, Maharashtra, Bihar and Uttar Pradesh, some occupational communities among Muslims such as 'Mehtar', 'Julaha' and 'Pinjara' etc., have been listed among 'Other Backward Classes' and are eligible for certain educational and other concessions. The total Muslim and Christian population covered in these States, however, is insignificant as compared to their total population in the States. Moreover, the implementation of the schemes to give benefits to them either are so tardy or the funds provided for the purpose, so meagre that the benefits accruing to them have hardly made any significant impact on their educational development. The picture, thus, is almost dismal.

67. This is rather alarming as large percentage of the minorities particularly the poorer sections among the Muslims, live in the Northern States of Uttar Pradesh and Bihar. In these States no special facilities are given to the Minorities for the advancement of education and no assistance is provided to remove educational backwardness among them. It affects adversely the national scene and hence it is necessary to have a comprehensive national programme with substantial resources to back it to make a real dent in this field.

68. During our visits to the urban as well as rural areas in the country we came across a large number of localities which are not adequately served by a

primary school. The schooling facilities have not been provided so far within a walking distance to a large percentage of our target groups. Even in several important cities and towns we found primary and middle schools catering for our target groups which do not have proper buildings and other equipment for teaching the children. Likewise in many villages schools exist only in name, they have no place to teach, at best classes were conducted under the shades of trees. Most of these schools have single teachers who come late or, very often, do not come at all. Being local men, they prefer to work on their farms or indulge in local politics.

69. On a visit to Lucknow and other urban centres we came across some institutions like Nadqua tul Ulma managed by the Muslim minority to impart religious education. Some of them with self-contained campus providing hostel accommodation to almost five to six thousand students are very well managed. The students, no doubt, gain a lot of knowledge about theological affairs in these institutions, but are totally devoid of modern secular education which is essential to help them face the realities of life outside. These institutions have a vast potential to impart general and secular education in addition to elementary technical education to the students coming here which will help them later in self-employment and in earning a decent living by engaging themselves in gainful professions.

#### RECOMMENDATIONS

70. Thus we find that the problem of educational backwardness of minorities, particularly Muslims and Neo-Buddhists (mostly recent converts from the Scheduled Castes) is really serious and deserves attention at the highest level. The problem, in our opinion, offers itself to two kinds of solutions.

##### A. Long Term Solutions

- (i) Economic backwardness, which appears to be the main cause, has to be tackled on many fronts. In the subsequent chapters of this Report, we have discussed in detail what economic steps have to be taken and safeguards provided for minorities in the decentralised industrial sector and in the rural development sector. We hope that the recommendations made by us will receive serious consideration of the Government and will be implemented expeditiously. The economic foundations thus laid will certainly arouse greater aspirations among members of these communities which will inspire them to take to education seriously. This will also enable them to become useful citizens and enable them to apply for all kinds of jobs in the Government thus giving them both economic relief and a sense of belonging. Meanwhile we recommend that, in order to enable them to send their children in large numbers to the schools and colleges a scheme of pre-matric scholarships should be evolved by the Government which should be available to the Minorities based on the economic criteria. The poorest among the poor

should receive the first priority. The amount of scholarships may be paid in the ascending order; we, therefore, recommend Rs. 15 per month per child upto Class V level, and Rs. 20 to Rs. 50 thereafter upto the Matric level. The amount of scholarships paid to a family may, however, be scaled down progressively if more than one child from the same family is going to the school and should be available upto a maximum of three children only. A sum of Rs. 1,000 crores (out of a total outlay of Rs. 6,000 crores by both the State and Central Governments on education during the current Five Year Plan period) be spent on scholarships for candidates belonging to minorities, especially, women or the poorer class as defined above, if we need substantial improvement both in quality and quantity.

- (ii) We recommend that the criteria for availability of scholarships should be on an income of Rs. 6,000 per annum from all sources, per family of five. The identification of the families and other details for the eligibility must be worked out in a similar manner on a comprehensive basis as indicated by us in the subsequent chapter on rural development. In this scheme, the implementation of the scheme will be handled by the same machinery in the States and only those members of our target groups should be covered who have not availed of the benefits under similar State schemes to which they are eligible. This, in our view will meet the requirements of the situation and will induce a large number of persons belonging to minorities to send their children in large numbers to school. This will adequately compensate them for the loss of earning which they may suffer if their child is sent to school. This will also act as an economic inducement for further pursuit of higher learning.
- (iii) We recommend that suitable sums can be allocated for the implementation of the scheme for each block or the pockets of concentration of minorities. In the guidelines to be issued for implementation it should be laid down that in the first instance only the poorest will be covered. We can go on broadening the coverage of the scheme at subsequent stages as and when more funds become available. The scheme may be known as "Integrated Educational Development Programme" to be run as a Central Scheme by the Ministry of Education and the Planning Commission must provide necessary funds for its implementation.
- (iv) An alternative to the scholarship scheme suggested to us was the opening of Montessori type Primary Schools for the poorer sections of the minority communities whose family income does not exceed Rs. 6,000 per annum. It is the lack of atmosphere, heavy load of bookwork and home-task, the old

soulless method of teaching by rote with the authority of the teacher's rod frightens many children of the rural (and even urban) poor away from the primary schools. If work is coupled with play as in the Montessori system, and no fee is charged from poorer parents, the children will be tempted to go to school in much larger numbers. We recommend, therefore, that in each block at least ten such schools be opened immediately on an experimental basis. And if the results are encouraging and drop outs decrease substantially, the entire primary school system should be modelled on these lines to bring about hundred per cent literacy in the new generation.

#### B. Short Term Solutions

- (i) To get over the problem of schooling facilities, which have not been provided in a large number of areas, we recommend that a comprehensive survey should be made to identify the groups of families in the particular pockets in the urban and rural areas inhabited by minority communities and the schools, both primary and middle, should be provided at walking distance for their children. This should be done on a systematic basis and all such areas should be covered in the next five years.
- (ii) We also recommend that the educational trusts established by the minorities to run educational institutions should be given all encouragement. The protection given to these trusts under articles 29 and 30 of the Constitution, allowing them freedom to manage their own educational institutions, should not be taken away on any technical ground or on the excuse that these are not wholly communal as in their management some others are included or in their objects some secular slant is to be found. The test should be whether the management, in effect, belongs to the minorities or not. Many complaints were received by us in this behalf from all over the country. Rules and regulations framed by the authorities to regulate their activities should not affect them adversely. Necessary grants, land, building facilities and recognition of the institutions etc., should be given to them on a liberal basis and there should be no interference in their management.
- (iii) We also recommend that wherever in particular pockets, areas or villages, the minorities are in substantial numbers they should be encouraged to open their own private institutions for imparting education to their children. Grants and recognition to such institutions should also not be withheld.
- (iv) We recommend that the Education Department in the States must be geared up and the supervision at the grass-roots level must be intensified to ensure that the teachers do their job properly and attend the schools in time. The provision of basic requirements, like buildings, furniture and other equipment must be provided liberally.
- (v) With a view to ensure this, we recommend that the Education Departments in the States may examine the desirability of involving the Block level implementation machinery by providing special Extension Officers-in-charge of education for our target groups at the block level, if possible, or at least at the district level.
- (vi) We recommend that Ashram type schools should be established in the area inhabited by Minorities to act as pace-setters where boys and girls from their families should be admitted on a priority basis and all the facilities like free school uniform and books as well as other equipment, including playgrounds etc., should be provided for them.
- (vii) We recommend that at the Matric level, from Class VIII onwards, more and more emphasis should be laid on giving the boys vocational training in carpentry, blacksmithy, weaving, shoe-making and other crafts. Management of various aspects of agricultural operations which are of immense value to the children belonging to the families of craftsmen and artisans should also be taught. This will act as an incentive for them to continue their education upto these levels.
- (viii) To encourage better participation of the minorities in the technical and professional courses at higher levels we recommend that adequate representation to them should be given in the technical and professional courses on a more liberal criteria providing separately for admission of the children of the members of each minority. For this purpose detailed guidelines may be issued to the educational institutions. If suitable candidates are not available for admission to these courses for any reason whatsoever, their places instead of being left vacant should be filled by members of the minority communities whose family income does not exceed Rs. 12,000 per annum. Thus, the benefits will accrue only to the less privileged among the minorities whose economic status would be more or less at par with that of the other weaker sections of society.
- (ix) For uplifting the minorities educationally and bringing them at par with others, we recommend that a few special institutions should be established which should offer various kinds of incentives with a view to raising their standards in education and in production-oriented jobs. These institutions should be opened in the urban areas with large concentration of minorities as well as in the rural areas, with sizable population of our target groups. They must offer general



education prevalent in other institutions as well as specialised training in particular vocations and jobs which may be useful to them.

- (x) Religious institutions like Maktabas and Madarasas managed by the Muslims can also play a useful role in imparting general and elementary technical education to their students. In view of the Constitutional provisions, however, it will be difficult for the Government to suggest changes in the curriculum and the courses of teaching which they follow. We, therefore, recommend that the leaders of the minority communities themselves (Muslims particularly) should get together and devise ways and means to alter their curriculum of teaching suitably in such institutions with a view to incorporate not only the general courses of teaching but also to train them in improved production technology in the field of handicrafts, hand-looms, several arts and crafts, practised by them and other technical skills which might help them to become useful technicians and artisans when they come out of these institutions. This will not only help them in self-employment and get decent earning but will also save them from being exploited by the middlemen who, as we have seen, use the poorer sections amongst our target groups as daily wage-earners on meagre emoluments. In this connection we commend the steps taken by the Government of Bihar to offer substantial grants to such Madarasas, to pay its teachers the same scales of salaries as in other recognised educational institutes and even to link them up to a special Arabic-Persian University to be set up for this purpose. The Madarasas in their turn have also added secular education to their curriculum. This model should be copied as early as possible by other States.
- (xi) We must also point out that the Muslims have a legitimate grievance that their Wakf (Trust) properties scattered all over India and at present managed by Government-nominated Wakf Boards are not being put to proper use, thus depriving the Muslim minority of vast incomes. But if Government were to amend the Rent Control Act, the Land Ceiling and the Tenancy Acts (as has been done in Kerala) etc., in various States so as to exempt the Wakf properties from their operations, their unauthorised occupations could be suitably dealt with and the present pitifully low income from rent could be enhanced considerably. As it is, the Government of India and various State Governments have to spend considerable sums for the repair and upkeep of these properties. The Central Government gave a grant of Rs. 60 lakhs in 1981-82 for this purpose. During the last five years, the Government of India has contributed, in grants, a sum of Rs. 2.28 crores to the

Central Wakf Board, which includes expenses for repair of the dilapidated Wakf properties and running of its offices. Nominated boards, as at present constituted, should also be scrapped and an element of representation introduced in their management, in consultation with leading Muslims. We further recommend that the trust properties (including places of worship) of all minorities employed for public use should be exempt from taxes of all kinds, in the spirit of our Constitution so that the minorities are encouraged to utilise their income for their educational and social uplift. This way they will also learn the lesson of self-help.

- (xii) In order to encourage urban Muslims to take to education in large numbers, special schools should be opened by Government in the predominantly Muslim localities, so that the nearness of the schools within a walking distance and in their familiar surroundings may act as an incentive to their better education and break down resistance from the conservative elements of their society.
- (xiii) It has been repeatedly stressed that the text books should be revised thoroughly so as to inculcate the spirit of national integration among pupils and not to highlight the differences between different communities. This is one of the pressing demands of minorities and must be attended immediately.
- (xiv) For promoting higher education among the members of the Minorities, we recommend that the fee of colleges and technical institutions should be regulated in accordance with the income of the parents. While those with income below Rs. 12,000 per annum, be allowed liberal scholarships and no fee charged from them, those above should pay fees according to a sliding scale. This will both reduce indiscipline in the Universities, help the Government in reducing its largesse to the Universities and induce the poorer scholars to pursue their studies, unhampered by lack of resources. The minority candidates, if poor, would especially benefit from such an arrangement.
- (xv) As the lack of education, both general and technical, is the main constraint in the way of students, belonging to Minorities, competing with the rest of the candidates who come from urban and affluent families, our primary endeavour should be to encourage higher education, particularly technical, scientific, managerial and professional amongst them. Already there is reservation of seats in the technical and other institutions of higher learning not only for the Scheduled Castes and Scheduled Tribes, but also for the other backward classes including several backward class Muslims. We, therefore, recommend that this facility should be given also to the Minorities in the

- technical institutions, at least on the basis of their population. This facility, however, should be available only to those who are educationally and socially backward and who have secured minimum prescribed marks at the higher secondary, intermediate, pre-medical or pre-engineering examinations and income of whose family is less than Rs. 12,000 per annum. This facility shall not extend to more than two children in a family.
- (xvi) Bank loans should also be given to such deserving students (who have not received any scholarships) at the Differential Rate of Interest 4 per cent on the recommendation of the Principal of the College/University/Institute. The scholarships and the loans should be withdrawn if the candidate fails to qualify at the annual written test twice, or fails to get more than 50% marks in a consecutive two-year period.
- (xvii) Any individual, firm or a limited company, which pays for the full upkeep of a minority scholar at a technical or other higher educational institute of University, should get rebate for a sum upto Rs. 5,000 per year spent for this purpose from the income-tax department.
- (xviii) Meritorious minority children who get first class at the end of 4/5 year Primary Course should be provided with hostel facilities and their entire expenses of education, residence and boarding should be borne by the State.
- (xix) In the spheres of work especially in trades and handicrafts in which they have been traditionally occupied like brassware, lock-making, hand-printing, wood-work and furniture, leather tanning and shoe-making, handlooms, chikan work, embroidery work, dyeing and printing of cloth, zari work, poultry farming, perfumes, motor mechanic, motor parts, papier mache etc., and mangoes, fruits and vegetable, especially their canning, every effort should be made to give specialised facilities for the minorities. Special training schools should be opened for them in the areas of such work to train the workers in producing new modern designs and also to become quality-conscious.
- (xx) The Minimum Wages Act should also apply to those working in these handicrafts. It is a crying shame that the wages for the exquisite Chikan work in Lucknow should be Re. 1 to Rs. 2 per day and for the world famous zari Rs. 5 to Rs. 6 per day and the middleman should get away with most of the profits. It is the same kind of exploitation of workers in the other handicrafts, whose details have been given in this Chapter. Unless this is done, we shall lose forever as has happened in certain sectors like carpet-weaving in Warangal, Himroo or brocade work in certain districts of Maharashtra and stone-inlay work at Fatehpur Sikri, etc., the highly skilled workers in these handicrafts who are unable even to make their ends meet.
- (xxi) The six principal programmes identified so far to eliminate poverty and end unemployment namely, Antodya, Rural Employment Scheme, Employment Guarantee Scheme (on Maharashtra pattern), Integrated Rural Development Programme, Small and Medium Irrigation Schemes (with pumpsets and fertilizers) and Operation Flood Scheme (on Anand Model), besides animal husbandry, including piggery, poultry and goat, cow and buffalo rearing (a buffalo or cow for each landless family) could work this miracle even in 5 to 10 years, with an investment of only Rs. 3,000 crores per year which is only about 15% of the annual plan outlay. Already, quite a large number of workers have raised their incomes from the poverty line (Rs. 300 p.m.) to Rs. 500 to Rs. 600 p.m. wheresoever it has been efficiently and honestly applied, as in Gujarat and Punjab. Our educational system, therefore, should also be re-oriented accordingly and all future planning adjusted to this end.
- (xxii) As mother tongue is the most effective medium of instruction, languages like Urdu and Punjabi should be given their due place in primary and secondary levels. Teachers should be appointed in Urdu and Punjabi wherever there are more than five students in a class. We recommend that Urdu be declared the second official language where there is a large concentration of Urdu speaking people as well as Punjabi wherever there is a large concentration of Punjabi speaking people. Likewise proper steps should be taken to promote Bhoti language in the Himalayan region where there is a large concentration of Buddhists.
- (xxiii) English has to play a significant role as it does even today in our national life. It is already accepted as an associate national language. Hence it should be included in the Eighth Schedule forthwith. When it is the official language of Nagaland, Meghalaya and Mizoram, there is no reason why it should not be so included.
- (xxiv) Some Select Model Sainik Schools and other similar schools together with pre-selection training schools should be opened in each State for the benefit of Minorities. We recommend to the Government that in pre-admission test to Sainik Schools and for admission in pre-selection training schools, minorities should be given adequate representation.
- (xxv) Adult education and night schools particularly should be opened in every Muslim Mohalla and their members appointed as teachers, giving incentives both to the students as well

## CHAPTER V

### EMPLOYMENT

With the spread of education in the three decades after our independence, educated unemployment has assumed alarming proportions. The number of educated unemployed stood at 90.40 lakhs as on June, 1982. In our country, the Governments, both Central and State, are the biggest employers. It is reported that the total employment under the Central Government, State Governments, Quasi-Government and other local bodies as on 31st March, 1981 was 154.84 lakhs. One member of every ten family in India, it is said, is employed under the Government. There is also the Private Sector, which generate considerable employment; and the self-employed, who find work for themselves. Figures for these sectors are not available and will be hard to find.

2. Our Constitution guarantees equality of opportunity to all citizens in matters relating to employment or appointment to any office under the Government. To ensure that the Government employment is open to all, on an equal basis, and in a just and fair manner, it provides for the constitution of Public Service Commissions both at the Central and State levels. The recruitment to the Central Government Services in Class I and II Cadres is made on the basis of competitive examinations held by the Union Public Service Commission which are open to all. Similarly, the State Public Service Commissions have been constituted for the purpose of making recruitment under the State Governments. At the Central level, in addition to the Union Public Service Commission, a subordinate Services Commission has also been constituted for recruitment to the Central Services in Class III Cadre both for Central Secretariat and other Central Government Departments excluding Railways and Defence Establishments.

3. To ensure a fair recruitment procedure for appointment to other categories both in the Central Government and the State Governments as well as in other public and private sectors, Employment Exchanges have been established under a Central Act, "Employment Exchanges (compulsory Notification of Vacancies) Act, 1959". All unemployed persons both educated and uneducated may register themselves in these Employment Exchanges which offer employment as and when the vacancies are notified as per the procedure prescribed.

4. In view of the importance of these employment agencies we sent our Research Teams in various parts of India, to assess their role in providing employment to Minorities. It has, however, not been possible to go into all aspects of the functioning of the Public Service Commissions and the Employment Exchanges

due to non-availability of the required data. Despite these constraints, we studied the recruitments undertaken by these agencies, on a sample basis, to assess the participation of Minorities.

5. The data relating to the state Government Services could not be made available to us by the State Service Commissions in the manner we wanted. We, therefore, deputed our Research Teams to collect this information from the application forms of the candidates available in the offices of the Commissions. Due to its time-consuming nature, this information, therefore, could only be collected from the offices of a few State Public Service Commissions such as those of Bihar, Uttar Pradesh, Andhra Pradesh, Kerala, Madhya Pradesh, Maharashtra and Tamil Nadu.

6. We were, however, able to collect quite a substantial data from the Employment Exchanges located in about 83 districts in 14 States. The consolidated position which emerges from these studies will be discussed in the following pages.

The analysis in regard to the coverage of Minorities concerning various sectors of employment is based on the details given in the statements at Annexure V.1 to V.33.

#### I. All India Services

7. The officers belonging to the All India Services man the key positions in the State Administration including the districts. They act as the head of the district administration and are responsible for implementation of all development programmes. They play a vital role in the planning and execution of the district development programmes. In the secretariat also both at the Central and the State levels, they play an important role not only in formulation but also in the execution of policies of the Government.

8. Similarly, officers belonging to Central Services play an important role in formulating policies and their implementation in the crucial sectors of our economy. Similarly, officers belonging to the Indian Revenue Service are responsible not only for the collection of taxes but also for determining the fiscal measures to be adopted to manage the economy. Officers belonging to railway services are responsible for important core sectors providing infrastructure for industrial activity in addition to essential transport services to the public.

9. In view of the importance attached to these services, we conducted sample surveys to assess the participation of the Minorities in the All India and

some of these Central Services. The community-wise break-up of officers belonging to these cadres was not available, but we devised our own method to collect this information from the personal data of these officers maintained by the offices of the U.P.S.C. and from the Civil List showing the names of the officers. We collected community-wise data regarding their intake for 10 years from 1971 to 1980. Though not readily available, we collected this information from the personal data of the officers available in the respective Ministries/Departments of Government of India.

10. The collected data has been analysed and separate analysis made in respect of each category of services. In the following paragraphs we give a summary of the same.

(i) *Indian Administrative Service*

11. Information in regard to the representation of the Minorities each year from 1971 onwards in the IAS is given in the following table :—

TABLE I  
*Indian Administrative Service*

(Percentage to the total in brackets)

| Year         | Total Intake | Muslims          | Sikhs            | Christians       | Buddhists & Parsees |
|--------------|--------------|------------------|------------------|------------------|---------------------|
| 1971 .       | 87           | 1(1.14)          | 4(4.59)          | 5(5.74)          |                     |
| 1972 .       | 142          | 1 (0.70)         | 6 (4.85)         | 4 (2.81)         |                     |
| 1973 .       | 124          | 3 (2.41)         | 5 (4.03)         | 7 (5.64)         |                     |
| 1974 .       | 141          | 1 (0.70)         | 9 (6.38)         | 4 (2.83)         |                     |
| 1975 .       | 129          | 2 (1.55)         | 5 (3.87)         | 7 (5.42)         |                     |
| 1976 .       | 138          | 5 (3.62)         | 9 (6.52)         | 10 (7.24)        | N.A.                |
| 1977 .       | 158          | 10 (6.32)        | 4 (2.53)         | 13 (8.22)        |                     |
| 1978 .       | 134          | 10 (7.46)        | 6 (4.47)         | 13 (9.70)        |                     |
| 1979 .       | 117          | 3 (2.56)         | 8 (6.83)         | 7 (5.98)         |                     |
| 1980 .       | 124          | 1 (0.80)         | 5 (4.03)         | 3 (2.41)         |                     |
| <b>TOTAL</b> | <b>1294</b>  | <b>37 (2.86)</b> | <b>61 (4.71)</b> | <b>73 (5.64)</b> |                     |

N.A. : Not Available.

12. It is worth mentioning that while in the years 1977 and 1978 the representation of Muslims went up (a Muslim incidentally was the Chairman of the U.P.S.C. in these years) in all the other years, their representation appears to be uniformly low, having regard to their population proportion of 11.20%.

*Sikhs*

13. In the case of Sikhs, it may be seen that on an average about 6 candidates out of a total intake of about 130 each year are Sikhs. Their representation thus appears to be good, having regard to their population proportion of 1.89%.

*Christians*

14. In so far as Christians are concerned, it may be seen that the average recruitment each year works out to about 7 candidates. Hence their representation appears to be good having regard to their population proportion of 2.60%.

*Parsees and Buddhists*

15. The community-wise data was collected from the names of the Officers and not on the basis of any reliable data. In the case of Buddhists and Parsees we could not identify the religion from the names of the officers. Therefore, the data in respect of these communities could not be collected.

(ii) *Indian Police Service*

16. Information regarding the recruitment of Minorities in each year from 1971 onwards in the IPS was collected and a table showing the representation of Minorities for the years 1971 to 1979 is given below :—

TABLE II  
*Indian Police Service*

(Percentage to the total in brackets)

| Year         | Total Intake | Muslims          | Sikhs            | Christians       | Buddhists & Parsees |
|--------------|--------------|------------------|------------------|------------------|---------------------|
| 1971 .       | 35           | ..               | ..               | ..               |                     |
| 1972 .       | 59           | ..               | 3 (5.08)         | ..               |                     |
| 1973 .       | 116          | 1 (0.86)         | ..               | 1 (0.86)         |                     |
| 1974 .       | 75           | 5 (6.66)         | 12 (16.00)       | 3 (4.00)         |                     |
| 1975 .       | 65           | ..               | 12 (18.46)       | 3 (4.61)         | N.A.                |
| 1976 .       | 92           | ..               | 3 (3.26)         | 2 (2.17)         |                     |
| 1977 .       | 212          | 6 (2.83)         | 3 (1.41)         | 4 (1.88)         |                     |
| 1978 .       | 45           | 2 (2.22)         | 2 (4.44)         | 3 (6.66)         |                     |
| 1979 .       | 50           | 2 (4.00)         | 5 (10.00)        | 1 (2.00)         |                     |
| <b>TOTAL</b> | <b>749</b>   | <b>15 (2.00)</b> | <b>40 (5.34)</b> | <b>17 (2.27)</b> |                     |

N.A. : Not Available.

*Muslims*

17. It may be seen from the above table that Muslims had representation only in five years out of these 9 years. While their representation in the years 1974 and 1977 was between 5 and 6 officers, in the other three years it was only between 1 to 2 officers which is quite low. The average intake of Muslims each year works out to less than two persons per year out of a total of about 83 successful candidates. Having regard to their population, their representation in this service is very inadequate.

*Sikhs*

18. It may also be seen from the table that, on an average, about 3 successful candidates are Sikhs each year. Having regard to their population, their representation is good.

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### Christians

19. In the case of Christians, it may be seen that, on an average, about 2 successful candidates are Christians each year. Having regard to their population, their representation appears to be good.

### Buddhists and Parsees

20. So far as Buddhists and Parsees are concerned, it may be stated that the identification of their religion from their names was not possible and, therefore, no data in respect of these communities could be collected.

### (iii) Indian Revenue Service (Income Tax)

21. A table showing the representation of Minorities in recruitment to this Service from the year, 1971 to 1980 is given below :

TABLE III

#### Income Tax Officers (Direct Recruits)

| (Percentage to the total in brackets) |              |                  |                  |                  |                 |           |
|---------------------------------------|--------------|------------------|------------------|------------------|-----------------|-----------|
| Year                                  | Total Intake | Muslims          | Sikhs            | Christians       | Buddhists       | Parsees   |
| 1971                                  | 80           | 3 (3.75)         | 3 (3.75)         | 2 (2.50)         | ..              | ..        |
| 1972                                  | 80           | 5 (6.25)         | 2 (2.50)         | 4 (5.00)         | 1 (1.25)        | ..        |
| 1973                                  | 80           | 2 (2.40)         | 5 (6.25)         | 2 (2.50)         | ..              | ..        |
| 1974                                  | 80           | 1 (1.25)         | 8 (10.00)        | 2 (2.50)         | ..              | ..        |
| 1975                                  | 80           | 4 (5.00)         | 4 (5.00)         | 7 (8.75)         | 1 (1.25)        | Nil       |
| 1976                                  | 80           | 2 (2.50)         | 2 (2.50)         | 4 (5.00)         | ..              | ..        |
| 1977                                  | 80           | 5 (6.25)         | 4 (5.00)         | 4 (5.00)         | ..              | ..        |
| 1978                                  | 121          | 2 (1.65)         | 6 (4.95)         | 7 (5.78)         | ..              | ..        |
| 1979                                  | 120          | ..               | 3 (2.50)         | 3 (2.50)         | 2 (1.66)        | ..        |
| 1980                                  | 80           | 3 (3.75)         | 3 (3.75)         | 4 (5.00)         | ..              | ..        |
| <b>TOTAL</b>                          | <b>881</b>   | <b>27 (3.06)</b> | <b>40 (4.54)</b> | <b>39 (4.43)</b> | <b>4 (0.45)</b> | <b>..</b> |

### Muslims

22. From the above table it may be seen that, on an average, about 3 candidates are Muslims each year out of a total of about 88 successful candidates. Having regard to their population, their representation is quite low.

### Sikhs

23. It may also be seen that, on an average, about 4 Sikh candidates are successful each year. Having regard to their population, their representation is good.

### Christians

24. In so far as Christians are concerned, on an average, about four Christian candidates are successful each year, which is much higher than their population proportion.

### (iv) Indian Railways Traffic and Accounts Services

25. A table showing the representation of Minorities in the recruitment made to Indian Railways Traffic and Accounts Services from the year 1971 to 1980 is given below :

TABLE IV

#### Indian Railways Traffic and Accounts Services

(Percentage to the total in brackets)

| Year         | Total Intake | Muslims          | Sikhs           | Christians       | Buddhists       | Parsees   |
|--------------|--------------|------------------|-----------------|------------------|-----------------|-----------|
| 1971         | 36           | ..               | ..              | 2 (5.55)         | ..              | NA        |
| 1972         | 36           | 2 (5.55)         | ..              | ..               | 1 (2.77)        | NA        |
| 1973         | 36           | ..               | ..              | 3 (8.33)         | ..              | NA        |
| 1974         | 39           | ..               | 1 (2.56)        | 2 (5.12)         | ..              | NA        |
| 1975         | 39           | ..               | 1 (2.56)        | 1 (2.56)         | ..              | NA        |
| 1976         | 34           | 2 (5.88)         | 1 (2.94)        | 1 (2.94)         | ..              | NA        |
| 1977         | 39           | ..               | 1 (2.56)        | ..               | ..              | NA        |
| 1978         | 41           | 2 (4.87)         | 1 (2.43)        | ..               | ..              | NA        |
| 1979         | 42           | 4 (9.52)         | ..              | 2 (4.76)         | ..              | NA        |
| 1980         | 73           | 1 (1.36)         | ..              | 1 (1.36)         | ..              | NA        |
| <b>TOTAL</b> | <b>415</b>   | <b>11 (2.65)</b> | <b>5 (1.20)</b> | <b>12 (2.89)</b> | <b>1 (0.24)</b> | <b>NA</b> |

N.A. : Not Available.

### Muslims

26. The data shows that, on an average, about one Muslim candidate qualified each year out of a total of 40 successful candidates. Having regard to their population, their representation is low.

### Sikhs

27. In the case of Sikh, it may be seen that they had no representation in the years 1971, 1972, 1973, 1979 and 1980. In the years 1974 to 1978, one candidate each was successful each year. Having regard to their population, their representation is low.

### Christians

28. It may be seen that, on an average, one Christian candidate was successful each year out of a total of about 40 candidates. Having regard to their population, their representation is good.

### Buddhists

29. The data shows that only one Buddhist candidate was successful in 1972 and in all the other years they had no representation. Having regard to their population, their representation is also low.

### Parsees

30. The data regarding the Parsees could not be collected as it was not possible to identify them from the names of candidates.

### Overall Analysis

31. An analysis of the data regarding representation of Muslims and other Minorities in all the different Central Services taken together shows that their overall representation in the last ten years is low having regard to their population proportion.

Position of Minorities in All India Services as on 1-1-1981.

32. Information in regard to the position of Minorities in the All India Services is given in the following table :

TABLE V  
All India Services  
(Percentage to the total in brackets)

| Name of Service | Total No. of Officers | No. of Muslims    | No. of Christians | No. of Sikhs      |
|-----------------|-----------------------|-------------------|-------------------|-------------------|
| IAS . . . . .   | 3975                  | 128 (3.22)        | 109 (2.74)        | 165 (4.15)        |
| IPS . . . . .   | 2159                  | 57 (2.64)         | 49 (2.26)         | 117 (5.41)        |
| IFS* . . . . .  | 1433                  | 45 (3.14)         | 23 (1.60)         | 44 (3.07)         |
| <b>TOTAL</b>    | <b>7567</b>           | <b>230 (3.04)</b> | <b>181 (2.39)</b> | <b>326 (4.31)</b> |

\*Position in respect of Indian Forest Service as on 1-1-1980.

#### Muslims

33. Analysis of the above data shows that the representation of Muslims in the Indian Administrative Service constitutes 3.22%, in the Indian Police Service, their representation is 2.64% and in the Indian Forest Service, their percentage comes to 3.14% of the total number of officers in each of the cadres. In all these three services taken together out of a total of 7567 officers, 230 are Muslims, constituting 3.04%. Their representation, therefore, in these services is quite low.

#### Sikhs

34 From the above it would be seen that the overall representation of Sikhs in all the three services works out to 4.31% which is more than double their population proportion.

#### Christians

35. The representation of Christians in IAS, IPS and IFS taken together works out to 2.39% as on 1-1-1981 taken as a whole. The representation of Christians in the Indian Administrative Service is fair (2.74%) which compares favourably with their population proportion of 2.60% in the country.

#### Buddhists and Parsees

36. In the case of Buddhists and Parsees, it may be stated that their identification from the names of candidates was not possible and, therefore, no data in respect of these communities could be collected.

#### II. Subordinate Services Commission : (Central Government)

37. We conducted sample studies on the results of the examination for recruitment to Class III Services—Clerical Cadre in the Central Secretariat held by the Central Subordinate Services Commission in 1979.

A table showing the position of Minorities who applied and were finally selected is given below :—

TABLE VI

| Religion             | % distribution according to population | No. and % distribution of total applicants | No. declared successful (% of successful to applied) |
|----------------------|--|--|--|
| Muslims . . . . .    | 11.21                                  | 5336 (2.59%)                               | 83 (1.56%)   |
| Christians . . . . . | 2.60                                   | 9502 (4.61%)                               | 366 (3.85%)  |
| Sikhs . . . . .      | 1.89                                   | 3643 (1.77%)                               | 90 (2.47%)   |
| Buddhists . . . . .  | 0.70                                   | 548 (0.27%)                                | 12 (2.19%)   |
| Parsees . . . . .    | ..                                     | 270 (0.01%)                                | Nil  |

#### Muslims

38. Muslims constituted 2.59% of the applicants who appeared in the examination and the percentage of their successful candidates is 1.56. An analysis of the results shows that most of the successful candidates belonged to the southern and central regions of the country. It is reported that the participation of the Muslim candidates from Northern States like J&K, U.P., Bihar etc. was extremely low. The results of the candidates from the Southern States are better because in most of these States Minorities like Muslims and Christians enjoy certain educational benefits in the shape of liberal admission to institutions and grant of scholarships which are not available elsewhere. This has certainly led to their better performance in this examination.

#### Sikhs

39. It may be seen that the percentage of Sikhs who appeared for this examination works out to 1.77 and the percentage of their successful candidates comes to 2.47. Most of the Sikh candidates belonged to the northern region.

#### Christians

40. The percentage of Christians works out to 3.85 which appears to be good. About 76% candidates were from Southern region, while about 90% of them belonged to Cochin, Trivandrum and Madras. This may be due to better educational facilities including scholarships available to the Christians in the Southern States of Kerala and Tamil Nadu.

#### Buddhists

41. It may be seen that only 0.27% of the candidates who applied for the said examination were Buddhists. Out of 548 Buddhist applicants only 12 were successful.

#### Parsees

42. It is seen that only 27 (0.01%) Parsee candidates applied but none of them was successful.

#### II-A. State Public Service Commission Examination Results

43. Information giving community-wise break-up of the candidates taking some of the State Public

Service Commission Examinations was collected from the States of Andhra Pradesh, Bihar, Kerala, Madhya Pradesh, Maharashtra, Tamil Nadu and Uttar Pradesh. The analysis of the data for different minority communities is given in the following paragraphs.

*Muslims*

44. A table showing the representation of Muslims in some of the State Service Commission examinations in the years 1980—82 is given below :—

TABLE I  
Table showing the representation of Muslims in the State Public Service Commission Examinations

| S. No.                     | Name of the Examination/State                                | No. of persons applied |                         | No. appeared  |                         | No. called for interview |                       | No. selected |                      |
|----------------------------|--|------------------------|-------------------------|---------------|-------------------------|--------------------------|-----------------------|--------------|----------------------|
|                            |  | Total                  | Muslims                 | Total         | Muslims                 | Total                    | Muslims               | Total        | Muslims              |
| 1                          | 2  | 3                      | 4                       | 5             | 6                       | 7                        | 8                     | 9            | 10                   |
| <b>I. Andhra Pradesh</b>   |  |                        |                         |               |                         |                          |                       |              |                      |
|                            | (i) Group II Services . . . . .                              | 21,532                 | 967<br>(4.49)           | 6,857         | 310<br>(4.52)           | 196                      | 26<br>(13.26)         | 112          | 11<br>(9.82)         |
|                            | (ii) Group II (B) Services . . . . .                         | 19,899                 | 950<br>(4.77)           | 14,583        | 639<br>(4.38)           | ..                       | ..                    | 664          | 21<br>(3.16)         |
|                            | (iii) Group I Services . . . . .                             | 5,651                  | 412<br>(7.29)           | 1,917         | 103<br>(5.37)           | 85                       | 8<br>(9.44)           | 22           | 1<br>(4.54)          |
|                            | (iv) Dy. Executive Engineers . . . . .                       | 1,704                  | 102<br>(5.98)           | 593           | 34<br>(5.73)            | 172                      | 4<br>(2.32)           | 99           | 2<br>(2.02)          |
|                            | (v) Civil Assistant Surgeons . . . . .                       | 5,450                  | 166<br>(3.04)           | 4,377         | 131<br>(2.86)           | 3,733                    | 103<br>(2.76)         | 1,066        | 25<br>(2.34)         |
|                            | <b>TOTAL</b> . . . . .                                       | <b>54,236</b>          | <b>2,597<br/>(4.79)</b> | <b>28,527</b> | <b>1,217<br/>(4.27)</b> | <b>4,186</b>             | <b>141<br/>(3.37)</b> | <b>1,963</b> | <b>60<br/>3.06</b>   |
| <b>II. Kerala</b>          |  |                        |                         |               |                         |                          |                       |              |                      |
|                            | (i) Office Assistants Gr. II . . . . .                       | 1,089                  | 123<br>(11.29)          | 700           | 70<br>(10.00)           | 552                      | 58<br>(10.50)         | 200          | 20<br>(10.00)        |
|                            | (ii) Block Development Officers . . . . .                    | NA                     | NA                      | 6,984         | 588<br>(8.42)           | 143                      | 14<br>(9.79)          | NA           | NA                   |
|                            | <b>TOTAL</b> . . . . .                                       |                        |                         | <b>7,684</b>  | <b>658<br/>(8.56)</b>   | <b>695</b>               | <b>72<br/>(10.36)</b> |              |                      |
| <b>III. Madhya Pradesh</b> |  |                        |                         |               |                         |                          |                       |              |                      |
|                            | Group I and II Services . . . . .                            | 31,885                 | 903<br>(2.83)           | 31,221        | 90<br>(2.89)            | 1,356                    | 24<br>(1.77)          | 353          | 6<br>(1.70)          |
| <b>IV. Maharashtra</b>     |  |                        |                         |               |                         |                          |                       |              |                      |
|                            | (i) Assistant & Sales Tax Inspectors<br>Class III. . . . .   | 8,399                  | 120<br>(1.43)           | 5,610         | 114<br>(2.03)           | 712                      | 4<br>(0.56)           | 160          | ..                   |
|                            | (ii) Forest Range Officers . . . . .                         | 2,048                  | 62<br>(3.03)            | 1,565         | NA                      | 189                      | 3<br>(1.59)           | 74           | ..                   |
|                            | (iii) Assistant Conservators of Forest<br>Class II . . . . . | 2,375                  | NA                      | 2,015         | 3<br>(0.15)             | 164                      | 2<br>(1.22)           | 39           | 1<br>(2.56)          |
|                            | <b>TOTAL</b> . . . . .                                       |                        |                         |               |                         | <b>1,065</b>             | <b>9<br/>(0.84)</b>   | <b>273</b>   | <b>1<br/>(0.37)</b>  |
| <b>V. Tamil Nadu</b>       |  |                        |                         |               |                         |                          |                       |              |                      |
|                            | (i) Group III Services . . . . .                             | 2,352                  | 76<br>(3.27)            | ..            | ..                      | 2,097                    | 69<br>(3.29)          | 313          | 9<br>(2.87)          |
|                            | (ii) Group II Services . . . . .                             | 497                    | 12<br>(2.44)            | ..            | ..                      | 470                      | 11<br>(2.34)          | 79           | 3<br>(3.80)          |
|                            | (iii) Assistant Surgeons . . . . .                           | 3,503                  | 162<br>(4.62)           | ..            | ..                      | 3,371                    | 152<br>(4.51)         | 1,400        | 71<br>(5.07)         |
|                            | <b>TOTAL</b> . . . . .                                       | <b>6,325</b>           | <b>250<br/>(3.95)</b>   | <b>..</b>     | <b>..</b>               | <b>5,938</b>             | <b>232<br/>(3.91)</b> | <b>1,792</b> | <b>83<br/>(4.63)</b> |

| 1                             | 2 | 3      | 4               | 5      | 6               | 7      | 8             | 9     | 10            |
|-------------------------------|---|--------|-----------------|--------|-----------------|--------|---------------|-------|---------------|
| <b>VI. Uttar Pradesh</b>      |   |        |                 |        |                 |        |               |       |               |
| Forest Rangers                |   | 8,086  | 513<br>(6.34)   | 6,149  | 371<br>(6.03)   | 270    | 11<br>(4.07)  | 67    | 2<br>(2.98)   |
| <b>VII. Bihar</b>             |   |        |                 |        |                 |        |               |       |               |
| Forest Rangers                |   | 980    | 22<br>(2.24)    | 578    | 10<br>(1.12)    | 110    | 1<br>(1.00)   | 40    | 1<br>(2.50)   |
| TOTAL (VI + VII)              |   | 9,066  | 535<br>(5.90)   | 6,727  | 381<br>(5.66)   | 370    | 12<br>(3.24)  | 107   | 3<br>(2.81)   |
| <b>Uttar Pradesh</b>          |   |        |                 |        |                 |        |               |       |               |
| Combined State Services—U.P.  |   | 19,557 | 1,310<br>(6.70) | 12,261 | 1,037<br>(8.46) | 660    | 18<br>(1.21)  | 244   | 6<br>2.46)    |
| <b>Bihar</b>                  |   |        |                 |        |                 |        |               |       |               |
| Combined State Services—Bihar |   | 17,645 | 709<br>(4.02)   | 11,111 | 504<br>(4.54)   | 619    | 39<br>(6.36)  | 233   | 17<br>(7.30)  |
| TOTAL                         |   | 37,202 | 2,019<br>(5.40) | 23,372 | 1,541<br>(6.60) | 1,279  | 47<br>(3.67)  | 477   | 23<br>(4.82)  |
| GRAND TOTAL (I to VII)        |   |        | NA              |        |                 | 14,889 | 537<br>(3.61) | 4,965 | 176<br>(3.54) |

It may be seen that out of 14,889 candidates who were interviewed by these Commissions, 537 were Muslims constituting 3.61%. Similarly, out of 4,965 candidates who were successful, 176 were Muslims constituting 3.54%. Having regard to their population in the States surveyed by us, their representation is low.

State-wise analysis shows that in the State of Andhra Pradesh, out of 54,236 candidates who applied for 5 different examinations, 2,597 were Muslims constituting 4.79%. Similarly, out of 1,963 successful candidates, 60 were Muslims constituting 3.06%. In the State of Kerala the data collected from one examination shows that out of 1089 candidates who applied for one examination, 123 were Muslims constituting 11.29%. Similarly, among the successful candidates, out of 200 candidates, 20 were Muslims constituting 10%. In the State of Madhya Pradesh, the results of one examination shows that out of 31,885 candidates, 903 were Muslims constituting 2.83%. Among the successful candidates, out of 353 candidates, 6 were Muslims constituting 1.70%.

The results from three examinations conducted in Maharashtra show that out of 1,065 candidates who were called for interview, 9 were Muslims constituting 0.84%. Similarly, out of 273 successful candidates, 1 was a Muslim constituting 0.37%.

In the State of Tamil Nadu, analysis of the results of three examinations shows that out of 6,325 candidates, 250 were Muslims constituting 3.95%. Among the successful candidates, out of 1,792 candidates, 83 were Muslims constituting 4.63%.

The results of Forest Range Officer Examinations conducted by the Uttar Pradesh and Bihar States show that out of 9,066 candidates, 535 were Muslims constituting 5.90%. Similarly, out of 107 successful candidates, 3 were Muslims constituting 2.81%.

The results of the Combined State Services Examinations in the States of Uttar Pradesh and Bihar show that out of 37,202 candidates who applied, 2,019 candidates were Muslims constituting 5.40%. Similarly, out of 477 successful candidates, 23 were Muslims constituting 4.82%.

An overall analysis of the data shows that the representation of the Muslims in various examinations conducted by the different State Service Commissions is below their population proportion.

#### Christians

45. A table showing the representation of Christians in some of the State Public Service Commission examinations is given below :

TABLE II  
Table showing the representation of Christians in State Public Service Commission Examinations

| S. No.                   | Name of the Examination/State | No. of persons applied |               | No. of persons appeared |               | No. of persons called for interview |             | No. of persons selected |             |
|--------------------------|-------------------------------|------------------------|---------------|-------------------------|---------------|-------------------------------------|-------------|-------------------------|-------------|
|                          |                               | Total                  | Christians    | Total                   | Christians    | Total                               | Christians  | Total                   | Christians  |
| 1                        | 2                             | 3                      | 4             | 5                       | 6             | 7                                   | 8           | 9                       | 10          |
| <b>I. Andhra Pradesh</b> |                               |                        |               |                         |               |                                     |             |                         |             |
| (i) Group II Services    |                               | 21,532                 | 683<br>(3.17) | 6,857                   | 204<br>(2.97) | 196                                 | 6<br>(3.06) | 112                     | 4<br>(3.57) |



| 1  | 2              | 3                       | 4             | 5                       | 6             | 7                     | 8            | 9                    | 10 |
|--|----------------|-------------------------|---------------|-------------------------|---------------|-----------------------|--------------|----------------------|----|
| (ii) Group 'B' Services . . . . .                      | 19,899         | 441<br>(2.22)           | 14,583        | 272<br>(1.86)           | ..            | ..                    | 664          | 15<br>(2.26)         |    |
| (iii) Group I Services . . . . .                       | 5,651          | 194<br>(3.43)           | 1,917         | 62<br>(3.23)            | 85            | 5<br>(5.88)           | 22           | ..                   |    |
| (iv) Dy. Executive Engineers . . . . .                 | 1,704          | 20<br>(1.17)            | 593           | 6<br>(1.01)             | 172           | 4<br>(1.16)           | 99           | ..                   |    |
| (v) Civil Assistant Surgeons . . . . .                 | 5,450          | 153<br>(2.81)           | 4,517         | 116<br>(2.53)           | 3,733         | 95<br>(2.54)          | 1,066        | 20<br>(1.87)         |    |
| <b>TOTAL</b> . . . . .                                 | <b>54,236</b>  | <b>1,491<br/>(2.75)</b> | <b>28,527</b> | <b>660<br/>(2.31)</b>   | <b>4,186</b>  | <b>108<br/>(2.58)</b> | <b>1,963</b> | <b>39<br/>(1.99)</b> |    |
| <b>II. Assam</b>                                       |                |                         |               |                         |               |                       |              |                      |    |
| Forest Rangers Examination . . . . .                   | 680            | 4<br>(0.59)             | 521           | 4<br>(0.77)             | 36            | 2<br>(5.55)           | 16           | 2<br>(12.5)          |    |
| <b>III. Kerala</b>                                     |                |                         |               |                         |               |                       |              |                      |    |
| (i) Office Asstts. Grade II . . . . .                  | 1,089          | 200<br>(18.36)          | 700           | 124<br>(17.71)          | 552           | 28<br>(5.07)          | 200          | 7<br>(3.50)          |    |
| (ii) Block Development Officers . . . . .              | NA             | NA                      | 6,984         | 365<br>(5.22)           | 143           | 4<br>(2.80)           | NA           | NA                   |    |
| <b>TOTAL</b> . . . . .                                 | <b>1,089</b>   | <b>200<br/>(18.36)</b>  | <b>7,684</b>  | <b>489<br/>(6.36)</b>   | <b>695</b>    | <b>32<br/>(4.60)</b>  | <b>200</b>   | <b>7<br/>(3.50)</b>  |    |
| <b>IV. Madhya Pradesh</b>                              |                |                         |               |                         |               |                       |              |                      |    |
| State Services Examination<br>(Class I + II) . . . . . | 31,885         | 198<br>(0.62)           | 14,745        | 95<br>(0.64)            | 1,356         | 19<br>(1.40)          | 353          | 7<br>(1.98)          |    |
| <b>V. Maharashtra</b>                                  |                |                         |               |                         |               |                       |              |                      |    |
| Asstt. & Sales Tax Inspectors Class III . . . . .      | 8,399          | 18<br>(0.21)            | 5,610         | 16<br>(0.28)            | 712           | ..                    | 160          | ..                   |    |
| Forest Range Officers . . . . .                        | 2,048          | 1<br>(0.05)             | 1,565         | NA                      | 189           | 1<br>(0.53)           | 74           | ..                   |    |
| Asstt. Conservators of Forest Class II . . . . .       | 2,375          | NA                      | 2,015         | ..                      | 164           | ..                    | 39           | ..                   |    |
| <b>TOTAL</b> . . . . .                                 | <b>12,822</b>  | <b>19<br/>(0.15)</b>    | <b>9,190</b>  | <b>16<br/>(0.17)</b>    | <b>1,065</b>  | <b>1<br/>(0.09)</b>   | <b>273</b>   | <b>..</b>            |    |
| <b>VI. Tamil Nadu</b>                                  |                |                         |               |                         |               |                       |              |                      |    |
| Group III Services . . . . .                           | 2,325          | 24<br>(1.03)            | ..            | ..                      | 2,097         | 18<br>(0.85)          | 313          | 5<br>(1.60)          |    |
| Group II Services . . . . .                            | 497            | 6<br>(1.21)             | ..            | ..                      | 470           | 6<br>(1.28)           | 79           | 3<br>(3.80)          |    |
| B. T. Assistant in Govt. School . . . . .              | 51             | 3<br>(5.88)             | ..            | ..                      | 47            | 3<br>(6.38)           | 7            | 1<br>(14.28)         |    |
| Forest Subordinate Services . . . . .                  | 160            | 1<br>(0.62)             | ..            | ..                      | 159           | 1<br>(0.63)           | 29           | 1<br>(3.45)          |    |
| Assistant Surgeons . . . . .                           | 3,503          | 118<br>(3.37)           | ..            | ..                      | 3,371         | 110<br>(3.26)         | 1,400        | 30<br>(2.14)         |    |
| <b>TOTAL</b> . . . . .                                 | <b>6,536</b>   | <b>152<br/>(2.32)</b>   | <b>..</b>     | <b>..</b>               | <b>6,144</b>  | <b>138<br/>(2.25)</b> | <b>1,828</b> | <b>40<br/>(2.18)</b> |    |
| <b>GRAND TOTAL</b> . . . . .                           | <b>107,248</b> | <b>2,064<br/>(1.92)</b> | <b>60,667</b> | <b>1,264<br/>(2.08)</b> | <b>13,482</b> | <b>300<br/>(2.22)</b> | <b>4,633</b> | <b>95<br/>(2.05)</b> |    |

N.A. : Not Available.

It may be seen from the above table that out of 107,248 candidates who applied for different examinations, 2,064 were Christians constituting 1.92%. Similarly, out of 4,633 candidates who were successful, 95 were Christians constituting 2.05%.

State-wise analysis of the data shows that in the State of Andhra Pradesh, out of 54,236 candidates who applied for five different examinations, 1,491 were Christians constituting 2.75%. Similarly, out of 1,963 successful candidates, 39 were Christians constituting 1.99%.

The results of one examination conducted by the Assam State Public Service Commission shows that out of 680 candidates who applied, 4 were Christians constituting 0.59%. Out of 16 successful candidates, 2 were Christians constituting 12.50%.

In the State of Kerela, the results of one examination shows that out of 1,089 candidates who applied,

200 candidates were Christians constituting 18.36%. Similarly, out of 200 successful candidates, 7 were Christians constituting 3.50%.

In the State of Madhya Pradesh, the results of one examination shows that among the successful candidates, Christians constitute 1.98%.

In the State of Maharashtra, the results of three examinations show that none of the Christians qualified.

In the State of Tamil Nadu, the results of five examinations show that out of 1,828 successful candidates, 40 were Christians constituting 2.18%.

#### Sikhs

46. A table showing the representation of Sikhs in some of the State Public Service Commission Examinations is given below :

TABLE III

Table showing the representation of Sikhs in State Public Service Commission Examinations

(Percentage to the total in the brackets)

| S. No.                    | Name of the Examination/State                           | No. of persons applied |                   | No. of persons appeared |                | No. of persons called for interview |                | No. of persons selected |               |
|---------------------------|---|------------------------|-------------------|-------------------------|----------------|-------------------------------------|----------------|-------------------------|---------------|
|                           |   | Total                  | Sikhs             | Total                   | Sikhs          | Total                               | Sikhs          | Total                   | Sikhs         |
| 1                         | 2   | 3                      | 4                 | 5                       | 6              | 7                                   | 8              | 9                       | 10            |
| <b>I. Andhra Pradesh</b>  |   |                        |                   |                         |                |                                     |                |                         |               |
|                           | Civil Assistant Surgeons' 81-82                         | 5,450                  | 6<br>(0.11)       | 4,557                   | 3<br>(0.06)    | 3,733                               | 2<br>(0.05)    | 1,066                   | 2<br>(0.19)   |
| <b>II. Madhya Pradesh</b> |   |                        |                   |                         |                |                                     |                |                         |               |
|                           | State Service Exam. Class I + II— 1980                  | 31,885                 | 210<br>(0.66)     | 14,745                  | 102<br>(0.69)  | 1,356                               | 4<br>(0.30)    | 353                     | ..            |
| <b>III. Maharashtra</b>   |   |                        |                   |                         |                |                                     |                |                         |               |
|                           | (i) Asstts. & Sales Tax Inspectors Class III            | 8,399                  | 5<br>(0.06)       | 5,610                   | 3<br>(0.05)    | 712                                 | ..             | 160                     | ..            |
|                           | (ii) Range Forest Officers                              | 2,048                  | 1<br>(0.05)       | 1,565                   | ..             | 189                                 | ..             | 74                      | ..            |
|                           | TOTAL   | 10,447                 | 6<br>(0.06)       | 7,175                   | 3<br>(0.04)    | 901                                 | ..             | 234                     | ..            |
| <b>IV. Punjab</b>         |   |                        |                   |                         |                |                                     |                |                         |               |
|                           | (i) P. C. S. (Executive) & Allied Service Exam. 1979-80 | 4,606                  | 1,969*<br>(42.75) | 1,206                   | 430<br>(35.65) | 455                                 | 227<br>(49.89) | 64                      | 32<br>(50.00) |
|                           | (ii) Treasury/Asstt. Treasury Officers Exam. 1980       | 244                    | 113*<br>(46.31)   | 139                     | 47<br>(33.81)  | 54                                  | 21<br>(38.89)  | 10                      | 4<br>(40.00)  |
|                           | TOTAL   | 4,850                  | 2,080<br>(42.93)  | 1,345                   | 477<br>(35.46) | 509                                 | 248<br>(48.72) | 74                      | 36<br>(48.65) |
|                           | GRAND TOTAL I to IV                                     | 52,632                 | 2,304<br>(4.38)   | 27,842                  | 585<br>(2.10)  | 6,499                               | 254<br>(3.91)  | 1,727                   | 38<br>(2.20)  |

\*This figure included 60% of Scheduled Castes who are taken as Sikhs.

It may be seen from the above table that out of 52,632 candidates who applied for six different examinations conducted in four States, 2,304 candidates were Sikhs constituting 4.38%. Similarly, out of 1,727 successful candidates in these examinations, 38 were Sikhs constituting 2.20%. State-wise analysis shows that they have no representation in the States of Madhya Pradesh and Maharashtra. In the State of Punjab among the successful candidates, Sikhs constituted 48.65%.

#### *Buddhists*

47. The data collected from the Maharashtra State Service Commission shows that Buddhists appeared only in one examination (*viz.* Assistant and Sales Tax Inspectors—Class III). Here out of 8,399 candidates who applied, 161 were Buddhists constituting 1.92%. Out of 5,610 candidates, who appeared for the examination, 140 were Buddhists constituting 2.49%. However, no Buddhist candidate could qualify.

#### *Parsees*

48. The analysis of the data for recruitment to the post of Civil Assistant Surgeons in the State of Andhra Pradesh shows that one Parsee candidate who applied for the post was finally selected.

### III. *Employment Exchanges*

#### *Muslims*

49. The sample data on registrations and placements of Muslims for 1980, collected from about 83 employment offices spread over 14 States\* shows that out of a total of 41,88,290 registrations, 2,83,367 are Muslims constituting 6.77%. Similarly, out of 1,16,305 placements effected, 6,170 are Muslims, constituting 5.31%. In comparison to their population proportion of about 11.20%, their registrations and placements are low.

Similarly, data on registrations according to the qualifications of the candidates collected from 57\*\* Employment Exchanges spread over 11 States shows that out of a total of 3,50,105 registrations of Muslim candidates, 1,75,265 were with qualifications below Matric (50.06%) and 1,30,406 with qualifications of Matric/Hr. Secondary Examinations (37.25%).

The number of Muslim candidates with degree was 23,509 (6.71%) and with post-graduate degree qualifications was only 2,887 (0.83%). The number of Muslims with some professional qualification was 18,038 constituting 5.15%.

The data on placements effected according to qualifications shows that out of 4,892 placements, over 25% are for Ministerial, over 14% are for technical and over 40% are for un-skilled jobs. Only 18% of

Muslims who had applied were placed in skilled/semi-skilled jobs.

The data also shows that very few Muslims with higher qualifications had registered their names. There were complaints in this regard at many places that officials in the employment exchanges did not register their names or forward those registered to the concerned offices.

#### *Sikhs*

50. On the basis of the data collected from 40 districts spread over 10 States†, it is seen that out of 19,47,552 registrations, Sikhs were 42,566, constituting 2.18% of the total registrations. Out of a total placement of 67,887, the number of Sikhs was 2,340 constituting 3.44% of the total.

Similarly, the data on registrations according to the qualifications of the candidates collected from 37 Employment Exchanges spread over 9 States‡ shows that out of a total of 34,652 registrations, 14,528 (41.93%) Sikhs were below matric, 12,895 (37.21%) were Matric/Higher Secondary, 4,714 (13.60%) were Graduates, 1,005 (2.90%) were post-Graduates and 1,510 (4.36%) were Professionals.

In regard to placements it would be seen that they were placed to the extent of 15.61% under Ministerial, 48.40% under Technical, 8.33% under skilled and 27.66% under un-skilled jobs.

#### *Christians*

51. Information collected from 54 Employment Exchanges spread over 13 States@ in regard to registrations of Christians shows that out of 32,13,184 registrations, 1,84,857 were Christians constituting 5.75%. Similarly, out of 1,06,851 placements made, 4,194 were Christians constituting 3.92%.

Out of 1,84,857 registrations according to qualifications£ there were 93,485 Christians with qualifications below Matric constituting 50.55% of the total and 72,598 with qualification of Matriculation and Higher Secondary constituting 39.25%. Only 6.07% of them were with Graduate qualifications and 0.60% with Post-Graduate qualifications and 3.53% had some professional qualifications. Majority of the Christians (38.89%) were under Ministerial Cadre and 26.04% were under Technical. 26.06% of Christians were placed under unskilled category.

#### *Buddhists*

52. The data in respect of Buddhists could be collected from six districts of Maharashtra, namely, Raigarh, Ratnagiri, Pune, Nanded, Chandrapur and Greater Bombay. The analysis of the data shows

\*Please see Annexure V.1.

\*\*Please see Annexure V.2.

†Please see Annexure V.3.

‡Please see Annexure V.4.

@Please see Annexure V.5.

£Please see Annexure V.6.

that out of 2,89,434 registrations, 10,186 were Buddhists constituting 3.52% of the total. Only about 100 Buddhist candidates secured placements in these districts.

#### *Parsees*

53. The data in respect of Parsees was available only at Hyderabad in Andhra Pradesh and Pune, Aurangabad, Chandrapur and Greater Bombay in the State of Maharashtra.

The analysis of the data shows that in Maharashtra, out of 2,76,203 registrations, 72 were Parsees but their placement was nil. In Andhra Pradesh out of 2,46,977 registrations, 13 were Parsees and all of them secured placements.

#### IV. *Employment in Banks*

54. Banks (Commercial as well as Cooperative) not only provide much needed credit support to all economic programmes for the benefit of Minorities but also provide ample employment opportunities, jobs in these institutions are considered to be more lucrative and attractive than the jobs either in the Central or in the State Government Offices. In view of the importance of this sector, we have collected the data in order to assess the position of the Minorities in various States where we have conducted field studies.

The community-wise data analysis is given below :—

#### *Muslims*

55. Data in regard to the employment position of Muslims could be collected from 1,317 branches of various banks in 12 States\* from 74 districts\*\*.

In all these branches, 1,13,772 persons were employed. Out of them the number of Muslims works out to 2,479, constituting 2.18% of the total.

Cadre-wise analysis shows that out of 26,316 employees in Officers' Cadre, 597 were Muslims, constituting 2.27% of the total.

In the Clerical Cadre, out of 61,151 persons employed, 1,295 were Muslims, constituting 2.12% of the total employees.

In Subordinate Cadre (such as Drivers, Peons, Watch and Ward etc.), out of 26,305 employees, the number of Muslim employees came to 587 constituting 2.23% of the total.

\*Please see Annexure V.7.

\*\*Please see Annexure V.8

†Please see Annexure V.9.

‡Please see Annexure V.10.

@Please see Annexure V.11.

@@Please see Annexure V.12.

#### *Christians*

56. Data in regard to the employment position of Christians in the banking sector could be collected from 596 branches of various banks in 13 States† from 57 districts‡. In all these branches 1,14,079 persons were employed; out of them 3,045 were Christians, constituting 2.67% of the total.

Cadre-wise analysis shows that out of 26,422 officers, 795 were Christians, constituting 3.01% of the total.

In the Clerical Cadre, out of 61,453 persons employed, 1,904 were Christians, constituting 3.10% of the total.

In Subordinate Cadre, out of 26,204 persons employed, 346 were Christians, constituting 1.32% of the total.

#### *Sikhs*

57. The data in regard to the Sikh community could be collected from 997 branches located in 49 districts@ of 11 States. Out of 1,10,364 employees, Sikh employees in all these branches were 2,532, constituting 2.29% of the total employees.

Cadre-wise analysis shows that out of 25,402 Officers employed in various branches, 463 were Sikhs constituting 1.82% of the total.

In the Clerical Cadre, out of 59,435 employees, 1,427 were Sikhs constituting 2.40% of the total employees.

In the Subordinate Cadre, out of 25,527 employees, 642 were Sikhs, constituting 2.51% of the total.

#### *Buddhists*

58. Data in regard to the employment position of the Buddhists could be collected from 4 districts@@ of 2 States i.e. Maharashtra (3 districts) and Orissa (1 district) from 63 branches of various banks. In all these branches, 50,500 persons were employed; out of them 142 were Buddhists, constituting 0.28% of the total.

Cadre-wise analysis shows that Buddhists had no representation in the Officers' Cadre.

In the Clerical Cadre, out of 27,340 employees, 20 were Buddhists, constituting 0.07% of the total.

In Subordinate Cadre, out of 11,428 employees, 122 were Buddhists, constituting 1.07% of the total.

*Parsees*

59. The employment position of Parsees could be ascertained only from 4 districts\* of Gujarat (1 district) and Maharashtra (3 districts) from 96 branches of various banks. In those branches, out of 52,771 persons employed, 2,629 persons were Parsees, constituting 4.98% of the total.

Cadre-wise analysis indicates that out of 12,299 officers employed in those branches, 1,114 officers were Parsees, constituting 9.06% of the total.

In the Clerical Cadre, out of 28,586 employees, 1,492 were Parsees, constituting 5.22% of the total.

In the Subordinate Cadre, out of 11,886 employees, 23 were Parsees, constituting 0.19% of the total.

*V. Employment in the Central Government Offices*

60. The data collected in regard to employment in the Central Government Offices was collected by our Research Teams from some of the offices located in the districts in various States; it pertains mostly to the Income Tax Offices, Customs and Central Excise Offices, Offices of the Accountants General and certain other miscellaneous offices located in those areas.

*Muslims*

61. The data in respect of employment of Muslims was collected from 105 Government Offices in 65 districts spread over 13 States\*\*. Out of 75,951 employees, 3,346 were Muslims constituting 4.41%.

It is seen that out of 2,232 persons employed in Class I posts, 36 were Muslims constituting 1.61% of the total.

Out of 4,060 persons employed in Class II posts, 122 were Muslims, constituting 3.00% of the total.

Out of 52,000 persons employed in Class III posts, 2,294 were Muslims, constituting 4.41% of the total.

Out of a total of 17,669 persons employed in Class IV, 904 were Muslims, constituting 5.12% of the total.

*Sikhs*

62. The data in respect of Sikhs was collected from 68 districts in 14 States† from 110 Government offices.

Out of 77,656 employees, 1,332 are Sikhs forming 1.72%. It is seen that out of 2,253 persons employed as Class I Officers, 19 were Sikhs, constituting 0.84%.

Out of 4,085 persons employed in Class II Cadre, 34 were Sikhs, constituting 0.83% of the total.

Out of 53,373 persons employed in Class III Cadre, 1,081 were Sikhs, constituting 2.03% of the total employees.

Out of 17,945 persons employed in Class IV jobs, 198 were Sikhs, constituting 1.10% of the total employees.

*Christians*

63. The data in respect of employment of Christians was collected from 102 Government Offices in 65 districts spread over 13 States‡.

Out of 75,953 employees, 2,472 were Christians, constituting 3.25%.

Out of 2,234 persons employed as Class I Officers, 196 were Christians constituting 8.77%.

Out of 4,060 persons employed in Class II Cadre, 163 were Christians constituting 4.01%.

Out of 52,000 persons employed in Class III Cadre, 1,627 persons were Christians, constituting 3.13% of the total employees.

Out of 17,659 employees in Class IV services, 486 were Christians, constituting 2.75% of the total employees.

*Buddhists*

64. Information could be collected from various Central Government Offices located in 7 districts@ one each in the States of Assam, Madhya Pradesh, Maharashtra, Uttar Pradesh and West Bengal and in two districts of Orissa.

Out of 13,834 persons employed in these offices, only 23 were Buddhists, constituting 0.17% of the total. They had no representation in Class I Cadre. In Class II services, out of 754 Officers, only one was a Buddhist, constituting 0.13% of the total. In the category of Class III services, out of 9,944 persons, 21 were Buddhists, constituting 0.21% of the total.

In the category of Class IV employees, out of 3,061 persons, only one was a Buddhist, constituting 0.03 per cent of the total.

*Parsees*

65. The data in regard to this community could be collected from various Central Government Offices located in the 4 districts£ one each in the States of Gujarat, Maharashtra, Rajasthan and Orissa.

Out of 10,677 employees, 12 were Parsees, constituting 0.11% of the total. They had no representation in Class I Cadre. In Class II Cadre, out of 455 Officers, 2 were Parsees, constituting 0.44% of the total.

In the category of Class III services, out of 7,659 employees, nine were parsees, constituting 0.12 per

\*Please see Annexure V. 13.

\*\*Please see Annexure V. 14.

†Please see Annexure V. 15.

‡Please see Annexure V. 16.

@Please see Annexure V. 17.

£Please see Annexure V. 18.

cent of the total. In the category of Class IV employees, out of 2,206, only one was a Parsee, constituting 0.05% of the total.

#### VI. Employment in State Government and other Offices

##### Judiciary

66. Our Research Teams collected data regarding the representation of Minorities among Judges of the

High Courts and other Judicial Officers, including District Judges from 14 States.

A detailed analysis of the data collected is given below :—

##### (i) High Court Judges

67. A table showing the representation of Minorities in 14 High Courts is given in the following table :—

Employment in Judiciary—High Court Judges (Minorities)

(As on 1-4-1980)

| S. No. No. | States           | Total | Muslims      | Christians   | Sikhs         | Parsees      | Buddhists |
|------------|------------------|-------|--------------|--------------|---------------|--------------|-----------|
| 1          | 2                | 3     | 4            | 5            | 6             | 7            | 8         |
| 1.         | Andhra Pradesh   | 19    | 1<br>(5.26)  | ..           | ..            | ..           | ..        |
| 2.         | Assam            | 5     | ..           | ..           | ..            | ..           | ..        |
| 3.         | Bihar            | 25    | 3<br>(12.00) | ..           | ..            | ..           | ..        |
| 4.         | Gujarat          | 16    | 1<br>(6.25)  | ..           | ..            | ..           | ..        |
| 5.         | Punjab & Haryana | 21    | ..           | ..           | 10<br>(47.62) | ..           | ..        |
| 6.         | Karnataka        | 21    | ..           | 1<br>(4.76)  | ..            | ..           | ..        |
| 7.         | Kerala           | 14    | 2<br>(14.29) | 2<br>(14.29) | ..            | ..           | ..        |
| 8.         | Madhya Pradesh   | 24    | 1<br>(4.17)  | ..           | ..            | ..           | ..        |
| 9.         | Maharashtra      | 39    | 1<br>(2.56)  | ..           | ..            | 4<br>(10.26) | ..        |
| 10.        | Orissa           | 7     | ..           | ..           | ..            | ..           | ..        |
| 11.        | Rajasthan        | 14    | ..           | ..           | 1<br>(7.14)   | ..           | ..        |
| 12.        | Tamil Nadu       | 21    | 2<br>(9.52)  | ..           | ..            | ..           | ..        |
| 13.        | Uttar Pradesh    | 52    | 3<br>(5.77)  | ..           | ..            | ..           | ..        |
| 14.        | West Bengal      | 32    | ..           | ..           | ..            | ..           | ..        |
| TOTAL      |                  | 310   | 14<br>(4.52) | 3<br>(0.97)  | 11<br>(3.55)  | 4<br>(1.29)  | ..        |

NB : Percentage to the total is indicated in brackets.

##### Muslims

68. The above table shows that out of 310 Judges in 14 States, 14 Judges were Muslims, constituting 4.52%. It also shows that Muslims had no representation in the High Courts of Assam, Punjab and Haryana, Karnataka, Orissa, Rajasthan and West Bengal. Their representation is low in the States of Andhra Pradesh, Maharashtra and Uttar Pradesh. Likewise their overall representation in the higher Judiciary is low.

##### Christians

69. Out of 310 Judges, 3 were Christians, constituting 0.97%; they had representation in only two States viz. Karnataka and Kerala. Their overall representation in this regard is low.

##### Sikhs

70. Sikhs have 47.6% representation in the High Courts of Punjab and Haryana and 7.14% representation in Rajasthan High Court.

##### Parsees

71. In Maharashtra High Court, there were 4 Judges belonging to Parsee Community. In other States, they had no representation.

##### Buddhists

72. Buddhists had no representation in any High Court.

(ii) *Judicial Officers including District Judges*

73. Our Research Teams collected data showing the representation of Minorities among Judicial Officers in-

cluding District Judges from 10 States. The data so collected has been processed and tabulated as follows :—

*Employment in Judiciary — Judicial Officers including District Judges (Minorities)*

(Percentage to the total in brackets)

| S. No. | State          | Total | Muslims       | Christians    | Sikhs        | Parsees     | Buddhists   |
|--------|----------------|-------|---------------|---------------|--------------|-------------|-------------|
| 1      | 2              | 3     | 4             | 5             | 6            | 7           | 8           |
| 1.     | Andhra Pradesh | 327   | 31<br>(9.48)  | 10<br>(3.06)  | ..           | ..          | ..          |
| 2.     | Assam          | 155   | 31<br>(20.00) | ..            | 3<br>(1.94)  | ..          | ..          |
| 3.     | Bihar          | 1060  | 70<br>(6.60)  | ..            | ..           | ..          | ..          |
| 4.     | Gujarat        | 412   | 36<br>(8.74)  | 1<br>(0.24)   | 3<br>(0.73)  | 3<br>(0.73) | ..          |
| 5.     | Haryana        | 32    | 2<br>(6.25)   | ..            | ..           | ..          | ..          |
| 6.     | Karnataka      | 223   | 16<br>(7.17)  | 1<br>(0.45)   | ..           | ..          | ..          |
| 7.     | Kerala         | 249   | 19<br>(7.63)  | 38<br>(15.26) | ..           | ..          | ..          |
| 8.     | Maharashtra    | 614   | 19<br>(3.09)  | 1<br>(0.16)   | 3<br>(0.49)  | 2<br>(0.33) | 3<br>(0.49) |
| 9.     | Orissa         | 264   | 2<br>(0.76)   | ..            | ..           | ..          | ..          |
| 10.    | Uttar Pradesh  | 1144  | 64<br>(5.59)  | ..            | 4<br>(0.35)  | ..          | ..          |
| TOTAL  |                | 4480  | 290<br>(6.47) | 51<br>(1.14)  | 13<br>(0.29) | 5<br>(0.11) | 3<br>(0.07) |

*Muslims*

74. From the above data it is clear that out of 4,480 Judicial Officers, only 290 officers were Muslims, constituting 6.47%. Excepting in the States of Assam and Andhra Pradesh, their representation was below their population proportion in other States.

*Christians*

75. The data so collected also shows that out of 4,480 Judicial Officers, only 51 officers were Christians, constituting 1.14%. Their representation is good in the States of Andhra Pradesh and Kerala, but their overall representation is below their population proportion.

*Sikhs*

76. The data shows that out of 4480 Judicial Officers, only 13 are Sikhs. They had small representation in the States of Assam, Gujarat, Maharashtra and Uttar Pradesh. We were, however, not able to collect the data from Punjab, where the Sikh population is predominant.

*Parsees*

77. The data shows that out of 4,480 Judicial Officers, 5 were Parsees, constituting 0.11%. They had representation in the States of Gujarat and Maharashtra and hardly in other States.

*Buddhists*

78. The data collected from 10 States shows that only in Maharashtra, Buddhists had representation, where out of 614 Judicial Officers, 3 were Buddhists, constituting 0.49% which is below their population percentage.

**State Government Offices***Muslims*

79. The data in regard to the Muslims about their employment in the State Government Offices was collected from 876 State Government Offices located in 77 districts of 13 States\*. Its analysis shows that out of 8,26,669 employees in all the groups of services in the State Government Offices, 49,718 were Muslims, constituting 6.01% of the total employees.

\*Please see Annexure V.19.

In the Gazetted Class I services, out of 8,807 employees, 291 were Muslims, constituting 3.30% of the total employees.

In Class II Services, out of 40,983 employees, 1,834 were Muslims, constituting 4.48% of the total.

In Class III Services, out of 4,98,327 employees, 23,032 were Muslims, constituting 4.62% of the total employees.

In Class IV category, out of 2,26,558 employees, 14,381 were Muslims, constituting 6.35% of the total employees.

#### *Sikhs*

80. The data of employment in the State Government Offices in respect of Sikhs was collected from 916 offices located in 81 districts of 14 States\*. Its analysis shows that out of 8,38,965 persons employed in all the groups of services, 11,957 were Sikhs, constituting 1.43% of the total.

In the gazetted Class I category, out of 8,867 employees, Sikhs were 147, constituting 1.66% of the total.

In Class II services, out of 41,467 employees, there were 523 Sikhs, constituting 1.26% of the total.

In Class III services, out of 5,06,574 employees, 8,161 were Sikhs, constituting 1.61% of the employees.

In Class IV services, out of 2,30,063 employees, 3,047 were Sikhs, constituting 1.32% of the total.

#### *Christians*

81. The data in respect of Christians was collected from 861 State Government Offices located in 76 districts of 13 States\*\*. Its analysis shows that out of 8,26,669 persons employed in all the groups of services, 11,072 were Christians constituting 1.34% of the total.

In Class I services (Gazetted), out of 8,807 employees, 67 were Christians, constituting 0.76% of the total.

In Class II services, out of 40,983 employees, 695 were Christians, constituting 1.70% of the total.

In Class III category, out of 4,98,327 employees, 6,186 were Christians, constituting 1.24% of the total.

In Class IV category, out of 2,26,558 employees, 1,333 were Christians, constituting 0.59% of the total.

#### *Buddhists*

82. Studies were conducted in 12 districts of 7 States† in regard to the employment of Buddhists in 150 State Government Offices.

Out of 2,24,609 persons employed, Buddhists were 902, constituting 0.40% of the total. Overall their representation varies from 0.08% in the Gazetted Class I services to 0.50% in Class IV services.

#### *Parsees*

83. The data regarding the employment of Parsees in 118 State Government Offices was collected from 9 districts of 5 States‡.

Out of 2,30,353 persons employed, Parsees were 49, constituting 0.02% of the total.

#### *VII. Employment in Public Sector Undertakings*

84. We addressed letters to 121 Public Sector Undertakings under the control of Central Government to furnish information regarding the representation of minorities among the employees of these corporations. We addressed similar letters to the State Governments and Union Territories to furnish information regarding the representation of minorities among the employees of its public corporations. However, none of these corporations could furnish complete information on representation of minorities. In view of the poor response, we conducted sample surveys and collected data from different corporations. Analysis of the same is given below.

#### *Muslims*

85. The data regarding employment of Muslims in Public Sector Undertakings owned by the States as well as the Central Government was collected from 168 units located in 45 districts of 13 States@. Its analysis shows that out of 4,76,972 employees in all the grades, 51,755 were Muslims, constituting 10.85% of the total.

In Executive Cadre, out of 13,283 employees, 424 were Muslims, constituting 3.19% of the total.

In the Supervisory Cadre (Technical), out of 14,325 employees, 616 were Muslims, constituting 4.30% of the total.

In the Supervisory Cadre (Non-Technical), out of 2,20,235 employees, 26,745 were Muslims, constituting 12.14% of the total.

In Workers' Cadre, out of 2,29,129 employees, 23,970 were Muslims, constituting 10.46% of the total employees.

#### *Sikhs*

86. The data regarding employment of Sikhs in the Public Sector Undertakings was similarly collected from 175 Undertakings in 12 States£.

\*Please see Annexure V. 20.

\*\*Please see Annexure V. 21.

†Please see Annexure V. 22.

‡Please see Annexure V. 23.

@Please see Annexure V. 24.

£Please see Annexure V. 25.



Out of 4,78,668 employees in all the grades, 5,791 were Sikhs, constituting 1.21% of the total employees.

In Executive Cadre, out of 13,283 employees, 299 were Sikhs, constituting 2.25% of the total employees.

In Supervisory Cadre (Technical), out of 14,415 employees, 297 were Sikhs, constituting 2.06% of the total employees.

In the Supervisory Cadre (Non-Technical), out of 2,20,935 employees, 2,859 were Sikhs, constituting 1.29% of the total employees.

In Workers' Cadre, out of 2,30,035 employees, 2,336 were Sikhs, constituting 1.03% of the total.

#### Christians

87. The data regarding the employment of Christians was collected from 168 Public Sector Undertakings located in 13 States\*.

Out of 4,76,972 employees, 18,259 were Christians, constituting 3.83% of the total.

In the Executive Cadre, out of 13,283 employees, 589 were Christians, constituting 4.43% of the total.

In the Supervisory Cadre (Technical), out of 14,325 employees, 720 were Christians, constituting 5.03% of the total.

In the Supervisory Cadre (Non-Technical), out of 2,20,235 employees, 8,318 were Christians, constituting 3.78% of the total employees.

In Workers' Cadre, out of 2,29,129 employees, 8,632 were Christians, constituting 3.77% of the total.

#### Buddhists

88. Data regarding employment of Buddhists could be collected from 29 Public Sector Undertakings located in three districts\*\*, one each in the State of Assam, Gujarat and Maharashtra. Its analysis shows that out of 73,398 persons employed, Buddhists were 40, constituting 0.05% of the total.

They had no representation in Executive Cadre.

In the Supervisory Cadre, out of 1,940 persons employed, Buddhists were 2, constituting 0.10% of the total.

In the Clerical Cadre, out of 50,490 persons employed, Buddhists were 7, constituting 0.01% of the total.

In Workers' category, out of 20,611 persons, Buddhists were 31, constituting 0.15% of the total.

\*Please see Annexure V. 26.

\*\*Please see Annexure V. 27.

†Please see Annexure V. 28

‡Please see Annexure V. 29.

@Please see Annexure V. 30.

#### Parsees

89. Data regarding employment of Parsees could be collected from 35 Public Sector Undertakings located in three districts†, i.e., two districts of Gujarat and one in Uttar Pradesh. Its analysis shows that out of 73,380 persons employed, Parsees were 105, constituting 0.14% of the total. Their representation in various grades ranged from 0.06% in Workers' Cadre to 0.41% in Supervisory Cadre.

#### VIII. Employment in Private Enterprises

90. To ascertain the representation of Minorities among the employees in the private undertakings, we addressed letters to leading private industrial groups like Tatas, Birlas, etc., with a request to furnish the required data. The response from the private undertakings was, however, poor. Excepting a few undertakings like M/s. Tata Iron and Steel Co. Ltd. (Tata Group), M/s. TEXMACO (of Birla Group), no other company furnished the required information. We, therefore, conducted on our own sample surveys by visiting a number of private undertakings and collected the required data. An analysis of the same is given below.

#### Muslims

91. The data regarding employment of Muslims in Private Enterprises was taken from 145 units located in 33 districts of 12 States‡. Its analysis shows that out of a total of 1,44,082 employees, 11,763 were Muslims, constituting 8.16% of the total.

In the Supervisory Cadre (Technical) out of 6,622 employees, 165 were Muslims, constituting 2.49% of the total employees.

In the Supervisory Cadre (Non-Technical), out of 50,464 employees, 4,180 were Muslims, constituting 8.28% of the total.

In Workers' Cadre, out of 66,796 employees 5,297 were Muslims, constituting 7.93% of the total

#### Sikhs

92. The data regarding employment of Sikhs was taken from 188 Private Enterprises located in 37 districts of 11 States.@

Out of 1,63,093 employees, 6,657 were Sikhs, constituting 4.08% of the total.

In Executive Cadre, out of 2,832 employees, 116 were Sikhs, constituting 4.11% of the total.

In the Supervisory Cadre (Technical), out of 7,579 employees, 438 were Sikhs, constituting 5.78% of the total.

In the Supervisory Cadre (Non-Technical), out of 59,679 employees, 3,155 were Sikhs, constituting 5.29% of the total.

In the Workers' Cadre, out of 75,202 employees, 2,944 were Sikhs, constituting 3.91% of the total.

#### Christians

93. The data in respect of employment of Christians in the Private Enterprises was taken from 147 Enterprises located in 34 districts of 12 States\*.

Out of 1,44,414 employees working in these units, 2,488 were Christians, constituting 1.72% of the total.

In Executive Cadre, out of 2,390 posts, 132 posts were held by Christians, constituting 5.22% of the total.

In Supervisory Cadre (Technical), out of 6,622 employees, 194 were Christians, constituting 2.93% of the total.

In the Supervisory Cadre (Non-Technical), out of a total of 50,691 employees, 921 were Christians, constituting 1.82% of the total.

In Workers' Cadre, out of 66,901 employees, 1,241 were Christians, constituting 1.85% of the total employees.

#### Buddhists

94. Data in regard to Buddhists could be collected from 35 Private Enterprises located in two districts spread over 2 States\*\*. Its analysis shows that out of 37,955 persons employed, 145 were Buddhists, constituting 0.38% of the total.

In the Executive Cadre, out of 1,015 persons, Buddhists were two, constituting 0.20% of the total.

In the Supervisory Cadre (Technical), out of 3,152 persons, 4 were Buddhists, constituting 0.13% of the total.

In the Supervisory Cadre (Non-Technical), out of 5,883 persons employed only 3 were Buddhists, constituting 0.05% of the total.

In Workers' category, out of 27,905 persons, 136 were Buddhists, constituting 0.49% of the total.

#### Parsees

95. Data in regard to Parsees could be obtained from 10 Private Enterprises located in three districts†, i.e., two districts in Maharashtra and one in Uttar Pradesh. Out of 22,555 employees, 131 were Parsees, constituting 0.58% of the total. All in all, their share in various grades ranged from 0.08% in Workers' Cadre to 2.68 per cent in Supervisory Cadre.

#### Representation in Union and State Public Service Commissions, Public Financial Institutions and Recruitment Boards

96. In addition to the Administrative Services which play a vital role, discussed in the preceding pages, in the formulation and implementation of the policies of the Central Government, the Public Financial Institutions as well as Public Sector Banks and Public Sector Undertakings managed by the Government also play an equally vital role in formulation and implementation of the policies for the economic development of the country. The role played by the top Executives of these organisations along with their Board of Directors managing these organisations, therefore, is of crucial importance in providing benefits to our target groups.

We have also studied the composition of Union and State Public Service Commissions which has a distinct role in the recruitment of officers at higher levels.

We have, therefore, collected data regarding the representation of Minorities in these organisations at the top level. This is discussed below :

#### I. Union and State Public Service Commissions

97. With a view to study the representation of Minorities among the Chairman and Members of the Union and State Public Service Commissions, data from the Union Public Service Commission and 9 State Public Service Commissions, namely, Andhra Pradesh, Bihar, Haryana, Kerala, Maharashtra, Punjab, Tamil Nadu, Uttar Pradesh and West Bengal was collected and analysed. A table showing the composition of the Union and State Public Service Commissions and the representation of Minorities in these Commissions is given below :

Table showing the representation of Minorities and others in the Union and in some of the State Public Service Commissions

| S. No.  | Union/State    | Total No. of Members including Chairman | Community-wise break-up |               |       |           |         | Others including SCs & STs |
|---|----------------|---|-------------------------|---------------|-------|-----------|---------|----------------------------|
|   |                |   | Muslims                 | Christians    | Sikhs | Buddhists | Parsees |                            |
| 1   | 2              | 3                                       | 4                       | 5             | 6     | 8         | 9       |                            |
| <b>I. Union Public Service Commission (as on 1-3-1983)</b>    |                |   |                         |               |       |           |         |                            |
|   |                | 8                                       | 1<br>(12.50)            | 1†<br>(12.50) | ..    | ..        | ..      | 6<br>(75.00)               |
| <b>II. State Public Service Commissions (as on Nov. 1982)</b> |                |   |                         |               |       |           |         |                            |
| 1.  | Andhra Pradesh | 6                                       | 1<br>(16.67)            | 1<br>(16.67)  | ..    | ..        | ..      | 4<br>(66.66)               |
| 2.  | Bihar          | 7                                       | 1<br>(14.29)            | ..            | ..    | ..        | ..      | 6<br>(85.71)               |

\*Please see Annexure V.31.

\*\*Please see Annexure V.32.

†Please see Annexure V.33.

‡Also belongs to Scheduled Tribe.

| 1                | 2 | 3              | 4            | 5            | 6            | 7  | 8  | 9             |
|------------------|---|----------------|--------------|--------------|--------------|----|----|---------------|
| 3. Haryana       |   | 5              | ..           | ..           | ..           | .. | .. | 5<br>(100.00) |
| 4. Kerala        |   | 8              | 1<br>(12.50) | 2<br>(25.00) | ..           | .. | .. | 5<br>(62.50)  |
| 5. Maharashtra   |   | 6              | ..           | 1<br>(16.67) | ..           | .. | .. | 5<br>(83.33)  |
| 6. Punjab        |   | 6              | ..           | ..           | 3<br>(50.00) | .. | .. | 3<br>(50.00)  |
| 7. Tamil Nadu    |   | 7              | 1<br>(14.29) | ..           | ..           | .. | .. | 6<br>(85.71)  |
| 8. Uttar Pradesh |   | 7              | 1<br>(14.29) | ..           | ..           | .. | .. | 6<br>(85.71)  |
| 9. West Bengal   |   | 7              | 1<br>(14.29) | ..           | ..           | .. | .. | 6<br>(85.71)  |
| TOTAL :          |   | 59<br>(100.00) | 6<br>(10.17) | 4<br>(6.78)  | 3<br>(5.09)  | .. | .. | 45<br>(77.56) |

N.B. — Figures in brackets are the percentages over the total.

98. The analysis of the above data shows that in the Union Public Service Commission, one Member each belongs to Muslim and Christian communities and the rest belong to Hindus including Scheduled Castes.

99. The analysis of the data collected from 9 State Public Service Commissions shows that out of 59 Members including Chairman, 6 are from among Muslims (10.17%) 4 are from among Christians (6.78%) and three are from among Sikhs (5.09%).

## II. Public Financial Institutions

### (a) Chairman, Managing Directors, Executive Directors of the Public Sector Banks and the composition of their Board of Directors.

100. There are 28 Public Sector Banks, Top executive post in the State Bank group is the Chairman who is assisted by the Managing Director. It has got 7 subsidiaries. Chairman of the State Bank of India is also the ex officio Chairman of the subsidiary Banks. Managing Directors are the top executives in the subsidiaries of the State Bank of India.

101. The nationalised Banks numbering 20 have got Chairmen and Managing Directors at the top. Next important post in the hierarchy is of the Executive Director. All nationalised banks, however, do not have the post of the Executive Director. At present, there are 42 such posts consisting of Chairmen, Managing Directors and Executive Directors in the 28 Public Sector Banks.

102. Out of these, there was only one Chairman and Managing Director each, who was a Sikh and a Parsee (2.4%) respectively.

103. As regards the composition of the Board of Directors, apart from the top executives of the Banks, who are official Members, there are other Members

representing various groups. Among these 38 Members represent officers' and employees associations. These Directors are elected by the workmen or officers' unions/associations concerned. In this category one Director each is a Sikh and a Muslim (2.6% each) out of a total of 38.

104. The non-official Directors represent the interest of the farmers, artisans, small scale industrialists and depositors of the Banks. The Government exercises its own discretion while selecting the members representing these varied interests in the Board of Directors of the Public Sector Banks. There were 212 such non-official Directors in the Public Sector Banks, out of which 12 were Muslims (5.7%), 8 were Christians (3.8%), 11 were Sikhs (5.20%) and 2 were Parsees (0.94%).

### (b) Top Executives of the Public Financial Institutions and the composition of the Board of Directors.

105. To ascertain the representation of Minorities among the top executives and in the Boards of Public Sector Corporations under the control of Central Government, we addressed letters to 121 Public Sector Undertakings to furnish detailed information. However, only 75 corporations furnished replies. The data collected from these replies shows that only 4 Chairmen/Managing Directors are from Minority communities—2 each belonging to Christian and Sikh communities. Replies received from 42 Corporations giving complete data regarding the composition of Board of Directors show that out of 262 Members of the Board, only 5 belong to Minority communities, one of whom is a Christian and the religion of others has not been indicated. In view of the poor response, we collected information from the Bureau of Public Enterprises, Ministry of Finance, and also from the Banking Department, Government of India. While the Banking Department was able to furnish community-wise composition of Board of Directors of Public Financial Institutions, the Bureau of Public

Enterprises was not able to furnish complete information. An analysis of the data collected by us in this regard is given below.

106. This includes the Reserve Bank of India, Industrial Development Bank of India, Industrial Finance Corporation of India, Deposits Insurance and Credit Guarantee Corporation of India, General Insurance Corporation of India and its 4 subsidiaries. Life Insurance Corporation of India, Industrial Reconstruction Corporation of India, Unit Trust of India etc. These are all Public Financial Institutions at the apex level.

107. We have obtained community-wise data of distribution of top posts. Out of 26 top executives in these Public Financial Institutions, excepting the Governor of the Reserve Bank of India, none belonged to any minority community.

108. Some of these institutions, like the Reserve Bank of India, Industrial Development Bank of India, Industrial Finance Corporation of India, Unit Trust of India, had got some non-official members on their Boards. Some of the other financial institutions like, L.I.C.I., G.I.C.I. and its four subsidiaries, I.R.C.I. did not have any non-official member.

109. Out of 40 non-official members on the Board of these Financial Institutions, two were Muslims (5%), two were Christians (5%) and 4 (10%) were Parsees.

#### (c) Chief Executives of Public Sector Undertakings

110. We have also collected community-wise data of distribution of the posts of Chief Executives of Public Sector Undertakings which are under the administrative control of various Ministries. They were 225 in number.

111. Out of these, 3 were Muslims (1.30%), 7 were Christians and 7 Sikhs (3.10%).

112. As regards the Board of Directors, no upto date information could be obtained from the Public Sector Undertakings. It is, however, understood that most of the Boards consist of the official members only. There were no non-official members in these Boards. The representation of minorities was almost nil.

### III. Recruitment Boards

113. Banking and the Railway Services play an important part in economic development, providing the necessary financial inputs and industrial infrastructure. Both being large public employers, they employ a large number of persons every year not only in the top posts which carry a lot of prestige and good remuneration but also in the lower ranks. We, therefore, decided to study the composition of the recruitment Boards of the Public Sector Banks and the Railway

Service Commission, with a view to find out the representation of Minorities among them.

#### (a) Banking Services Recruitment Boards

114. Recruitment by Nationalised Banks is done through the Regional Recruitment Boards which have been constituted throughout the country with their Headquarters in New Delhi, Bombay, Calcutta, Madras, Ahmedabad, Bangalore, Lucknow, Bhopal and Gauhati. They recruit or clerical cadre in their regions for all the Branches of nationalised Banks.

115. The recruitment for officers is done by each of the Regional Recruitment Board for the nationalised banks headquartered at these places excepting Lucknow, Bhopal and Gauhati, which did not have Headquarters.

116. The State Bank of India, which is the oldest nationalised Bank, has Central Recruitment Board at Bombay, which recruits officers and the 8 Regional Recruitment Boards which recruit clerical staff. Each one of these Boards, has a Chairman, appointed from among the non-officials, a member, appointed from among the non-officials belonging to Scheduled Castes and Scheduled Tribes and a Secretary who is always an official. In addition, General Manager and Additional General Managers of the particular regions are also appointed as members of these Boards.

117. The analysis of the data collected by us shows that out of 22 Chairmen of these Recruitment Boards, only one (4.60%) was a Muslim and two (9.00%) were Christians.

#### (b) Railway Service Commission

118. We have already seen that the top level officers belonging to the Indian Railway Traffic Services and other Services are recruited through the U.P.S.C. All the Class III recruitments to the Railways, however, are done by the Railway Service Commissions located at Allahabad, Bangalore, Bombay, Calcutta, Danapur (Patna), Gauhati, Madras, Muzaffarpur and Secunderabad. These Service Commissions are headed by a Chairman who is either a high retired official or a public man. Each Commission is provided with a Member-Secretary who is an official. In addition to these 9 main Service Commissions, there are 4 branch offices of the commissions at Ahmedabad, Bhopal, Chandigarh and Trivandrum to provide facility to the candidates from these areas.

119. The Branch office does not have a Chairman but is provided with a Member-Secretary.

120. Thus, out of 9 Chairmen of the Service Commissions, three were Christians, one of whom belonged to Scheduled Tribes. Out of 13 Member-Secretaries, one was a Muslim. There was none from any other minority. It may, however, be stated that a large number of Chairmen, 7 out of 9, were working on *ad hoc* basis and permanent recruitment to these posts was yet to be made.

## OBSERVATIONS

*Muslims*

121. The analysis of the employment data of Muslims in the Government offices both Central and States, Industrial Undertakings, Public and Private leads us to a few broad conclusions.

Firstly, it is seen that the employment of Muslims in the Government offices both Central and States varied between 5% to 6% of the total employees. Secondly, their representation in Class I & II services was between 3% to 4.5%; while in Class III & IV services it was between 5% to 6%. Thus the overall representation of Muslims in Government services was low.

(ii) Coming to the Class III & IV services, we find from the analysis of the Subordinate Service Commission Examinations, which accounts for most of the recruitment for Class III in the Central Government Offices, that the percentage of Muslim candidates is about 3%. Analysing further the position of their participation in the registrations in Employment Exchanges which accounts for bulk of the recruitment to the remaining Class III & IV services, it was seen that the percentage of their registration was only 5. The placements was also the same. They had better representation in Class IV services; it worked out to be about 97%.

(iii) Looking to their employment in the industrial undertakings, it is seen that their representation in the public sector undertakings was roughly about 11%. In the private sector, however, their representation was about 8%. In Executive and Supervisory Cadres in the public sector undertakings, their representation was between 3% to 4%; while in the private sector, it was between 2% to 3% only. In Clerical and Workers' Cadres in the private enterprises they numbered about 8% which was less than their population percentage.

In Clerical and Workers' Cadres where job skills are the main criteria for selection, their representation was far better. It appears that at the supervisory levels and in workers' category, their technical skill is better; that is why they have been preferred both in the Public and the Private Sector.

With a view to ascertain the position of employment of minorities in the private sector, we had issued detailed questionnaire, in addition to sending individual letters to the heads of some reputed industrial houses. Similar questionnaire were also sent to 121 public undertakings. While some of them sent replies giving some information, others did not reply at all. We had, therefore, to ascertain the position by sending our Research Teams. We regret to point out that in most cases no information regarding the employment of minorities was readily available. There was not even an awareness of the existence of the problems. Our Research Teams had to scan through the lists of names from the records to arrive at the figures of

employment of Muslims and other minorities, in these undertakings, which proved to be difficult and time consuming.

As our analysis has shown, the employment of Muslims is low at all the levels in the industrial undertakings. We, therefore, tried to probe into the reasons of this situation on a sample basis. Tatas and Birlas, to whom we had sent individual letters, sent information only in respect of TISCO and TEXMACO respectively. Replies from TISCO showed that Muslims constituted 4.1% in the executive cadre, 5.6% in the supervisory cadre and 10.13% in the workers cadre. Replies from TEXMACO showed that there was no Muslim in their executive cadre. They constituted only 0.3% in the supervisory cadre and 4.4% in the workers cadre.

Information collected by our Research Teams from Ceico and Arvind Mills at Ahmedabad showed that Muslims constituted only 0.68% in the executive cadre though their overall representation was 10.22% among the employees of the Mills.

Information collected from Mafatlal's at Bombay showed that while the Muslims had no representation in the executive cadre, they constituted 1.72% in the supervisory cadre and 3.53% in the workers cadre. Information collected from Mahindra and Mahindra Ltd. at Bombay showed that Muslims constituted 1.48% in the executive cadre, 2.25% in the supervisory cadre and 5.02% in the workers cadre. In the Orkay Group of Industries at Bombay, Muslims constituted 3.3% in the executive cadre, 3.00% in the supervisory cadre and 11.90% in the workers cadre.

Information collected from J.K. Industries at Kanpur showed that Muslims constituted 2.63% in the executive cadre, 2.28% in the supervisory cadre and 5.41% in the workers cadre. In Indian Explosives Ltd. at Kanpur, Muslims had no representation in the executive cadre. They, however, constituted 2.73% in the supervisory cadre and 7.09% in the workers cadre.

(iv) We have also studied the Civil Lists of officers for all India services from which it is apparent that while Sikhs and Christians and other minorities were doing well at the competitive examinations, the Muslims by and large, did not. For instance, thirty five years after independence, there were only 119 Muslims in the Indian Administrative Service out of 3,785, which gives them a percentage of only 3.14, while according to their population they should be about 11%. One of the major reasons for this is their lack of higher or secondary education. We have already made recommendations to rectify this.

*Sikhs*

122. The employment of Sikhs in the Central and State Government Offices was slightly lower than their population percentage because of their low representations in Punjab where their population is predominant and in certain other States like Rajasthan, Haryana, Maharashtra and Madhya Pradesh.

(ii) Under Public Sector Undertakings as well as Private enterprises, their overall representation was

satisfactory though their representation was low in the States of Haryana, Punjab and Rajasthan.

(iii) It may, however, be observed that their representation in the higher cadres was generally more than their representation in lower jobs.

#### *Christians*

123. The employment of Christians was more than their population percentage in the country as a whole. In State Government offices, however, their representation was lower than their population percentage.

(ii) In the public sector undertakings, their percentage was adequate. In Private enterprises, however, it was little less than their population percentage in the country.

(iii) It is observed that in both these sectors (public and private), their percentage was generally better in higher grades than in the lower grades. The same is true of their employment in State and Central Government Offices, where they were better represented at the higher levels.

#### *Buddhists*

124. The analysis of the data regarding employment of Buddhists shows that their representation was low in all grades in all sectors.

#### *Parsees*

125. An analysis of the data in regard to the employment of Parsees in various sectors shows that their position in Government services (State and Central) was satisfactory when viewed in the context of their population percentage in the country. In Public and Private Sectors also their representation was satisfactory.

### RECOMMENDATIONS

126. The analysis of the data in the preceding paragraphs shows that the employment of minority communities in Government services both Central and States varies from minority to minority. We have seen that the representation of Muslims and Buddhists in all the services, Central, State as well as private is low whereas the representation of Sikhs, Christians and Parsees is more or less adequate in all the sectors.

#### *Long-term measures*

A long term solution to this problem, therefore, will have to be found in giving them better educational facilities, especially to the Muslims, who are backward in education. For this purpose we have already recommended certain measures in the previous Chapter which we reiterate must be implemented with all sincerity and seriousness.

#### *Short-term measures*

As a short-term measure, however, ways and means must be devised to ensure better representation of those minorities who are not represented in adequate

numbers in the services of the States & the Centre so as to give them a sense of participation in developmental activities as well as to instil in them confidence about their future.

- (1) To secure better representation of minorities in the All India Services & Provincial Civil Services, we recommend the opening of special coaching institutions in all the regions having large concentration of minorities, in such institutions as are sympathetic to their needs and having faculty members who will be able to coach these students for competitive examinations. This entails grant of financial assistance both by the Centre and the States.

We also recommend that voluntary organisations and trusts run by the minorities should be encouraged to start such classes, especially in urban centres, with large concentration of minorities. They should be given financial and technical assistance by the State.

- (2) Minority communities have been represented in the U.P.S.C. in varying degrees from time to time which was once headed for 5 years by a Muslim. Generally, one or two persons belonging to minority communities have been appointed as Members of the U.P.S.C., though there was no Sikh or Parsee on it. Some State Governments have also nominated such Members to the State Public Service Commission, but not all. There is no adequate representation of minorities in Railway Service Commissions, Banking Service Recruitment Boards and the Recruitment Boards of the various State and Central Subordinate Service Commissions.

We, therefore, recommend that all the Recruitment Boards, whatever may be their denomination and State Public Service Commissions responsible for recruitment to the Central as well as State level services, should have minority representation of not less than 20% so as to ensure that at least a minimum of one person belonging to a minority is appointed. In this respect, the Railway Service Commissions, Banking Service Recruitment Boards, Subordinate Services Commission, etc. are particularly important at the Central level; and care must be taken to ensure minority representation on them.

- (3) Universities in India, now numbering more than 100, have a very poor representation of minorities on their faculties. This lacuna should be redressed as early as possible. Posts are kept vacant on one pretext or the other, more especially because of lack of suitable candidates of certain categories. These posts should be filled up by candidates

from among the minority communities with suitable qualifications. By keeping these posts vacant for several years University authorities take the opportunity to make ad-hoc appointments of their favourites, thus frustrating both the ends of justice to the minority candidates as also to deny the students the opportunity of having a more broad-based faculty so as to inculcate in them the spirit of national integration. (Several distressing instances were brought to our notice in this behalf).

- (4) We have also noticed that in the offices, both Central and States, there is always shortage of good and trained Stenographers and typists with good knowledge of shorthand and typing.

We recommend that coaching institutions be opened which may cater to the requirements of training the candidates belonging to the minority communities for shorthand and typewriting, not only in English and Hindi, but also in the regional languages which have vast potential for such employment.

- (5) We have seen that the Employment Exchanges are crucial in the recruitment of staff for Class III and Class IV categories. Complaints have been received that sometimes the officials manning these Exchanges at the lower levels are not fair and discourage the candidates belonging to the poorer sections among the minorities for extraneous reasons.

To overcome this difficulty, we recommend that a separate wing for the registration of candidates belonging to minority communities be established and Government should issue necessary directive to ensure their registration. The non-registration of eligible candidates of minority communities should result in departmental enquiry and strict disciplinary action.

- (6) We have seen that there is a large potential for employment in the Public and Private Sector Enterprises which require a large number of technical personnel to man the posts at the technicians and at the supervisory levels.

We, therefore, recommend that polytechnic and technical institutions giving diplomas and certificates in various technical trades should be opened in the areas predominantly inhabited by Minorities. Wherever it is not possible to open such institutions, admissions to such polytechnics and other institutions should be given to the minority communities on a proportionate basis so as to secure adequate number of seats for them in these institutions.

Trusts and educational institutions, belonging to minorities run by them should be allowed to open such polytechnic and given adequate financial grant.

- (7) We have noticed that the representation of minority communities on the Boards of Directors of the Public and Financial Institutions and Public Sector Undertakings is poor. The members of the Board of Directors not only determine policies but also implement the programmes of the Government for betterment of all sections of our people. They also make recruitment of the officials at the middle and higher levels.

To enable the minorities to derive benefits from the schemes and programmes of these institutions, we recommend that the Government, as a policy, should nominate adequate number of Directors and personnel for other top positions in these financial institutions from the minority communities so as to give them a sense of belonging.

- (8) We have also noticed that the representation of minorities in the Judiciary is very poor. To secure better representation of the minorities in judiciary, we recommend that wherever qualified candidates are available, every effort should be made to appoint them as Judges of District Courts, High Courts and Supreme Court in adequate numbers.
- (9) The frequency of communal riots not only demoralises the minorities but renders them destitute, making them lose whatever they have.

We, therefore, recommend that Provincial Armed Constabulary (P.A.C.) should be made more broad-based and cosmopolitan, with sufficient number of Muslims and other minorities recruited to it.

- (10) In our interim report, we recommended that a special police force (with a fair representation of the minorities) should be raised and charged only with maintaining peace in the riot-prone or riot-affected areas. The Government has already implemented it. A Special Police Force was constituted with over 3,000 new recruits, 60% of whom were members of the minority communities, particularly Muslims & Scheduled Castes. Many more such battalions are to be raised. This is the most healthy step and we commend it. It will have a salutary effect on curbing communal riots. The Panel is, however, distressed to find that in the police services in the various States, by and large, there is hardly any minority representation, especially in the riot-prone districts, which have already been identified by the Government.

This should be viewed seriously by the Government and special recruitment drives

should be launched to remove the imbalances now prevailing in these vital services.

- (11) It has been represented to us that the minorities are not getting their due share in recruitment to Armed Forces. While we believe that in the Armed Forces, merit alone should be the criteria for recruitment, irrespective of caste, race, region or religion, we recommend that within this framework, every effort should be made by the Government to ensure adequate representation of the minorities so as to create in them a sense of national belonging and full participation in the defence of the country.
- (12) We recommend that, where not much technical or administrative expertise is required, definite reservations through suitable instructions issued by the Home Ministry should be made, especially in Class III and IV services, in the Central, State and Civic bodies, besides Public Corporations, for the minorities, on the basis of their population with the option to compete for more jobs.
- (13) Fees at the Universities and technical and medical institutes in India are the lowest in the world. Colossal funds are spent on training doctors, engineers, professors, scientists and other experts (about Rs. 2,000 p.m. as against Rs. 50 to Rs. 200 of fees charged). We cannot afford to gift away this national wealth to another country. We, therefore, recommend that the state should itself organise the migration of its technical hands and professional persons to other countries and not leave it to individuals or private agencies. Any one who is successful in seeking employment abroad, should be made to pay his entire expenses on his education incurred upon him by the State, either in lumpsum or by regular remittances from abroad. This will help to give a fair quota to all communities and discourage a brain drain from our country.
- (14) A definite quota should be fixed for the minorities in the apprenticeships to the various industries under the Apprenticeship Act, but not less than their proportion in population.
- (15) We have observed that there is a large segment of communal elements that have permeated in the Government and other Public Sector Services. These should be immediately screened and weeded out and legislation enacted, if necessary, for this purpose.
- (16) Nationality certificates demanded from the Muslims has been one of the constraints in the way of their seeking employment with various Government and Public Sector Undertakings. This should be done away

with and there should be no discrimination against the Muslims.

- (17) As per Government of India's letter No. 14/1/69-SCT(1) dated 30th October, 1971, the Scheduled Caste converts to Buddhism have been made eligible for the grant of Government of India post-matric scholarships which was hitherto available to Scheduled Caste students only, on the consideration that Scheduled Caste converts to Buddhism still suffer from social & education backwardness and are in need of assistances. They must, therefore, be extended all the concessions available to Scheduled Castes.
- As Scheduled Caste converts to other religions also continue to suffer from the same social and educational backwardness, we recommend that the Presidential Order of 1950 be suitably amended to include all Scheduled Caste converts irrespective of the religion of their conversion so as to make them eligible for all these concessions.
- (18) It has been noticed that various State Governments, particularly in North India, publish their tenders and notices of employment etc., only in Hindi. These should be invariably translated into Urdu, Punjabi and English and should be publicised as widely as possible so that the minority communities may also take advantage of the same.
- (19) Due representation should be given to various minorities and their trade organisations on various Advisory Committees of export and import, licences, regional bank advisory boards and so on; this is not the case at present.
- (20) As we have pointed out, no data is at present being collected by the various Government departments or Public Service Commissions with regard to employment of Members of minorities. It should, therefore, be made obligatory for every Government Department and Public Sector Corporation, Service Commissions and Civic bodies, etc., to keep this religion-wise data and to inform the Ministry of Home Affairs every six months, as to the number of minority persons employed by or through it, during the particular period.
- And if their numbers do not reflect even their ratio in population, a serious note should be taken of it and suitable instructions issued to rectify the imbalances as far as possible. The six-monthly reports of the departments concerned should particularly specify the number of minorities' candidates applying and rejected and the reasons for the rejection of their applications.
- (21) At present, no data as to the language, education, economic status and occupation of the minorities is tabulated separately even



if this is recorded in the census operations ; we recommend that it should be so tabulated on the same lines as for Scheduled Castes and Scheduled Tribes. In case it is not available we recommended that it should be invariably done, on the basis of a house to house survey.

- (22) It might be mentioned here that though our Panel was concerned primarily with the fiscal disabilities of the Minorities and other Weaker Sections and was charged with the task of finding constraints in the way of their fully availing themselves of the many economic facilities offered by the State, we found to our dismay in the course of our inquiry that inspite of the Constitutional guarantee against discrimination on the basis of caste, sex, religion or place of residence, or birth, discrimination was in fact practised against many members of minorities. Many such complaints came to our notice and we were able to redress them through our timely intervention.

It is, therefore, considered imperative by us that on the one hand there should be fair representation of the Minorities on all selection Boards, and on the other hand the bureaucracy should be re-oriented on correct lines by intensive training, seminars and discussions so as to have a correct perspective of the problems of various communities and to implement Government policies in a fair and just manner.

- (23) The method of recruitment through competitive examinations, interviews, within limited age group of 18 to 28 years, leaves much to be desired. We recommend, therefore, that special recruitment drives should be undertaken from time to time to recruit men of talent with proper qualifications belonging to the minorities from the fields of educational institutions, private sector, industry, commerce and social work etc., irrespective of their age. This will not only rectify their under-representation in public employment, as at present, but also rejuvenate the Administration in many ways with fresh ideas and better performance.
- (24) The theory of the "Sons of the Soil" in the matter of employment and admission to technical colleges & institutions in the various States is breaking down the national cohesion, besides creating distrust in the minds of people who move from one part of the country to the other, in search of employment or business. In particular it affects adversely the minorities who complain of

being discriminated against on this ground. We, therefore, recommend that adequate and fair representation both in the Civil Services and Services in the States' Public Sector Undertakings (besides seats in the technical institutes and colleges) must be given for people from outside the State, if the requisite number of qualified persons from among them is available.

- (25) Similarly, technical, scientific and specialised jobs, which are going abegging, could be offered to qualified candidates from the Minorities and other Weaker Sections, the annual income of whose families does not exceed Rs. 12,000. This will not only be fair and equitable but will also not deprive the State of the services of the qualified personnel belonging to underprivileged segments of our society.
- (26) A large number of vacancies (35,600 in 1981) were cancelled, according to the Directorate General of Employment & Training due to the non-availability of trained personnel, particularly in jobs relating to production process, transport operators, clerical and sales workers (excluding typists and peons) and even unskilled workers, foremen and supervisors, etc. The Government should not only advertise such short-falls over the Radio and T.V. and through the local newspapers, but also organise training for such jobs in a planned manner in advance of the expected demands. The minorities should be encouraged and financially aided to open institutes, keeping a liaison with the employment exchanges and industrial undertakings, both public and private, to offer training in such subjects where employment potential may be the largest and more immediate.
- (27) A "fair employment to all communities & castes" clause must be an integral part of any contract entered into by Government or nationalised Banks while offering loans to the private or public sector undertakings prohibiting discrimination of any sort against any class or community of India in their employment policies. This should be checked periodically and the representation of minorities (at least in proportion to their number in the areas concerned) should be ensured, failing which the contract loan may be cancelled. Such a clause exists in the U.S.A. and it has resulted in substantial employment of Afro-Americans and Hispanics both in the private and public services.

## CHAPTER VI

### RURAL DEVELOPMENT

#### *Agriculture and Allied Sector (Departmental Schemes)*

1. Development of agriculture has been one of the corner stones of the policy of the Government of India in order to wipe out the deficit in the country's foodgrains and to provide a strong agricultural base for our growing national economy. The strategy adopted to increase agricultural production in the field has been to increase irrigation facilities through major and medium dams, introduction of minor irrigation projects on a wide scale, actively help soil conservation, fertilizer and seed distribution, plant protection by spraying and other methods, and provide improved scientific tools and equipments for farming operations. Thus, use of technology based scientific methods, wide range of services and price support policy have given tremendous fillip to this sector. The agricultural production has increased at an annual compound rate of 2.8% during the last decade or so.

2. Bulk of the money under this sector has been spent during successive Five Year Plans in the development of infrastructure for the overall increase in agricultural production. This primarily consists of the expenditure on small/medium/major irrigation projects, power plants, cooperative societies, roads and buildings, storage godowns, marketing facilities, etc. Roughly the total expenditure on the development of infrastructure under the agriculture sector has been of the order of Rs. 45,132 crores which is 43% of the total actual plan expenditure up to 1980-81. The major benefits from the expenditure in this sector have gone to the land owning farmers in the country. They have been the major beneficiaries of the all round development in the agricultural field. While it is difficult to assess the availability of the benefits due to these measures in terms of the farmers belonging to minorities as no such data is available, we are, however, of the opinion that the small and marginal farmers and landless labourers, irrespective of the caste, creed or region to which they belong, have not benefited substantially from these reforms, it is the big and medium land lords who have reaped the richest harvest.

3. A great deal of emphasis has also been laid by the Government in increasing the pace of development of the allied sectors of agriculture during the successive Five Year Plans. The Government have taken several policy decisions and have allocated sufficient funds for these sectors to ensure their proper development. The development in the field of animal husbandry which aims at distribution of improved

variety of cattle, goat, poultry and piggery to be reared by the village community as supporting activity to the agricultural operations, have also been impressive and have proved to be a great source of additional income to the rural poor. Similarly, fisheries, forestry and sericulture have also been extremely helpful in improving their income. The rural link roads have made, the markets and mandis easily accessible for the rural produce at much lower cost.

4. The Departments concerned with the development of these sectors, have implemented schemes to hasten the pace of their development over a period of time, which though not organised in the same manner as the target oriented schemes, to reach their benefits to the poorer sections of the society, meant as they were for people generally without any income criteria being laid down for entitlement of the benefits under them, nevertheless have created a great impact on the rural scene. Though substantial benefits have yet to flow to the rural population in general and in the process of minorities, the necessary infra-structure and environment for the betterment of the lot of the poor has certainly been created.

#### *Muslims*

In our sample surveys, therefore, we have tried to study the impact of the schemes in this sector on the Muslims and others and have collected data from 46 districts spread over 11 States\* regarding the accrual of benefits to our target groups.

The analysis of the data shows that out of 19.78 lakh beneficiaries under departmental schemes pertaining to agriculture and allied sectors, Muslim beneficiaries account for 2.5 lakhs constituting 12.7% of the total.

State-wise analysis shows that the participation of Muslims was higher than their population percentage in the States of Rajasthan and Gujarat. In the States of Assam, Bihar and Maharashtra, it was more or less at par with their population percentage. In other States, the coverage was less than their population percentage.

#### *Christians*

The data collected regarding departmental schemes from 21 districts covering 8 States\*\* shows that out of 9,86,631 beneficiaries, Christian beneficiaries account for 15,952 constituting 1.62%. Having regard to their population percentage in the sample districts (6.06%), their participation was low.

\*1. Andhra Pradesh, 2. Assam, 3. Bihar, 4. Gujarat, 5. Karnataka, 6. Kerala, 7. Madhya Pradesh, 8. Maharashtra, 9. Rajasthan, 10. Uttar Pradesh, 11. West Bengal. (For details please see Annexure VI.1).

\*\*Andhra Pradesh, Assam, Bihar, Karnataka, Kerala, Madhya Pradesh, Maharashtra and Uttar Pradesh. (For details please see Annexure VI.2).

State-wise analysis of the data shows that the participation of Christians was good in the States of Andhra Pradesh, Kerala and Madhya Pradesh. In other States namely Assam, Bihar, Karnataka, Maharashtra and Uttar Pradesh, their share was low in comparison to their population proportion.

#### *Sikhs*

In the case of Sikhs, the analysis of the data collected from 18 districts covering 6 States\* regarding the beneficiaries under the programme shows that out of 9,31,214 beneficiaries under departmental schemes, 36,268 were Sikhs constituting 3.89% of the total as against their population proportion of 0.77% in the areas surveyed.

State-wise analysis of the data shows that their participation in this programme was better in the States of Andhra Pradesh, Madhya Pradesh, Maharashtra and Rajasthan. In the States of Assam and Uttar Pradesh, the participation of Sikhs in this regard was almost equal to their population percentage.

#### *Buddhists*

In the case of Buddhists, we collected data from 6 districts of Maharashtra, where they predominate. It shows that out of 3.67 lakh beneficiaries under departmental schemes, 0.45 lakh were Buddhists constituting 12.26% of the total. Hence their participation in departmental schemes is adequate, having regard to their population percentage in these districts which is 7.32%.

#### *Overall Participation*

The total population of the districts covered according to 1971 Census has been worked out as 714.86 lakhs. Assuming that a family consists of 5 members, the total number of families in the districts roughly works out to 142.97 lakhs and out of this 19.78 lakh families have been covered under the agricultural and allied sector schemes which constitute 14%. The total coverage, thus, under these schemes in the sample districts is meagre, even taking into account, the fact that all schemes may not have been implemented in the districts covered by us. The fact is that a very small portion of the agricultural and allied sector allocation of funds has been spent in the implementation of these schemes as the planning process has depended mainly on creation of infrastructure for achieving the results.

#### *Integrated Rural Development Programmes*

5. By the end of the Third Five Year Plan it was being gradually realised that the fruits of development planning were being availed of, mostly by the better endowed areas on the one hand and by the better off members of the rural society on the other. In other words, the "Programme Approach" of development had not really made the expected impact. It was, therefore, felt that unless a direct attack is launched,

by identification of the members of the target groups and providing assistance to them in terms of inputs, subsidies and facilities for marketing etc. the developmental effort is not likely to make much impact on our target groups, as on the rest of the rural poor.

6. In the Fourth Plan, therefore, two schemes viz., Marginal Farmers, Agricultural Labourers and Small Farmers Development Agency were introduced, for making the small and marginal farmers economically self-reliant and for improving the lot of the landless labourers, by raising the output of small holdings and by generating employment through subsidiary occupations. The main objective of these schemes, was to provide the benefits of development to the numerically larger but economically weaker sections of rural population.

7. In the Fifth Plan, the Drought Prone Area Programme was also introduced with a view to eliminate or to reduce the impact of incidence of drought and scarcity in the drought prone areas and also to help the small and marginal farmers and agricultural labourers in raising their income levels. The strategy was to improve the economy of the drought prone areas through a package of infrastructural and farm development activities with the objective of optimum utilisation of land, water, human and livestock resources of the area. Though Drought Prone Area Programme was essentially an area development programme, the individual beneficiary approach, similar to that of Small Farmers Development Agency was also adopted in this programme.

8. With the construction of the major and the medium irrigation works and the consequent increase in the areas under command, the need for realising the optimum utilisation of the irrigation was keenly felt. With this objective in view, the Command Area Development Scheme was also introduced during the Fifth Plan Period. The main emphasis under Command Area Development Scheme was on the improvement of water conveyance and drainage system. The programme also lays emphasis on various developmental activities with the special emphasis on the weaker sections. Many of the benefits available to the small and marginal farmers under the Small Farmers Development Agency were also made available under this programme.

9. A review of the various on-going special programmes of development indicated the need for a new and comprehensive programme for development of the rural areas. Accordingly, the Integrated Rural Development Programme (IRDP) was launched in 1978-79. This programme is nothing but a synthesis of the strategies adopted and found effective in the implementation of special programmes like Small Farmers Development Agency, Command Area Development Agency and Drought Prone Area Programmes.

10. Initially, the Integrated Rural Development Programme was applicable to 2,300 blocks, out of 3,000 which were being covered by the various special programmes, concerned mainly with agricultural and

\*Andhra Pradesh, Assam, Madhya Pradesh, Maharashtra, Rajasthan and Uttar Pradesh.  
(For details please see Annexure VI.3).

allied sectors, as mentioned above, with a view to intensify and to provide wider coverage to developmental efforts in these blocks. On 2nd October, 1980, however, the Government of India launched this programme in all the 5,000 blocks of the country.

11. The main objectives of the IRDP are to raise the families in the identified target groups above the poverty line and to create substantial additional opportunities of employment in the rural sector. The income of the families is sought to be raised through the beneficiary-oriented schemes and additional employment opportunities have to be created through intensification and diversification of agricultural and allied sectors based on expansion of irrigation and improve technology. The target groups consist of the poorest in the rural areas, i.e., small and marginal farmers, landless labourers and rural artisans employed in the rural industrial sector.

12. The rural industries component was added in the IRDP as an improvement over the Small Farmers Development Agency under the realisation that while substantial additional employment opportunities can be created in the agricultural and allied sectors, the diversion of the surplus manpower which cannot be absorbed in these sectors, has got to be made in activities other than agricultural. Thus, this is expected to cater to the requirements of small business enterprises connected with the rural artisans and craftsmen. Addition of industries component with IRDP, therefore, is significant from the point of view of accrual of benefits to our target groups, a large percentage of whom are artisans, self-employed workers and small businessmen.

13. The general pattern of financial assistance in respect of different categories of beneficiaries/schemes under IRDP is given below :

| Item  | Subsidy for individual beneficiary | Subsidy for community works scheme   | Ceiling on subsidy   |
|---|------------------------------------|--|--|
| 1. Small Farmers                              | 25%                                | 50% of the capital cost of an approved work apportionable to the beneficiaries       | Rs. 3,000 (Rs. 4,000 in respect of blocks selected in DPAP areas). |
| 2. Marginal Farmers                           | 33.33%                             | —do—   | —do—   |
| 3. Agricultural Labourers                     | —do—                               | —do—   | —do—   |
| 4. Non-agricultural Labourers                 | —do—                               | —do—   | —do—   |
| 5. Scheduled tribe beneficiaries              | 50.00%                             | 50.00%   | Rs. 5,000  |
| 6. Training Schemes under I.R.D.              |                                    | Full cost to be met from the funds of the IRDP programme.<br>(Full cost of Training) |  |
| 7. Rural Industries/Rural Artisans Programme. | 33.33%                             | of the capital cost  | Rs. 3,000  |

14. As all the area development programmes were not being implemented in all the blocks of the country at the same time, while selecting the districts and blocks for our surveys, we had to take into account not only the varying concentrations of the population of our minorities but also the blocks/districts in which the programmes were being implemented with a view to study their impact. Most of the data discussed here, under this heading, therefore, includes the benefits derived under the special area programmes which subsequently merged into IRDP.

15. The collection of data regarding the benefits which have accrued to minorities under these schemes, however, posed some problems. The special area programmes and target oriented schemes which preceded the IRDP did not have universal coverage. These were being implemented in a few selected blocks of the same district or of an adjoining district. The records of the subsidy and the loan given to the beneficiaries under these schemes have to be maintained necessarily blockwise in the project offices. Our Research Teams had to go through these records for various blocks to collect the required information. The data thus collected, pertains to the blocks and not to the whole district.

#### I. Agriculture and Allied Sectors under IRDP

16. Benefits under the I.R.D.P. are available to small and marginal farmers for agriculture and allied activities as well as to landless labourers and rural artisans for small business and other activities to help them to improve their income. The strategy is to help them through animal husbandry, minor irrigation and certain other programmes, in the allied sectors of agriculture and through rural industry programme. Presently, we will deal with the agricultural and allied sectors component of I.R.D.P. and analyse the data collected regarding the accrual of benefits to the minorities.

#### Muslims

The data collected from 59 districts spread over 14 States\* in regard to the benefits accruing from the IRDP schemes under the agriculture and allied sectors has been analysed and it is seen that out of 3.8 lakh beneficiaries under the various IRDP schemes in this sector the number of Muslim beneficiaries was 0.2 lakh. This roughly constitutes 6.32% of the total.

State-wise analysis of the data indicates that in the States of Andhra Pradesh and Haryana the percentage of Muslim beneficiaries was more than their population percentage, i.e., 18.18% beneficiaries against 10.06% population in Andhra Pradesh and 18.83% beneficiaries against 15.15% population in Haryana. The gap between the percentage of Muslim beneficiaries and their population percentage was higher in the States of Assam (15.74% against 36.72%), Bihar (4.57% against 18.55%), Gujarat (6.93% against 8.48%), Kerala 9.7% against 12.71%), Karnataka (6.66% against 10.87%), Maharashtra (2.74%

\*Andhra Pradesh, Assam, Bihar, Gujarat, Haryana, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal. (For details please see Annexure VI.4).

against 7.11%), Rajasthan (5.84% against 9.96%), Tamil Nadu (0.83% against 4.00%), Uttar Pradesh (5.10% against 21.62%) and West Bengal (25.44% against 30.24%).

#### Christians

From the analysis of the data collected from 23 districts covering 10 States\* it is seen that out of 80,694 beneficiaries under IRDP, 1633 were Christians constituting 2.02%.

State-wise analysis of the data shows that only in two States namely Andhra Pradesh and Karnataka, their participation was adequate. In the remaining six States, namely, Assam, Madhya Pradesh, Orissa, Rajasthan, Tamil Nadu and Uttar Pradesh it was low, while in Punjab and Kerala it was only slightly less than their population percentage.

#### Sikhs

The data regarding the participation of Sikhs under IRD Schemes collected from 15 districts spread over 6 States\*\* shows that out of 34,360 beneficiaries, 8,804 were Sikhs constituting 25.62% of the total.

State-wise analysis shows that their participation was higher in the States of Madhya Pradesh, Uttar Pradesh and Rajasthan. In the State of Maharashtra it was almost equal to their population percentage. In the States of Punjab and Haryana it was low, i.e., 58.22% and 8.00% as compared to their population percentage of 62.37% and 12.57% respectively.

#### Buddhists

The analysis of the data regarding Buddhists collected from 2 districts of Maharashtra shows that out of a total of 13,301 beneficiaries, 33 were Buddhists constituting 0.25%. Having regard to their population of 7.53% in these districts, their participation is low.

#### OBSERVATIONS

17. While collecting the data from the various districts, we also visited the beneficiaries in the blocks and villages and discussed with them the impact of the programmes on their economic conditions and the extent to which they have derived benefits from the assistance available. We also observed the implementation of the programmes and the difficulties involved during these visits. We will discuss the difficulties and the problems which came to our notice in implementing the different schemes of the agriculture and allied sectors of I.R.D.P.

#### Animal Husbandry Programme

18. This programme occupies an important place in the strategy of Integrated Rural Development Programme to raise the income of the families of the minority communities, not having enough land or other assets to support themselves. A small and marginal farmer, a landless worker or a self-employed artisan can supplement his income from the earning derived by selling milk, eggs, sheep and goat if he

is supplied cows, buffaloes, sheep, goats and poultry, with the assistance of the loan and subsidy advanced by the Government. All the projects visited by us left us in no doubt that the objective behind them has not been fulfilled; the expectations roused were, in fact, belied by their tardy and half-hearted implementation.

#### (a) Supply of milch cattle

(1) Supply of milch cattle is most widely in demand as the rearing of the animals does not require much of training and expertise and the milk can be sold locally at good price. In addition, it can provide additional nourishment to the family of the beneficiary. However, these assumptions have not been confirmed by the cases which came to our notice in which the official machinery failed to deliver the goods.

(2) During our visit to Arodai block in the Idukki district of Kerala, we met Muslim and Christian beneficiaries who had been supplied milch cattle out of the subsidy and loans sanctioned by the project authorities. A few Muslim beneficiaries whose animals had died stated that they were facing hardships as their loss had resulted in suits being filed against them for recovery of the loan instalment. Others, whose animals had survived, complained that they could not afford to feed them due to low earnings, when the cattle went dry. The second head of cattle which was supposed to be supplied after the first one went dry was not so supplied in any of the cases here.

(3) A number of Muslim beneficiaries whom we met in Neman block of Trivandrum district in Kerala stated that they were happy with the milch cattle supplied to them as they were able to sell the milk in the nearby markets. They, however, complained about the difficulty in getting the fodder for their animals which caused fluctuations in the yield of the animals from season to season.

(4) A number of Muslim beneficiaries in Nuh and Ferozpur Jhirka blocks in Haryana State complained that though they had been supplied milch cattle out of the loans and subsidy given by the project authorities they were facing difficulty in marketing the milk, as the cooperative society which had been formed earlier for the purpose had become defunct due to pressure and pulls of the vested interests. They stated that under these circumstances they were compelled to sell their milk to the vendors who did not pay them adequate price.

(5) Muslim and Sikh beneficiaries interviewed by us in Ambala district of Haryana stated that the milch animals supplied to them were not of requisite quality and gave them less yield. They would rather purchase the animals from the open market if they

\*Andhra Pradesh, Assam, Karnataka, Kerala, Madhya Pradesh, Orissa, Punjab, Rajasthan, Tamil Nadu and Uttar Pradesh. (For details please see Annexure VI.5).

\*\*Haryana, Madhya Pradesh, Maharashtra, Punjab, Rajasthan and Uttar Pradesh. (For details please see Annexure VI.6).

were given the loan and subsidy in cash. Sikh beneficiaries in the Patiala district of Punjab also stated that they too wanted to purchase the cattle from the open market as the price charged in the Melas organised for the purpose was higher and the animals were not of requisite quality. In the absence of proper marketing arrangements, some of them stated, that they had to carry the milk to the town on bicycles, while others stated that they had to sell it locally which does not fetch them adequate price.

(6) The Neo-Buddhist beneficiaries in Nanded district in Maharashtra stated that they could not get adequate income from the sale of milk for want of proper marketing facilities. They were hardly able to get Rs. 2 per litre which was not enough even to meet the cost of fodder. Some of the beneficiaries complained that their buffaloes died prematurely and they were facing difficulty in paying the loan instalments. The beneficiaries also complained that though a veterinary doctor had been posted at the block headquarters, he did not visit the village regularly. They complained that they were facing difficulty for lack of marketing facilities and medical care for their animals.

(7) We thus found that the prices of cows and buffaloes purchased in the Melas especially organised for the purpose had been inflated. In a number of cases, the animals died for want of medical care and the family faced misery when confronted with the prospect of returning the loan instalments. Even where the animal survived, the beneficiary could not arrange shelter and the animals died during rain or winter. In many cases adequate quantity of fodder could not be arranged. Even if all these hurdles were crossed, the venture failed as the yield of the cows or the buffaloes could not be sold at a remunerative price.

#### (b) *Supply of Sheep and Goat*

(1) Sheep and goat had also been supplied to a large number of beneficiaries belonging to minority communities in the districts and blocks visited by us, as they could be reared and sold at a good price in almost all parts of the country. Moreover, their rearing and procurement of fodder normally did not present much difficulty. The cases which came to our notice in the field during our visits, however, have not proved the correctness of these assumptions.

(2) We came across cases of improved variety of sheep supplied to the Muslim beneficiaries in Onda Block in Bankura district of West Bengal in which the animals died soon after they were supplied as proper medical assistance was not available to them. A number of them, therefore, disposed of their animals fearing that the remaining ones might also die.

(3) Muslim and Neo-Buddhist beneficiaries in Nanded taluka of Nanded district who were supplied goats of common variety were not able to derive full benefits as their yield was less and they were not able to sell a large number of them in the market.

(4) Improved variety of sheep supplied to the Muslim beneficiaries in Rajoshi Block in Ajmer district of Rajasthan also could not be looked after by the beneficiaries and the animals died due to common diseases. The beneficiaries, therefore, were hard put to pay the loan instalments. No insurance cover was available for these animals.

(5) Thus, improved variety of sheep and goat supplied in a number of cases could not provide adequate benefit to the beneficiaries because either the animals were unsuitable for the climatic conditions of the area or were prone to certain local diseases as a result of which they died.

#### (c) *Poultry keeping*

(1) Poultry keeping can be profitable these days as the food habits of the people are changing fast with eggs and chicken forming part of the meals of many families in the urban areas. With a view to cater to these requirements a large number of units consisting of 150—250 birds were supplied to a number of minority beneficiaries in a number of blocks and districts visited by us. The ventures did not achieve the desired results as were brought to our notice by a number of minority beneficiaries.

(2) A number of Muslim beneficiaries, who were supplied poultry in Mewat area in Gurgaon district of Haryana, were not able to provide proper feed and the birds died due to ignorance to treat their common diseases. Some of the beneficiaries also stated that they were not able to derive benefits out of poultry farming because they had to sell eggs locally at cheap price.

(3) We saw two or three sheds in one of the villages in this area which had already been constructed out of the loan and subsidy sanctioned but the birds had not been supplied till the time of our visit. The beneficiaries were thus incurring interest on the loan without the venture giving them any profit. In another case where the shed looked older, we enquired as to why the shed was vacant and to our surprise we were informed that the beneficiary had sold the birds after six to eight months when they grew up and fetched enough price. This was done as the beneficiary feared that he would not be able to sell the eggs locally at adequate price whereas he could get enough money by selling the birds. Thus, marketing of the produce appeared to be the cause of the failure of many of these ventures.

(4) We also met some Muslim beneficiaries who had been supplied birds, out of the sixty units, supplied in Hamirpur district of Uttar Pradesh. Some of them were gradually selling their birds as they could not feed them. They stated that the birds could not be maintained on the common feed and the proper feed for them was quite costly and was not locally available. Moreover, they were not able to sell their eggs at adequate price. They also stated that some of the birds had died due to certain diseases.

(5) Muslim beneficiaries who were supplied poultry in the Farukhabad block of Uttar Pradesh also stated that though some of them were able to sell their eggs

in the Farukhabad town, but faced difficulty in going on cycle every day. They also complained that a number of their birds had died due to diseases.

(6) Poultry keeping involving sophisticated birds is a difficult job for any untrained person, more so for a poor farmer. We thus found that in a number of cases feed could not be arranged by the beneficiaries and, therefore, the birds failed to give adequate yield. Many birds died for lack of knowledge of treating common diseases. In a number of cases the birds had not been supplied, though the loans had been sanctioned and the sheds had been constructed. Thus, the beneficiaries were incurring interest on the loan without any yield. In some cases birds were sold after six to eight months when they fetched enough price and the sheds were used as temporary residence. Finally, the marketing of the eggs proved to be the cause of failure of many such ventures.

#### *Minor Irrigation Programme*

19. (1) Under the Integrated Rural Development Programme the income of the families is also sought to be raised by intensification of agricultural operations and expansion of irrigation facilities based on improved technology. Small and marginal farmers, particularly belonging to minorities had been given help to install electric and diesel pump sets to augment the supply of water for better irrigation. These ventures, no doubt, proved helpful in many cases but did not give the desired results in so many others as would be apparent from the observations made by us in this regard.

(2) During our visit to Uttar Pradesh, we met some Muslim beneficiaries in Sambal block of Moradabad district who had installed pump sets out of the loan sanctioned but were not able to operate them for want of supply of electricity for agricultural purposes. Three or four others, however, who had purchased oil engines for operating their pump sets, were quite satisfied but one of them complained about the sub-standard engine supplied to them which gave them trouble from time to time. They also experience difficulty in obtaining diesel oil at reasonable price during busy season.

(3) During our visit to the State of Karnataka we met Muslim and Christian beneficiaries in Kolar district who were given loans for construction of wells for installing pump sets. They complained that as the wells could not be completed within the sanctioned money, they were not able to get the required water. In addition, they had to pay the loan instalments on the money advanced to them. Thus, they were facing hardship without getting any benefit from the scheme.

(4) During our visit to various parts of Maharashtra, we met, for instance, Muslim beneficiaries in Turkabad village of Aurangabad district, who could not complete their well with the money sanctioned as

the water table was too low and they received no technical assistance; in other areas our observation was no different. Similarly, in Mhow block of Indore district in Madhya Pradesh, Christian beneficiaries could not get any benefit out of the money sanctioned as the installation of the pump sets could not be completed, the water table being too low.

(5) We, thus, find that in a number of cases the pump sets had failed to give any benefit after considerable money had been spent on them as their location was not based on any authentic data regarding availability of ground water resources and the small and marginal farmers could not afford to spend additional sums, where sub-soil water was too deep, to complete the wells. Non-availability of power and diesel also proved to be disadvantageous to many small farmers.

#### *II. Industries Sector Under I.R.D.P.*

20. We have already seen that the industries component under I.R.D.P. was introduced with a view to develop rural industries so as to help the rural artisans with beneficiary oriented schemes. Under these schemes, the terms and conditions of subsidy and other benefits are the same as in the agriculture and allied sectors. In fact, industrial sector is an integral part of the I.R.D.P. It may be clarified here that all the industries in the decentralised sectors in the rural areas such as handlooms, handicrafts, village industries, cottage industries etc. and all the artisans engaged in them are equally eligible for credit and other benefits under I.R.D.P. While discussing handlooms, handicrafts and K.V.I.C. under the decentralised industries Chapter, we will discuss later the benefits which have accrued to the artisans in these sectors under different schemes. Here we will confine ourselves with the data collected by our Research Teams regarding the benefits which were derived by the rural artisans, landless labourers and others under I.R.D.P. schemes, particularly those belonging to minorities.

#### *Muslims*

The data regarding the benefits which have accrued to the rural artisans under IRDP was collected from 37 districts spread over 11 States\*.

It shows that out of 22,308 artisans, 3,216 were Muslims constituting 14.41% of the total. While the percentage of Muslims was impressive, the total coverage itself is so meagre that it can hardly make any significant impact on their economic condition.

#### *Christian*

Analysis of the data collected from 11 districts covering 7 States\*\* regarding the participation of Christians under Rural Artisans programme of I.R.D.P. shows that out of 7,497 beneficiaries 173 are Christians constituting 2.31% of the total. Here also the coverage is very poor.

\*Andhra Pradesh, Assam, Bihar, Gujarat, Haryana, Karnataka, Kerala, Madhya Pradesh, Tamil Nadu, Uttar Pradesh and West Bengal.

(For details please see Annexure VI-7).

\*\*Andhra Pradesh, Bihar, Karnataka, Kerala, Maharashtra, Orissa and Tamil Nadu.

(For details please see Annexure VI-8).

### Sikhs

The Research Teams collected data regarding participation of Sikhs under Rural Artisans Programmes of I.R.D.P. from 4 States\* namely, Bihar, Haryana, Uttar Pradesh and Punjab. The analysis of the data shows that out of 6,927 beneficiaries 976 were Sikhs constituting 14.09% of the total. Here also, though the number of Sikh beneficiaries was impressive, yet the total coverage itself is very low.

### OBSERVATIONS

21. While collecting the data we also studied the implementation of the schemes and accrual of the benefits to the minorities.

22. During our visit to Malerkotla block in Patiala district of Punjab, Nuh and Jhirka blocks in Gurgaon district of Haryana, Rajpur block in Meerut district, Shahbad block in Rampur district and Khalilabad block in Basti district of Uttar Pradesh, we met a number of Muslim weavers who had been advanced loans under IRDP for installing their own looms and for buying other inputs. Due to non-availability of raw-material, *i.e.* the requisite quality of yarn and marketing facilities, they could not make much use of the assistance. They stated that their goods were purchased by the private parties who did not pay them adequate price. They also complained about difficulty in procuring loans as the completion of all the formalities required a lot of running about and took considerable time.

23. A number of Muslim beneficiaries, who had been supplied bullock carts, horse carts and rickshaws in Rampur, Meerut, Moradabad, Saharanpur and Gorakhpur, Basti and Bareilly districts of Uttar Pradesh, were satisfied with the ventures as they were able to earn Rs. 15 to Rs. 25 per day. They, however, complained that sometimes the carts supplied were made of sub-standard material which broke down after six to eight months. The supply of carts was often entrusted to certain private parties who did not use the material of requisite quality as the sale for them was assured.

24. We also observed that wherever such carts had been supplied to beneficiaries around the urban areas, their income was good but in other cases it had not given them enough benefit.

25. Thus, we find that the industries component which aimed at development of rural industries by helping the rural artisans with beneficiary-oriented schemes hardly made any significant impact on them. There was no fool-proof arrangement for identification of agricultural and landless labourers, rural artisans and the viable schemes which might help them substantially in improving their lot. Wherever attempts were made to help the recognised groups of

artisans by way of subsidy and loan, the ventures failed to ameliorate their lot because they continued to depend on the traditional skills and know-how, the scarce raw-material at high costs and inadequate return for want of proper marketing arrangements of their products.

### III. Training of Rural Youth for Self-Employment (TRYSEM)

26. To create additional employment opportunities in the industries sector, new artisans and entrepreneurs had to be brought into being and trained. Overall requirement of personnel to meet the growing needs had, therefore, to be integrated with the beneficiary oriented schemes. This was sought to be achieved through the programme of TRYSEM, which aims at upgrading the skills of the children of poorer sections among the self-employed in traditional arts and crafts, in addition to training the new boys in these and other profitable vocations. To meet the growing needs of new electrified pumps, tractors and other improved scientific tools generally used these days in rural areas, some of them were also to be trained as welders, blacksmiths, electricians, mechanics, carpenters etc.

27. After identification of the trainees from the poorest families, training programmes were organised either through master craftsmen or through the existing vocational training institutions; this had good effect on the beneficiaries.

28. A stipend @ Rs. 100—125, as fixed by the Government is given to the trainees, while the training institution is entitled to a sum not exceeding Rs. 50 per trainee, per month, as training expenses. Besides, the training institution/master craftsman is given a sum of Rs. 50 per trainee to cover the cost of raw-materials used in training. The trainer is also given additional amount of Rs. 50 per trainee, in case of successful completion of training, as a reward. On conclusion of the training, beneficiaries have to be given concessional loan on preferential basis to settle them in their own enterprises. Projects have to be prepared and sanctioned in advance for the ventures to be undertaken by them to avoid delays and hardships.

29. Looking at the importance of this scheme, which could provide employment to the youth of the minority communities, we collected data regarding their participation in the scheme of Training of Rural Youth for Self Employment (TRYSEM) during our studies in the field.

### Muslims

The analysis of the data regarding participation of Muslims collected from 46 districts spread over 13 States\*\* shows that out of 37,586 persons who were trained under this scheme, 6,125 were Muslims, accounting for 16.30% of the total.

\* (For details please see Annexure VI.9).

\*\* Andhra Pradesh, Assam, Bihar, Gujarat, Haryana, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal.

(For details please see Annexure VI.10).



### Christians

The analysis of the data regarding the participation of Christians under TRYSEM collected from 9 districts covering 6 States\* shows that out of 8,722 beneficiaries who were trained under the scheme 746 were Christians accounting for 8.55%.

### Sikhs

Analysing the data regarding the participation of Sikhs under TRYSEM collected from 9 districts spread over 4 States\*\* we found that out of 6,479 beneficiaries who were trained under the scheme, 2007 were Sikhs constituting 30.97% of the total.

### OBSERVATIONS

30. During our visit to Patiala in Punjab, we met a number of Muslim and Sikh beneficiaries, who had been trained in the local technical institute as mechanics and technicians, to repair the pump-sets, tractors and electrical appliances used these days in the rural areas. They complained that timely loans were not sanctioned to them for buying the equipments

31. A number of Muslim beneficiaries trained under TRYSEM in the Nuh block in Gurgaon district of Haryana were able to make Murhas with locally available raw material but complained about their earnings as they could not market their products at remunerative prices.

32. Similarly, in Ganganagar district of Rajasthan we met Sikh beneficiaries who after training under TRYSEM, three years back could not get loan from the banks to start their work.

33. In Kanyakumari district of Tamil Nadu, a number of Christian girls, trained in making baskets and fancy articles from bamboo fibre, stated that they were getting only three to four rupees, after a day's hard work.

34. Similarly, in Tirunelveli district of Tamil Nadu we met a number of Christian girls who after training under TRYSEM in making brushes, baskets and fancy articles from coir and palm leaves, were able to earn only three to four rupees a day as the marketing of products was monopolised by the middlemen who were unwilling to pay them more.

35. Thus, the training of the rural youth for self-employment which was intended to act as a means of introducing upgraded skills in the traditional professions and was aimed at creating additional employment opportunities by training new artisans also could not create much impact. In many cases, those who took their training and completed the course, joined the ranks of unemployed in search of jobs and those who ventured to put their training to gainful employment failed miserably for want of credit from the banks to

pay for the tools, implements and other inputs and for marketing support. Initial professional guidance so essential in all such ventures is also not available. The scheme, therefore, which was supposed to usher in an era of abundant employment opportunities to the minorities has so far created more problems than it has solved.

### Integrated Rural Development Programme

#### GENERAL OBSERVATIONS

36. During the course of our visits in the field, we also made a deep study of the underlying causes due to which the schemes implemented have not given by and large, commensurate benefits to the minorities. While some of the reasons of failures are common to all, some others are peculiar to the minorities. All the same, both are equally important to ensure flow of benefits to them.

37. In any Government sponsored scheme, its implementation plays a vital role, more so, if the beneficiaries of such schemes are poor and illiterate; minorities living in distant villages suffer much more. The role of implementation agencies, therefore, is of crucial importance to them. Before we discuss the inadequacy of the agencies responsible for implementing these schemes we would like first to highlight the problems created in certain vital areas of implementation as a result of their failure.

#### 38. Identification of beneficiaries

(i) Admittedly, the strategy of the SFDA as well as IRDP hinges, firstly on the correct identification of the beneficiaries and secondly on formulation of viable schemes for them. Our interviews with the beneficiaries yielded enough evidence to convince us that the criteria and the procedure necessary for identification is inadequate especially in the case of minorities.

(ii) The instructions of the Government of India that detailed household survey in respect of selected blocks may be done to ascertain the economic status and income of the target groups have seldom been followed. Depending on the ingenuity and the resources, the BDOs prepared the list of beneficiaries either in consultation with certain influential people of the village or the gram pradhans or the sarpanches. The village level workers and the school teachers and block staff, who were reported to have been employed for this purpose, were, on verification by us, found not to have visited the villages. In many cases, identification reports were based on hearsay and on extraneous considerations.

(iii) As a result, firstly, complete identification of beneficiaries belonging to minority communities in the whole block was not done, and, secondly, in large number of cases wrong persons were identified as

\*Karnataka, Kerala, Maharashtra, Madhya Pradesh, Punjab and Uttar Pradesh.  
(For details please see Annexure VI. 11).

\*\*Haryana, Punjab, Rajasthan and Uttar Pradesh.  
(For details please see Annexure VI. 12).

eligible for benefits. It is difficult to quantify the extent to which the failure in identification has resulted in benefits being given to wrong persons as the data in this respect has not been forthcoming. On the basis of our personal experience during the course of our tours, however, we are of the firm opinion that the identification of beneficiaries especially in the case of minorities has been lukewarm, faulty and not helpful.

(iv) The picture, of course, has varied from place to place and block to block in the sense that in certain isolated cases in some blocks and villages identification of the beneficiaries had been found to be correct depending on the quality of the leaders, the village Pradhan, the headman, the local MLA, MP, but unfortunately no methodical attempt had been made to identify them particularly those, who belonged to minority communities with the result that they remained uninvolved in this programme and were not able to derive any benefit from it.

#### *Formulation of Schemes*

39. Similar is the story in the formulation of schemes for their uplift. No attempt whatsoever has been made to contact the beneficiaries of minority communities to ascertain what training and skill, traditional or otherwise they possess and how this can be utilised to draw up schemes which they themselves can gainfully implement. Decisions in this regard had been taken on ad hoc basis which resulted in schemes being financed for persons who hardly had any background or skill to implement them. The whole venture, thus, failed.

#### *40. Financing of the Scheme under IRDP*

(i) The financing of the schemes under the IRDP is intended to be partly by subsidy and partly by bank loans. During our field studies and during our meetings with the district officials and the representatives of the banks and financial institutions at Varanasi in Uttar Pradesh and at Rewa in Madhya Pradesh and in other States, we came across cases where the district officials incharge of implementation of the schemes have explained their failure in implementation for want of cooperation by the banking institutions in extending their support by giving the necessary credit, and the bank officials in turn charged the district implementation agencies for formulation of the schemes which were not viable and hence not bankable. There was no coordination between the project authorities and the commercial banks. Under the scheme, the project authorities can only sanction subsidy while banks can advance loans against subsidy. For want of cooperation, thus, a large number of beneficiaries of minority communities did not get any benefit under any scheme.

(ii) Most of the functionaries in various projects complained that the banks were not advancing loans to small and marginal farmers, rural artisans and other weaker sections of the society. Insistence on security/guarantee was a big stumbling block in the way of poor minorities getting loans, despite instructions of the Reserve Bank of India to the contrary. The

question of identification of small and marginal farmers, agricultural labourers and other beneficiaries was also a bone of contention. The Block authorities complained about non-sanctioning of loans to sponsored beneficiaries while the commercial banks insisted that the lists of beneficiaries prepared by the block should be given to them for further verification. Block authorities complained that the banks did not even honour the commitments made. Applications sent to them remain unattended even after a lapse of two years.

(iii) The instructions of the Government of India based on the directive of the Reserve Bank of India to conduct joint surveys of blocks to identify the beneficiaries were not followed as we noted with regret at Rewa in Madhya Pradesh and elsewhere. The bank authorities everywhere pleaded difficulty in doing joint surveys due to inadequacy of staff. We found, however, lack of interest and apathy on their part.

(iv) The worst part played by them in this regard is their attitude to the element of subsidy provided under the IRDP; it smacked of corruption. They believed that it was an unearned money, flowing into the coffers of the beneficiary in which they all must have their share. It is due to this, that the bank officials refused to accept the schemes of the beneficiaries, identified by the project authorities, as viable and it was due to this that project staff did not give up their right of identification of beneficiaries. And this tussle, deliberately created to fill the coffers of officials concerned, invariably resulted against the interest of the rural poor, in particular, the would be beneficiaries of the minority communities, who could hardly exercise any clout.

(v) On the basis of the information furnished to us at several places we found that the impact of the benefits of the subsidy flowing to the would be beneficiaries was not felt as it should have been, because in a large number of cases money was cornered by influential people, both officials and non-officials. In order to ensure that beneficiaries should get full benefit, fool-proof arrangement in this respect must be made; minorities, in particular, needed added protection.

#### *Administrative agencies for implementation of IRDP*

41. (i) IRDP envisages flow of loans and subsidy to the target groups for implementation of schemes pertaining to several departments like agriculture, animal husbandry, poultry, piggery, provision of seeds, fertilizers, improved tools and inputs, provision of tools for small scale industries, supply of raw material and marketing support, provision of minor irrigation facilities and other social welfare services. Specific schemes pertaining to most of these departments are also available with provision of separate funds, etc. But, unfortunately, these were implemented in isolation by the departments concerned without any coordination at the block or the village levels. Coordination at the district level was nominal in the sense that the district magistrate held periodical meetings where certain general problems were discussed, but these were not

effective enough to coordinate the different schemes in a manner which might have given concerted benefit to the minorities. With the passage of time the position of District Magistrate deteriorated to an extent where he was no longer an effective instrument of coordination among the different departments responsible to implement the schemes for their uplift.

(ii) The failures noted here in the implementation of the various programmes meant to offer benefits to minorities were inherent as the administrative agencies provided to implement the programmes were *ad hoc* bodies which relied too much on the cooperation of the different departments for their success. They were not intended to be an integrated administrative structure capable of producing results where large coverage pertaining to all aspects of development of the economic conditions of Minorities and weaker sections was involved.

(iii) During our numerous discussions and interviews with the officials at different levels almost in all the States, we got the impression that they were not even conscious of the need of integration and in most cases were diffident about its efficacy. Their approach was that so long as one department blamed the other, nobody could be held accountable for the results even though the allotted funds continued to be spent. In fact, they counted their success only in terms of the expenditure incurred irrespective of the purpose. If the fruits of Government efforts have to reach the minorities, we have no doubt, that a radical change in the administrative structure and in the outlook of the personnel manning different levels of administration has to take place.

(iv) The schemes formulated under the Integrated Rural Development Programme require a well-knit and well-coordinated organisation to reach the benefits to the minorities. No serious attempt at integration, however, seems to have been made so far. The district development agencies which are reported to have been formed in the districts are nothing but the modified form of the old coordination committees presided over by the District Magistrates in most of the States. Here also the representatives of the different departments assemble under the chairmanship of the District Magistrate and after the meeting they depart to act in their own way. The District Rural Development Agencies, therefore, will not be able to achieve the unity of command which is so vital to achieve the objective of economic development of the minorities.

(v) The administrative structure built in the wake of the community development programme envisaged coordination of the activities of the various development departments by the B.D.O. by providing him with a staffing pattern at the block level in which the B.D.O. was pre-eminent and in which the activities of the various departments were carried on through Extension Officers belonging to different departments, with the multi-purpose village level worker charged with delivering the goods to the beneficiaries under various schemes.

(vi) Under the pulls and pressures which developed after the 'grow more food' campaign, the Extension Officers at the block level who were the specialists in

this respect and the VLWs who were the last link in the chain were gradually transferred to the Agriculture Department under the pressure of Training and Visit system. Even other Extension Officers belonging to other disciplines were also transferred to their respective Departments under similar pressures.

(vii) We noted with regret that the B.D.O. in many states had been left with the Panchayat Secretary only to preside over the remnants of the community development blocks. Even in States like Uttar Pradesh and Tamil Nadu, where we found the structure, more or less intact, serious attempts were under way to transfer the VLWs and the Extension Officers from the control of B.D.Os. to the agriculture department under T & V system this is bound to strike their doom.

(viii) No attempt whatsoever seems to have been made to reduce the area of operation of VLW even in those States where the block structure is intact and they continue to be incharge of 15 to 20 villages covering a vast area and a large number of households, which they can never visit in the absence of any mode of transport in many cases there were not even Kachha roads for travel. As a result, the utility of the VLWs even in these States has eroded and they have no longer remained effective instruments of delivering the benefits of schemes to the beneficiaries, as in other respects, here also the minorities suffer the most.

(ix) Another factor which seems to have reduced the effectiveness of the block machinery is the low morale of the personnel, namely, the VLWs, Extension Officers and the BDOs. In many States where we held detailed discussions with these officials in groups, we were surprised to note that a vast majority of them, who were recruited as VLWs and Extension Officers in the late fifties, when the block structure came into existence, continued to remain so, even after a lapse of 20 to 25 years. Thus they hardly took any interest in their work; about the problems of the minorities, they were blissfully ignorant.

## RECOMMENDATIONS

42. Thus, proper implementation of the schemes of integrated rural development is a must to ensure the flow of benefits to the minorities. This can be done by taking the following steps :

- (a) Strengthening of the implementation machinery in the field to ensure coordination among the implementing Departments;
- (b) Correct identification of the beneficiaries among them;
- (c) identification of the viable schemes for them;
- (d) close coordination with the banks and financial institutions to ensure flow of adequate credit support to them; and
- (e) systematic efforts to attract them to these schemes and to involve them in implementation.

43. This is true not only of the agriculture and allied sectors component of the IRDP, but also for the industrial component including the Scheme of Training of Rural Youth for Self-Employment. In fact this is true of all schemes and programmes of economic development meant to improve the condition of the poor.

44. In our observations we have already stated as to how incorrect identification of beneficiaries has led to the benefits flowing into wrong hands and how incorrect formulation of the schemes has led to creation of hardship for the beneficiaries. How the wrangling between the financial institutions and the project authorities has led to non-fulfilment of the target and non-accrual of any benefits to potential beneficiaries. How non-coordination between the Departments and the implementing agencies has led to duplication of efforts and large scale failure of ventures. How the members of minorities have to go from pillar to post to get themselves identified much less to be provided any information regarding these schemes, let alone the benefits. On the contrary, it has been noticed that impediments are put in their way to prevent them from taking full advantage of their legitimate share.

#### *Administrative Measures (General)*

45. If the fruits of development have to reach the minorities, we have no doubt, that a radical change in the administrative structure has to take place at various levels, in an integrated manner, with a well defined chain of command from top to bottom. While this is a general problem which concerns all the sections of our population, the problems of minorities, being the hardest hit, need to be dealt with in some detail. We have already seen that the field level implementation machinery at the village, block and district levels is not geared to meet the requirements of reaching the benefits to them. To take the village level first, we have seen that the village level workers are in charge of 10 to 15 villages situated at long distances which the VLWs with the best of intentions could never cover.

(i) We, therefore, recommend that the jurisdiction of a VLW should not exceed 1000 to 1500 families spread over two to three villages. The exact strength of the VLWs should be worked out on this basis for various blocks in the country, and the posts are created by the State Governments for this purpose on a programme basis.

(ii) We recommend that their functions must cover all the facets of development under their charge. While VLWs will be primarily responsible for identification of the beneficiaries, they should work under the directions of a local committee headed by the Sarpanch and inclusive of a representative of minorities. This Committee will in turn be answerable to the block level committee. The Committee should keep the block authorities informed about the requirements and problems of the minorities in the field and it is through this that all the benefits under different development programmes should be channelised. The committee should, thus, form a two way link between the block and the villages through

which administration is kept informed of their problems and assistance is delivered to the beneficiaries.

(iii) We also recommend that all the Extension Officers at the block level must be placed under the control, direction and supervision of the Block Development Officer whose authority in the block must be re-established. In fact, under the changed context, additional posts of Extension Officers of industry, rural electrification, irrigation, engineering etc. should be created in addition to the existing Extension Officers who must be placed under the administrative control of the Block Development Officer.

(iv) Similarly, we recommend that at the district level each district in the country should be provided with a Chief Development Officer who should be the Head of the Development Department in the district under the overall charge of the District Magistrate who should be of a higher seniority, with 10 to 14 years of service. All the heads of Departments, like Agriculture, Animal Husbandry, Corporation, Sericulture, Irrigation, Engineering and the credit institutions should be placed under his charge. The G.M. of the District Industries Centre with his complete organisation should also be placed under him to ensure better coordination among the different departments which is necessary for the flow of benefits to the minorities.

(v) At the State level, Chief Development Officers of the districts should be made accountable to the Rural Development Commissioner/Secretary in charge of the Department, who should be held responsible for the implementation as well as monitoring and evaluation of the programmes with a view to ensure that the minorities receive their adequate and proper share. He must also have a special evaluating machinery for this purpose under his control.

We also recommend that there should be a Evaluating Committee under the Chairmanship of a non-official so as to ensure that the benefits of the scheme reach the beneficiaries including the minorities.

(vi) To enable the different levels outlined here to discharge their duties effectively, we recommend that financial powers should be delegated at the district levels not only in regard to the formulation and sanctioning of the beneficiary-oriented schemes, but also with respect to creation of infrastructure facilities required for economic development of minorities. Administrative powers should also be delegated at these levels to ensure accountability of the officials placed at their disposal. In this regard powers for transfer and promotion etc. within the district must also be delegated.

(vii) Thus, a unified command created with the demarcation of areas of responsibility at different levels, no doubt, will succeed in reaching the fruits of economic development to the minorities.

#### *Special Information Cells*

46. As the Minorities are mostly illiterate and ignorant and there are not many social workers to guide them in the villages and help them in availing of the benefits, we recommend that Special Cells,

under the charge of an Extension Officer, should be created in each block, not only to give them information, but also guidance regarding the various schemes from which the benefits can be availed of and the way the applications and other documents can be filled in and the offices where these can be deposited. This Extension Officer can keep them informed regarding the benefits to be derived by them if they participate in these schemes. Such Cells may be created in blocks with sizeable concentration of Minorities. Similar Cells should also be created at the district level with sufficient staff to perform similar functions.

#### *Training Institutes for initial and refresher training*

47. In this process, aimed at raising the standard of living of minorities, a deep understanding of the issues involved, methodology to be adopted and the goals to be achieved is required. This is only possible when the officials at all levels in the administrative structure suggested by us are trained not only at their entry in the service, but also periodically at suitable intervals to keep them abreast of the ideas and methods to be adopted in tackling the problems.

(i) We, therefore, recommend that training institutions must be developed at the State levels to impart refresher training to VLWs, Extension Officers, BDOs, Assistant Project Officers, Assistant General Managers in District Industries Centres and other important functionaries at these levels.

(ii) We also recommend that the syllabus of their training should include detailed knowledge of the importance and need of providing socio-economic justice to minorities. It must be clearly emphasised during the training that if the minorities are left behind in the race of life, they will be a drag on our economy, causing tensions and conflicts which will not be in the national interest.

#### *Identification of beneficiaries and schemes*

48. Having, thus, strengthened the administrative structure, we recommend that the identification of the beneficiaries and the viable schemes for them should be vigorously implemented. We also recommend that the beneficiaries so identified should be issued cards (vikas patra) containing all the relevant information regarding their economic status, traditional skills, etc. for undertaking profitable ventures. Separate numbers given on each card can be quoted on the applications submitted by the beneficiaries for availing of loans and other entitlements. Once the genuineness of the number quoted is verified from the relevant records maintained in the offices, no further verification of the facts should be necessary from the field. These cards can also be produced in the offices of Banks, Cooperative Societies and Marketing Centres, to avail of the benefits available to them. The information so collected from the field should be compiled in the Block Development Office in a register to be properly maintained which should be periodically corrected to keep it up-to-date.

### *Implementation of Schemes*

#### *(a) Animal Husbandry Programme*

49. After a visit to a few Milk Producers Unions in the villages set up by the Anand Milk Producers' Unions in Gujarat and observing their functioning, we were convinced that the farmers constituting these unions have benefited greatly, it need to be emulated with particular reference to the needs of those minorities, which can benefit by adopting these schemes, if necessary, in some modified form.

(i) We, therefore, recommend that before launching of milch cattle programme, the areas inhabited by these minorities should be surveyed in detail and the distribution of animals should be done to the farmers in clusters and groups after chalking out the milk collection routes and by providing processing facilities. It should be ensured that the cattle being supplied are of improved variety and are suitable for the local climate. The beneficiaries should be, trained in such a way that they can look after the animals and treat their common ailments. They should also be taught techniques of growing improved variety of fodder for the animals.

(ii) We also recommend that poultry development programmes should be undertaken only after surveying the areas regarding potential for rearing the birds and the prospects for the marketing of their products. The eggs can be sold in the large consumption centres if the programmes of poultry development is undertaken after proper survey of the area around the cities and provided transportation facilities are given to them. Similarly, improved varieties of sheep and goats should be provided to the farmers, on a large scale as these can be sold at remunerative prices in all parts of the country.

(ii) We also recommend that animal husbandry programmes involving improved variety of animals should be undertaken only after giving adequate training to the beneficiaries in treating the common ailments of the animal and after providing adequate medical facilities at the block level where animal husbandry hospitals must be set up.

#### *(b) Rural Marketing Centres*

We have noticed that a large number of farmers including those belonging to Minorities, living around the cities are engaged in growing and selling vegetable, in rearing and selling the sheep, goat and poultry. They are not able to run their ventures on remunerative basis for want of proper facilities to market their produce.

(i) We, therefore, recommend that the needs of the various producer groups belonging to minority communities should be properly looked after and marketing organisation should be established at the block level. Depending on the needs and requirements of each block, a number of marketing centres should be established to cater to the needs of different professional groups producing those goods in the area.

(ii) The marketing centres should be organised after careful survey of each area regarding the potential of production of goods and the scope of their marketing. The staff manning the marketing centres should be specially trained in handling the needs and requirements of the functional and professional groups belonging to the minority communities.

#### (c) *Minor Irrigation Schemes*

Large scale failure of irrigation schemes involving pump sets and irrigation wells etc., was noticed by us in a number of States due to non-availability of adequate data regarding the availability of ground water resources. We understand that such surveys have been done for all the districts in the country at the national level and adequate data for all the districts in this respect is available.

(i) We, therefore, recommend that no scheme of minor irrigation should be undertaken or sanctioned without taking into account the information thus available. Urgent steps should be taken by the Government to see that copies of such reports are made available to the districts and immediately distributed to the Extension Officers for use at their level.

#### *Flow of credit to the beneficiaries*

50. Inadequate flow of credit has been noted by us as one of the persistent constraints in the way of minorities. Non-viability of the schemes and ventures and the difficulties in the recovery of loan instalments have been advanced as the plea for non-sanctioning of these loans.

(i) We, therefore, recommend that the recovery of loans should be linked with the marketing of the products and goods, by the Rural Marketing Centres to be established in each block as recommended by us earlier. This will ensure the timely recovery of loan instalments and will also help the beneficiaries in being assured of the marketing of their products on remunerative basis.

(ii) We also recommend that the information collected at the block headquarters about the beneficiaries and the schemes which they can gainfully undertake should form the basis for the preparation of the credit plan of the block which must be prepared for each group of producers of minority communities separately and should be submitted along with the block plan for the allocation of funds by the State and the Central Governments. The allocated funds should flow through the same channel from the State to the district, to the block, to the village and to the beneficiaries.

#### *Measures to ensure involvement of beneficiaries*

51. Our discussion, however, in this respect will not be completed without a few suggestions on the methods to be adopted to involve the minorities in these programmes and to make the implementation machinery broad-based and responsive to their needs.

The well-knit and well-integrated administrative structure consisting of government officials, with a well defined chain of command, from top to bottom, we feel, can produce satisfactory results, only if the representatives of the people including minorities are effectively associated in this task.

(i) With a view to ensure this, we recommend that at each administrative level, namely, the block level and the district level, popular representatives must be associated in the planning and execution of these programmes. At the block level, there should be an advisory body consisting of the local M.P., the M.L.A. and representatives of the various village panchayats to oversee the formulation and implementation of the block development plans. At the district level, the District Magistrate or the Collector, who will be the overall head of the developmental machinery in the district, should have an advisory body consisting of the M.P. and M.L.A. of the area and selected representatives from each block.

(ii) To ensure that the interests of minority groups are looked after properly and adequately, we recommend that their representatives should be nominated on such advisory bodies in adequate numbers, in deciding upon their representation, care must be taken to see that persons with standing among the minorities are considered.

(iii) As the Sikh farmers of the Punjab have been the harbingers and leaders of the green revolution in the country, their grievances with regard to the distribution of river-waters should be viewed with utmost sympathy in national interest. The same laws for distribution of Ravi and Beas waters should apply to the Punjab, they assert, as in the case of the Narmada waters and their riparian rights should be protected in the same way as those of Haryana in the case of the waters of the Yamuna, Saraswati and Ghaggar where waters are exclusively utilised by that State. In view, however, of the intricate technical nature of the problem, which needs thorough study with a view that justice may be done to all concerned, including Haryana and Rajasthan, we recommend that a Special Tribunal be appointed under the River Waters Act of 1954 to adjudicate upon the claims of the concerned States or the matter be referred to the Supreme Court of India, for adjudication according to the laws of the land.

(iv) Similarly, the lands allotted by the Government to the Sikh refugees, ex-servicemen and others in the barren areas of Tarai in the Uttar Pradesh and the fallow lands in Haryana must not be taken away from them under any pretext as after having made their colossal efforts and invested huge amounts over the past thirty years, these barren lands are now blooming with food crops and fruits.

(v) In the case of Muslims settled in Assam where sizeable numbers migrated from East Bengal due to partition of 1947 or the Bangladesh War of 1971, permanent residence permits should be granted to those who can prove their bona fide residence before a duly constituted judicial tribunal (as were established in 1965 on the recommendation of the

Gopal Singh Committee of Parliamentarians and disbanded without any reason three years later) for at least ten years. We must realise that human beings in large numbers are involved in this and they cannot be displaced or shuttled around every few years due to communal or linguistic chauvinism of the agitators in Assam. It is a pity that even though only 27,000 Muslims migrated to Assam out of 9,67,000 from 1961 to 1977, a distorted picture has been given by interested parties with a view to inflame communal passion that the Muslims of Bangladesh (earlier East Pakistan) have swamped Assamese culture and polity. This erroneous impression should be dispelled by Government through the issue of a white paper. As it is, out of 3 lakh illegal immigrants deported from Assam since 1964, the vast majority has been Hindus.

52. The Minimum Wages Act, in respect of the rural labourers has either not been applied in several States or honoured more in its breach; it is found that an industrial non-technical worker (like a loader) in an organised industry can earn upto Rs. 3,000 per month (besides other benefits, like leave and sickness benefits and accident insurance, gratuity and so on), while the earning of a farm hand ranges between Rs. 4 to Rs. 10 per day (with or without meals). As minorities form a substantial part of the labour force in the rural areas, the application of the Muslim Wages Act (commensurate with the value of money and growing inflation) would help not only the exploited members of the minority communities, but it will also generate more purchasing power to our people for our industrial and consumer goods. It must be appreciated that while an average organised industry does

not provide an appreciable number of jobs—about 50,000 a year throughout India in the private sector—(and goes on reducing them as new technology advances), 70% of our population today is still dependent on agriculture and its allied services (as it used to be in 1947) in spite of the share of agriculture having declined from about 60% in the year 1950 to about 40% in 1980. It does not augur well for economic future.

53. As one of our Members, Mr. L. R. Naik, who has made a special study of Land Reforms in India, and whose note in this regard is given as an Appendix to the Report on Scheduled Castes, has pointed out that these reforms have hardly touched the fringe of the problem. The lot of the agricultural labourer and the small and marginal farmer continues to be miserable. The various measures enacted by the State Legislatures, though laudable in their objectives, have failed to redress most of the grievances. Mr. Naik gives a detailed analysis of what has been enacted for their benefit and what in reality they have received. Though a majority of the sufferers are from Scheduled Castes and other backward classes, these also include a large number of persons belonging to the religious minorities, living in the rural areas. Our recommendations in this respect, which are given in extenso in the Report on Scheduled Castes, apply *mutatis mutandis* to those members of religious minorities, who continue to work as agricultural labourers or as small and marginal farmers. The problems in all cases as common and their solutions have to be uniform.

## CHAPTER VII

### INDUSTRIAL SECTOR

1. The main objectives of industrial development during the successive Five Year Plans were to increase production, better the skill of workers, upgrade quality of products, generate large scale employment opportunities and wherever possible to promote dispersal of industries in various regions to have more balanced and uniform growth of industries throughout the country. To achieve these objectives, promotion and development of entrepreneurship, package assistance and consultancy services and various types of other encouragements and facilities by way of subsidies, banking credit etc. were provided. In the Sixth Five Year Plan, achieving a substantial acceleration in the rate of industrial growth has been put as one of the main challenges, which should result in the growth of Industrial production in the country at an average annual rate of 8 to 9% during the Plan period. In order to provide employment, all encouragements will be given to the growth of village and small industries. Small Scale Sector, which can produce the goods efficiently will continue to enjoy reservation in future

2. These objectives are extremely important and should help the minorities in bettering their economic prospects. It is, however, difficult for us to go into the various aspects of Government's policies and programmes in this regard and their likely impact on various industrial sectors and the benefits that are likely to accrue *inter alia* to minorities. The task is too vast, we will, therefore, confine ourselves to a few important industrial sectors with which the minorities are closely associated, particularly the traditional small scale industries; in the rest of the industrial arena, what is needed is a more liberal approach to employment and promotion and less prejudiced attitude to their recruitment. This has to be done consciously and in the full faith and belief that the neglected sections have to be given their due share and encouraged to come up if our dream of an egalitarian society is to become a reality.

3. In order to assess the extent of participation of minorities in our industrial development and to find out whether they have been able to derive any benefit from the establishment of various industrial units, large and small, we conducted sample surveys of the industrial licences issued by the Union Ministry of Industrial Development; we have studied the small scale industrial sector in greater detail. In the pages which follow, we will discuss the results of these studies.

4. As is well known, the establishment of heavy industries is subject to licensing by the Government. To start with, the Ministry of Industrial Development processes the applications received from the entre-

preneurs but the decision in this respect is taken by the Licensing Committee of the Central Government consisting of the Secretaries to the various Ministries concerned and the State Government. Finally these decisions are approved by the Union Minister for Industry. The licences, thus, issued permit the setting up of industries, costing from Rs. 3 crores to Rs. 20 crores. Applications for setting up these industries costing Rs. 20 crores and above have to be further scrutinised by the Monopolies and Restrictive Trade Practices Commission; that is the licensing pattern for large scale industries.

5. The licences for industries below Rs. 3 crores are free and the entrepreneurs have only to register themselves in the States for establishing such industries. There is a list of 800 items for which entrepreneurs can get their licences for setting up industries in the small scale sector where plans and machineries should not cost more than Rs. 20 lakhs

#### Industrial Licences

6. As the issue of industrial licences for units costing between Rs. 3 crores and Rs. 20 crores is dealt with in a single Division (Licensing Division) of the Union Industrial Development Ministry and the number of cases each year was large enough to provide us a representative data for various communities, we conducted sample studies of the licences issued to the minorities during the year 1979-80. The result of these studies in respect of cases approved is as follows :—

| Year | Total No. of approved applications scrutinised | Community-wise break-up |              |             |             |                |
|------|--|-------------------------|--------------|-------------|-------------|----------------|
|      |  | Muslims                 | Sikhs        | Christians  | Parsis      | Others         |
| 1979 | 260  | 5<br>(1.9%)             | 5<br>(1.9%)  | ..          | 3<br>(1.2%) | 247<br>(95.0%) |
| 1980 | 386  | 6<br>(1.5%)             | 14<br>(3.6%) | 4<br>(1.0%) | 1<br>(0.3%) | 361<br>(93.6%) |

7. In 1979, out of 260 cases approved, 5 licences were given to Muslims, 5 to Sikhs and 3 to Parsis. This shows that Muslims and Sikhs got about 1.9% of the licences and the Parsis 1.2%. Similarly in 1980, out of 386 cases approved, 6 went to Muslims, 4 went to Christians and 14 to Sikhs and one to Parsi. Thus, Muslims got 1.5%, Christians 1%, Sikhs 3.6% and Parsis 0.3% of the licences.



8. We went further into this question and made sample study of the cases rejected. The table giving the distribution of rejected cases is given below :—

| Year | Total No. of rejected cases scrutinised | Community-wise break-up |             |             |             |                |
|------|---|-------------------------|-------------|-------------|-------------|----------------|
|      |   | Muslims                 | Sikhs       | Christians  | Parsis      | Others         |
| 1979 | 302                                     | 10<br>(3.3%)            | 1<br>(0.4%) | 3<br>(1.0%) | 3<br>(1.0%) | 285<br>(94.3%) |
| 1980 | 406                                     | 9<br>(2.3%)             | 4<br>(0.9%) | 1<br>(0.3%) | 6<br>(1.5%) | 386<br>(95.0%) |

9. In 1979, out of 302 cases rejected, 10 were of Muslims, 3 of Christians, 1 of Sikh and 3 of Parsis, which gives a percentage of 3.3% for Muslims, 1% each for Parsis and Christians. Similarly, in 1980, out of 406 cases rejected, 9 were of Muslims, 4 of Sikhs, 1 of Christian and 6 of Parsis, thus, giving percentage rejection of 2.3, 0.9, 0.3 and 1.5 for Muslims, Sikhs, Christians and Parsis respectively.

10. We made a sample survey of the reasons of rejection of these cases and most of the rejections were due to the following reasons :—

- (i) Adequate capacity already licensed.
- (ii) Location proposed not accepted.
- (iii) Not economically viable.

11. These reasons of rejection are too vague and could have been overcome by a more helpful attitude on the part of the authorities concerned. In our discussions with the officials of the Ministry, they, no doubt, explained that industrial licences are issued or rejected strictly on the basis of policy decisions of the Government, and refuted the charge of any communal bias or prejudice in granting them, the fact remains that the Minorities have not been the beneficiaries and their percentage in such a vital sector of economic growth and development has been ruefully meagre.

#### *Small Scale Industries*

12. The small scale units have been defined to include those units, where the cost of their plants and machineries should not exceed Rs. 20 lakhs. These include (i) traditional small industries, namely, handicrafts, handlooms, and village industries; and (ii) modern small scale industries. While the traditional industries, generally artisan based, located mostly in rural and semi-urban areas, involve lower levels of investments and provide large scale employment; modern small scale industries are mostly power operated and manned by machines. During our visits

to various districts, we have made extensive studies regarding the accrual of benefits to the minorities from these units and have collected data which we will discuss in the following paragraphs.

13. To begin with, we will take the modern small scale industries first. Thereafter, the traditional small scale industries like handicrafts, handlooms and village industries will be discussed, which are artisan based, involving low levels of investment and depending most on the locally available raw material and marketing support.

#### *Modern Small Scale Industries*

14. As is well known, the Small Scale Industrial Sector plays a vital role not only in generation of employment but also produces a variety of consumer goods and services. To encourage these industries, the Government of India have made the registration of small scale units free. However, in order to encourage and enable these units to run smoothly, the Government have also laid down certain preferences for issue of licences/quotas and permits for the raw material required by them; it is here that much difficulties are faced by Minorities and they are handicapped in successfully running these units.

#### *Muslims*

15. Our Research Teams during the course of their studies in the States collected sample data regarding registration of permanent small scale industrial units from 66 districts of 14 States\* and the essential industrial raw-materials obtained by them from Industries Department from 33 districts of 11 States\*\*.

16. The analysis of the data collected shows that out of 33,994 small scale industrial units registered in the sample districts, 5,638 units were owned by the Muslims accounting for 16.58% of the total. Their share in the ownership of these units in most of the States was found to be more than their population percentage except in the case of Assam, Kerala, West Bengal and Rajasthan where it was slightly less.

17. The data regarding industrial raw-materials was collected in respect of distribution of pig iron, steel, coal, paper, cement, paraffin wax, kerosene oil and certain other miscellaneous items. Out of 14,578 people who were given industrial raw-materials from the Industries Department, 1,223 were Muslims accounting for 8.39% of the total. Their share in Industrial Plots was 7.36%. This shows that only 50 per cent of their units were able to run successfully.

#### *Christians*

18. Our Research Teams collected data regarding the registration of small scale industrial units and

\*1. Andhra Pradesh, 2. Assam, 3. Bihar, 4. Gujarat, 5. Haryana, 6. Karnataka, 7. Kerala, 8. Madhya Pradesh, 9. Maharashtra, 10. Orissa, 11. Rajasthan, 12. Tamil Nadu, 13. Uttar Pradesh, 14. West Bengal.  
(For details please see Annexure No. VII.1).

\*\*1. Assam, 2. Bihar, 3. Gujarat, 4. Karnataka, 5. Kerala, 6. Madhya Pradesh, 7. Maharashtra, 8. Orissa, 9. Rajasthan, 10. Tamil Nadu, 11. Uttar Pradesh.  
(For details please see Annexure No. VII.2).

distribution of industrial raw-materials to the Christians from 23 districts spread over 8 States.\*

(i) Our analysis shows that in the case of Christians, out of 13,484 small scale Industrial Units registered in the sample districts, 944 units were owned by them accounting for 7.00% of the total.

(ii) Out of 1,384 plots allotted, the share of Christians was 64 accounting for 4.62% of the total plots allotted.

(iii) Out of 10,914 beneficiaries who availed of the facilities of raw-materials from the industries departments in 11 districts of 6 States\*\* 582 were Christians accounting for 5.33% of the total.

19. We noticed that most of the industrial units registered in their names were being run by them and they were deriving full benefits from them.

#### *Sikhs*

20. The data collected by our Research Teams from 41 districts in 11 States† regarding registration of small scale units and supply of raw-materials to the Sikhs shows that out of 23,920 small scale industrial units registered in the districts surveyed by us, 1,610 units were owned by them accounting for 6.73% of the total.

21. Analysing the position of the distribution of raw-materials it is seen that out of 12,370 beneficiaries in 22 districts of 9 States‡, 399 were Sikhs accounting for 3.23% of the total. Their share in industrial plots was 37 out of 1,703 accounting for 2.17% of the total.

22. While Sikhs own 1,245 units in Punjab which is 26.46% of the total 4,706 units, they also own a large number of units in U.P., Orissa, Maharashtra, Madhya Pradesh, Haryana, Gujarat and Bihar. During the course of our studies, we also found that most of the small scale units registered in their name were being run by them and they were deriving full benefits therefrom.

#### *Buddhists*

23. The data collected by our Research Teams in respect of registration of small scale units from Chandrapur district and supply of industrial raw-materials from Chandrapur and Aurangabad districts of Maharashtra to Buddhists shows that out of 231 units registered in Chandrapur district, 22 units were owned by them accounting for 9.52% of the total units.

24. Analysing the position of distribution of raw-materials, we find that out of 244 beneficiaries in these 2 districts of Maharashtra, 7 were Buddhists accounting for 2.87% of the total. They did not have any industrial plots in these districts.

#### *Parsis*

25. In case of Parsis, the data regarding ownership of Small Scale Units was collected from two districts of Maharashtra. In these districts, out of 2,303 units registered, 10 were owned by them accounting for 0.43% of the total units.

26. Analysing the position of the distribution of raw-materials, we find that out of 7,316 beneficiaries in the 3 sample districts of Gujarat and Maharashtra, 86 beneficiaries were Parsis accounting for 1.18% of the total. They were also found running the units registered in their names and deriving full benefits.

27. It is clear from the above analysis that the requirement of raw-materials of all the units owned has not been fully met. In fact, it may not have been even partially met because the figures of distribution discussed here pertain both to the provisional as well as permanent registered units. Moreover, a number of units might have availed of more than one raw-material either for creating fixed assets or for production purposes.

28. To avoid hardships to the units owned by the minorities and to eliminate the chances of their failure, we recommend that preferential treatment should be given to these industries in supply of raw-materials particularly in the initial stages.

29. As the minorities are mostly engaged in the unorganised small scale sector they are confronted with certain peculiar problems, some of which are of general nature and others pertain to a particular region. No uniform all-India policy can, therefore, be laid down in this respect. Studies of the small scale units in the unorganised sector have shown that these units do not encourage entrepreneurship but help the owners and their relations to become self-employed wage earners. This may be one of the reasons why they have not made substantial progress economically. On the other hand, they have been exploited by middlemen on whom they depend for the marketing of their products.

30. Moreover, due to the immigration of skilled labour to the Arab countries, it has become imperative to train the unskilled or semi-skilled labour to fill the vacuum. As soon as the labourer acquires the skills,

\*1. Andhra Pradesh, 2. Assam, 3. Bihar, 4. Orissa, 5. Tamil Nadu, 6. Kerala, 7. Madhya Pradesh, 8. Maharashtra. (For details please see Annexure No. VII.3).

\*\*1. Gujarat, 2. Karnataka, 3. Kerala, 4. Madhya Pradesh, 5. Maharashtra, 6. Tamil Nadu. (For details please see Annexure No. VII.4).

†1. Andhra Pradesh, 2. Assam, 3. Bihar, 4. Gujarat, 5. Haryana, 6. Madhya Pradesh, 7. Maharashtra, 8. Orissa, 9. Punjab, 10. Rajasthan, 11. Uttar Pradesh. (For details please see Annexure No. VII.5).

‡1. Bihar, 2. Gujarat, 3. Karnataka, 4. Madhya Pradesh, 5. Maharashtra, 6. Orissa, 7. Rajasthan, 8. Uttar Pradesh, 9. Punjab.

(For details please see Annexure No. VII.6).

he either demands more wages, sometimes even exorbitant or leaves for a better job or sets up his own unit, thus, making the owner of the small unit helpless in the bargain. The arbitrary policy of power allocation has made the labour working at odd hours, especially at night, very demanding or indifferent. The higher quality raw-materials like steel allotted through the quota system (which is manipulated, by and large, by the more influential) has obliged the small entrepreneurs either to buy inferior quality stuff, thus, reducing the quality of their products or to pay more in the blackmarket to the quota holders. This is true of steel, rubber, coal, etc. The small scale units suffer for the lack of technical knowhow. The grant of institutional finance is also linked with the economic power of the borrower; this works as a handicap. The quotas and licences should be given on the basis of performance and not on the basis of pull or money power. The people who get electricity at odd hours must be compensated through lower rates for the consumption of power.

#### (B) *Traditional Small Scale Industries*

31. The crucial importance of traditional industrial sector in providing large scale employment to the Minorities, in particular, and the rural poor, in general, by introducing consumer goods for mass consumption needs hardly any emphasis here. Handicrafts, handlooms and Village Industries possess a vast potential for providing gainful employment to those having no land base and can produce essential goods and services for the community at much cheaper rates. Recognising the importance of these industries, the successive Five Year Plans have allocated funds and resources for the development of this sector. Implementing agencies have also been set up at the Central and State levels so that the programmes in this sector are implemented properly. During the course of our studies in the various districts to evaluate the benefits flowing from this sector, we have covered the schemes regarding Handicrafts, Handlooms, Cottage and Village Industries extensively.

#### (I) *Handicrafts*

32. The development of handicrafts is looked after at the Centre by the All India Handicrafts Board with its headquarters at Delhi. The Board carries out its activities mainly in the field of training, design and technological development of the craftsmen in different crafts. At the State level in each State, Handicrafts are looked after by the Director of Industries. States have set up Corporations with a view to provide marketing support as well as to provide other inputs like raw-materials, credit etc. to the craftsmen with a view to develop the handicrafts.

33. To begin with, we will take up the examination of the training programmes of All India Handicrafts Board. During our field visits to the State of Karnataka, we came across the scheme being implemented by the Handicrafts Board to train the fresh recruits in the bamboo and lacquerware crafts at Chenapatna. The trainees were being paid a stipend

of Rs. 60 p.m. and provided tools and other equipments after training to undertake some independent occupation. We met a number of trainees spread over the village who were busy in toy making with the help of tools and machines installed in their own small houses. They were able to earn between Rs. 10 to Rs. 15 per day. The design centre in Bangalore city was not only helping the artisans in getting fresh designs in lacquerwares but also in brass, metal craft, wood and mosaic jewellery etc. This has proved of great help to artisans.

34. During our field visits in the district of Varanasi in Uttar Pradesh, we came across training schemes for carpet weavers being implemented successfully by the Board. We visited a number of such training centres and were impressed by the work being done there. A large number of children belonging to the poorest families of the area in the age groups of 12 to 14 are selected to receive training, who get a stipend of Rs. 60 per month, in addition to the tools and equipments for the training. After successful completion of training, the trainees undertook the job of weaving the carpets on the looms installed in their houses and were able to earn between Rs. 8 to Rs. 15 per day.

35. Due to the opening of training centres, we were told that the carpet weaving has spread beyond Bhadohi and Mirzapur belts to the adjoining districts of Jaunpur, Azamgarh, Ballia, Deoria and even Rae-Bareilly, and the people in other adjoining districts were also eager to have such training programmes in their districts. There being great potential for increase in the export of the carpets in the foreign markets, there should not be any hitch for the trainees to get gainful employment. We met a number of trainees who had been trained in the centres on the job in their houses. After talking to them, our overall impression was that the stipend given to them during the period of training acted as a good incentive and their success story in getting employment attracted a large number of fresh recruits.

36. The programme has not only increased the employment opportunities among the poor, most of whom came from the families of landless labourers belonging to the Scheduled Castes, Weaker Sections among the Hindus and Minorities but has also provided substantial economic assistance to them who were living earlier at subsistence level. Their earning increased from Rs. 8 to Rs. 15 per day, as against their earlier meagre wages which were being paid to them by the small land holders on whose holdings they used to work as landless labourers.

37. After visiting some of these training centres, we were satisfied that the training centres run by the All India Handicrafts Board in different parts of the country increased the job opportunities for the poorer sections. In the absence of credit input and other support, however, their economic conditions have not improved to the desired extent; this needs to be rectified.

## Data Analysis

### Muslims

38. Our Research Teams collected data regarding the benefits which have accrued to Muslims from the schemes implemented in the handicrafts sector from 31 districts spread over 12 States\*. These studies show that in the districts surveyed by us, 1.68 lakh artisans were employed in the handicrafts sector out of which 0.86 lakh were Muslims accounting for 51.09% of the total.

39. Our study of the ownership of these units showed that out of 0.22 lakh units, 955 units were owned by the Muslims accounting for 4.41%.

40. In the cooperative sector units, only two belonged to the Muslims accounting for 1.03% of the total. It is, thus, clear that though they account for 51.09% of the work force in the handicrafts sector in the sample districts which we have studied, they own hardly 4% of the units. What is most surprising is that in the cooperative sector, which was supposed to herald a new era of self-reliance, the number of units owned by them does not account for even one per cent of the total units.

41. Looking at the position, both of the ownership of the units as well as of the cooperative coverage, we have no doubt that the schemes to encourage the ownership of units and the financial assistance given to encourage cooperative coverage in this sector has hardly had any impact, particularly on the Muslims, who possess so much of talents in arts and crafts.

42. Our studies regarding financial assistance provided have shown that in the districts surveyed by us, out of 8,256 people who were provided such assistance by the Government financial institutions only 215 (2.60%) were Muslims.

43. Similarly, out of 379 people who received assistance from the various beneficiary oriented schemes, 58 (15.30%) were Muslims.

44. We also find that in these districts, 14,916 artisans received assistance by way of provision of raw-materials out of which 2,004 (13.44%) were Muslims.

45. The schemes for artisans to upgrade their skill or to train new artisans in this field covered 5,089 artisans, out of which only 651 (12.79%) were Muslims.

46. Thus, we find that Muslims, despite their expertise in Handicrafts have hardly derived any benefit from cooperative and financial institutions.

They received little encouragement to own their own looms. They have, however, received some assistance from beneficiary oriented schemes for provision of raw materials and from schemes of training to upgrade their skill; this was a pittance as compared to their over-all requirements.

### Christians

47. Our Research Teams collected data regarding accrual of benefits to Christians in the handicrafts sector from 9 districts spread over 6 States\*\*.

48. Analysis of the data collected shows that out of 1,627 units registered only 11 were owned by Christians accounting for 0.68% of the total units. There were 0.30 lakh artisans employed in these units of which 845 were Christians, accounting for 2.81% of the total employees.

49. The assistance for raw-materials was available to 31 artisans of which only 2 were Christians accounting for 6.45% of the total beneficiaries.

50. In the handicrafts sector, 445 people were trained of which only 45 were Christians accounting for 10.11% of the total trainees.

51. Financial assistance was provided to 290 artisans out of which 19 were Christians, accounting for 6.55% of the total beneficiaries.

52. In the other beneficiary oriented programmes, 282 people received benefits out of which only 7 were Christians accounting for 2.48% of the total beneficiaries.

53. Our studies have revealed that, by and large, Christians are not traditional craftsmen and they engaged themselves in these crafts in specific areas, where due to neighbouring influence they do these jobs to earn their livelihood.

### Sikhs

54. Data regarding Sikhs was collected from 3 districts of 3 States@. Its analysis shows that out of 1,495 registered units, Sikhs were owners of 7 units, accounting for 0.47% of the total. Out of 0.03 lakh artisans employed in this sector, 16 were Sikhs, accounting for 0.50% of the total employees. Their share in the supply of raw-materials comes to 6.45% and financial assistance to 0.70%.

55. While considering the total coverage, we find that there are about 15.25 lakh artisans in this sector in the 12 States from which the data was collected by us. The total number of beneficiaries according to the data discussed here comes to about 2.19 lakhs including 1.69 lakh artisans who are engaged in 0.22 lakh units in these States. Thus, the total coverage

\*1. Assam, 2. Bihar, 3. Gujarat, 4. Haryana, 5. Karnataka, 6. Kerala, 7. Madhya Pradesh, 8. Orissa, 9. Tamil Nadu, 10. Rajasthan, 11. Uttar Pradesh, 12. West Bengal.

(For details please see Annexure VII.7).

\*\*1. Assam, 2. Bihar, 3. Karnataka, 4. Kerala, 5. Madhya Pradesh, 6. Tamil Nadu.

(For details please see Annexure VII.8).

@1. Assam, 2. Bihar, 3. Karnataka.

(For details please see Annexure VII.9).

of beneficiaries by various schemes comes only to 14.36% which is a drop in the ocean. The Minorities, therefore, have hardly derived substantial benefits from the schemes implemented in the handicrafts sector which has a vast potential for their gainful employment.

## OBSERVATIONS AND RECOMMENDATIONS

56. (i) We have already stated that while collecting the data analysed in the foregoing paragraphs, we have conducted detailed surveys of the implementation of the schemes in this respect by personal visits. During these visits, we have watched the working conditions of the artisans on the spot and have held detailed discussions with them on the various problems faced by them. We propose below to discuss the results of those surveys.

(ii) During the course of our visits to the carpet weaving centres in Mirzapur-Bhadohi belt of Uttar Pradesh, we found that weavers were mostly Muslims and Scheduled Castes people; they worked as wage earners, the work place being their own huts. They obtained raw materials from the manufacturers/exporters and returned the carpets to them against conversion charges. Often they did not own any land and worked on looms supplied by master weavers and installed in their houses. It was the exporter who undertook the major entrepreneurial functions. He supplied raw materials and designs to the master weavers/loom-owners who engaged weavers on wages for weaving the carpets and delivered the same to the exporters after obtaining commissions ranging from 12% to 25% in addition to the wages paid to the weavers.

(iii) Some of the master weavers also did the weaving themselves on their looms, but, by and large, the practice to work on a contract basis was much prevalent through them, since the direct dealing with the weavers scattered in the villages was not favoured by the exporters who preferred to concentrate on their export trade rather than to manage the weavers. Only a small percentage of units worked on their own, purchasing the raw materials directly from the market and doing the weaving, processing, embossing, clipping etc., within their own premises and selling the finished carpets to the exporters. We, thus, found that the artisans mainly depended upon the master weavers both for work and loans for consumption purposes.

We, therefore, recommend that cooperative societies of such weavers should be organised on large scale with adequate credit support, which should look after all their credit requirements for production and consumption. The marketing of the carpets produced which is a great foreign exchange earner and is now monopolised by the private exporters, should be linked to the national level corporations, who should be responsible not only for marketing them but also for market intelligence and latest designs for production.

57. (i) Similar is the story of hand printing textile industry; we found that a number of middlemen were employing the artisans at wages ranging from Rs. 8 to Rs. 10 per day on daily basis and getting the

textile sarees printed. Our visit to a number of establishments at Farrukhabad employing Muslim artisans where this work is being done convinced us that though this was highly export oriented industry and earned a sizeable amount of foreign exchange yet the bulk of the money, thus, earned went to the Marwari exporters who had monopolised this trade. It is they who supplied the plain silk sarees and other printing materials to the middlemen for getting the job done from the artisans. The middlemen owned small premises and employed eight to ten persons. It is these middlemen who took the contract for printing and earned a considerable amount of money as commission. Last in the line were the poor artisans who after their day's toil got Rs. 8 to Rs. 10.

(ii) The hand-printing textile industry at Ahmedabad is mostly managed by women artisans belonging to the poorer families among the Muslims living in compact areas. The cloth and printing material is supplied to them by the middlemen, who after payment of the wages collect back the printed goods after the job is done. After the day's work, therefore, they very often get Rs. 2 to Rs. 3 per day. Most of the printed material is locally used but when processed and converted into garments for export, it fetches good price in the foreign market. Thus, despite their high earning potential, we found that artisans were low paid and little cared for. No attempt was made to organise them in cooperatives; the result was that they continued to be exploited.

(iii) A number of cooperative societies set up to help the artisans were found to have become defunct. One of the active cooperative societies which we visited at Farrukhabad town in Uttar Pradesh had 28 Muslim artisans as members with 7 Directors on their Board. On an average, each member of the society was earning about Rs. 400 per month. The District Cooperative Bank had not enrolled the society as its member despite repeated requests. Therefore, the society was not in a position to get any financial assistance to further its activities which would have enabled the members to get the job for the whole year which they could not afford.

We, therefore, recommend that more and more cooperative societies of the artisans working in this sector should be organised in the same way and to the same extent as in the case of carpet weavers. The societies already organised should be helped with adequate credit from the commercial and the cooperative credit institutions and their requirements more liberally met. The procedure to advance credit to such societies should be simplified by the State Governments, Commercial and Cooperative Banks.

58. (i) Uttar Pradesh Textile and Printing Corporation set up by Government of Uttar Pradesh to develop the textile printing industry by providing necessary inputs and marketing support to the artisans including the Muslim artisans operated through the middlemen; it had developed no marketing facility. Its purchases of printed silk sarees from the artisans had gone down from Rs. 60 lakhs in 1978-79 to Rs. 15 lakhs by August, 1980, whereas the expenditure on job work given to the printers had gone up from

Rs. 4.50 lakhs in 1978-79 to Rs. 8 lakhs by August 1980. The Corporation's proposal of providing the common facilities for artisans such as steaming plant etc., were still in the initial stages. The proposal for printing janata dhotis to provide more jobs to artisans was yet to be implemented.

(ii) After a detailed study of its working, we found that the Corporation was interested in printing of the sarees from the artisans on payment of wages like any other middlemen. If in the process, some artisans were helped by loans and other facilities from the financial institutions, then it was just a matter of chance. The Corporation was hardly interested in helping them to be self-reliant, or much less prosperous.

We, therefore, recommend that the development corporations set up to develop the textile printing industry should cease to function as middlemen. They must provide common facilities like steaming plants etc., on a priority basis and implement schemes to help the artisans. They must be made responsible for procuring the finished goods from the cooperative societies and should supply the necessary market intelligence and the designs for production. For this purpose each corporation should provide adequate office as well as field staff in each area of concentration of the artisans, belonging to Minorities.

59. (i) In another compact area of Ahmedabad city, we came across about 90 to 100 Muslim families who were engaged in making 'flying kites'. We noticed that even the making of kites on a large scale is a very specialised industry in which certain families had specialised only in making particular parts of the kites and the production line was being maintained with the cooperation of a number of such families. They seem to have inherited this art from their forefathers. On enquiries from a number of Muslim women who were doing this work, we came to know that their earnings ranged between Rs. 2 to Rs. 3 per day. The material for making the kites was given to them by the middlemen who collected the finished goods after payment of the wages.

(ii) One of the cooperative societies formed of the artisans making kites was monopolised by its President, also a Muslim, who enjoyed much of the benefits offered by the Cooperative Department of the State Government. The artisans continued to be mere wage earners. Due to their ignorance and poverty, many of them were hardly aware that they were members of the society and entitled to a number of benefits. The President treated them as his employees.

We, therefore, recommend that the membership of such societies should be broad-based with only one member from each family. The Cooperative Departments of the various States and their field staff should conduct periodical field inspections and check the working of such societies with a view to ensure that no individual member or a group of members monopolise the working of such societies and that the benefits accrue to every member.

60. (i) During our visit to the embroidery centres in Lucknow, we found that a large number of Muslim women, who are poor and destitutes, were engaged in chikan work. The middlemen, mostly Muslims and the wholesalers, mostly Hindus, supplied the cloth and stitching material, which was returned to them after the job was done. The job required prolonged concentration on the needle and the thread to produce beautiful figures out of eye catching designs on the clothes which is the pride of Lucknow. After their whole day's toil, they were able to earn only Rs. 2 to Rs. 3 per day whereas their product on an average fetched a price ranging from Rs. 50 to Rs. 100 in the market. Our personal interviews with a large number of them convinced us that most of the old women who were either widows or had been abandoned by their husbands and were supporting themselves and a family of five to six children by their meagre earnings, were exploited by the middlemen. In many cases, the husbands of the women were either working as rickshaw pullers or were doing some other manual job. No efforts whatsoever seem to have been made by the cooperative department of the State Government to take them out of the clutches of the exploiting middlemen and wholesalers; their conditions were, indeed, pitiable.

(ii) A cooperative society organised by a few enterprising Muslim women failed for want of proper marketing arrangements of their products; as Members showed as a heap of sarees embroidered by them still lying in a godown, unsold. We were told that most of the women who were members of this cooperative society had returned to their job as wage earners.

We, therefore, recommend that the State Cooperative Federations and the State Corporations, set up to develop these crafts, should procure all the goods produced by such cooperatives on priority basis. The societies should also be supplied with raw-material, technical guidance, market intelligence, designs and work orders so as to give the artisans the maximum benefits.

61. (i) A study of the handicrafts connected with cane and bamboo in Goa revealed a situation which is equally bad. Despite abundant production of bamboos in most parts of the country, the poor Christian artisans have to run from pillar to post and purchase the bamboo rendered scarce by the mill sector, at high cost after wasting a number of days. Manufactured products have to be carried to the local market by them and sold at whatever price they get. In this process, sometimes, they are able to make their living by earning Rs. 5 to Rs. 6 per day, but very often they are under the clutches of the middlemen. It is regrettable that this industry which is in a position not only to gainfully employ the existing artisans but to offer employment to other youngmen, is languishing for want of an organisation to put it up on a proper and sound footing.

We, therefore, recommend that the main raw-material for such artisans viz., cane and bamboo should be made available to them by the concerned organisations of the Government after procuring these

materials from the centre of production, at the same price at which it is sold to the paper mills.

(ii) *Handlooms*

62. During our visit to the famous handloom weaving centres in Uttar Pradesh, Maharashtra, Tamil Nadu, Andhra Pradesh and Bihar, we found that this industry employs highly skilled artisans who have inherited their skill traditionally from their forefathers. The weavers generally operate on the looms installed in their own houses in which they are helped by their family members including ladies and children.

63. A large percentage of handloom weavers specially in Bihar and Uttar Pradesh are Muslims but in many parts of the country we found that weavers also belonged to the Scheduled Castes and other backward communities among the Hindus and Christians.

64. Handloom, being an industry scattered over the villages and employing weavers who are illiterate or semi-literate can best be developed in the cooperative sector. Taking this fact into account, most of the schemes for handloom development were formulated and implemented as cooperatives.

65. At the Central level, the Development Commissioner (Handlooms) is implementing a number of schemes for strengthening and rehabilitation of cooperative movement in the field through Directors of Handloom/Industries and Registrar of cooperative societies in the States. During our visits to the States of Tamil Nadu, Maharashtra and Andhra Pradesh we came across a number of cooperative societies of weavers covered under these schemes, in which all the members of the society sometimes numbering 100 to 150 were working under a common shed on the looms provided by the society. In the management board of the society, an official of the State Government was almost invariably nominated. The State Government has provided capital to the societies for the construction of sheds as well as for purchasing and modernisation of the looms. Money has also been provided to such societies for providing share capital to the weavers for becoming members of the society.

66. The advantage of such societies working under a common shed was that the weavers did not face the normal problem of getting the inputs particularly the yarn which was the main raw-material and the marketing problems of their products. These societies were purchasing yarn in bulk and selling their products at competitive prices either directly or through the State Apex Handloom Cooperative Societies.

67. A number of weavers who were members of these societies told us during our visit that they were able to earn Rs. 10 to Rs. 15 per day which has brought a marked improvement in their living conditions.

68. The other societies, where the weavers had installed the looms in their houses, were not working

satisfactorily because in most of these cases, the weavers were facing the problem of procurement of raw-materials and the marketing of their finished products. The management of these societies has not proved effective in solving these problems.

69. On the whole, the cooperative coverage of the handloom sector, though it suffers from certain defects everywhere, which we will point out a little later, has been quite successful in the States of Tamil Nadu, Maharashtra, Andhra Pradesh, West Bengal and Orissa. As indicated above, some societies in these States have been managed well and have provided substantial benefits to the weavers; in other States much needs to be done to improve their lot.

70. Similarly, we found that the Handloom Development Corporations in the States of Uttar Pradesh, Bihar and Haryana are doing good work in certain pockets by providing marketing support and by supplying raw-materials of requisite quality through their depots and project offices to the weavers.

*Data Analysis*

*Muslims*

71. Our Research Teams conducted sample studies in 34 districts of 10 States\* and collected data regarding the benefits which have accrued to Muslims from the schemes implemented in the handlooms sector.

72. According to our studies, there are 3.34 lakh weavers in the sample districts of these States, out of which 1.66 lakh are Muslims accounting for 49.67% of the total.

73. Out of 3.34 lakh weavers, 1.22 lakh are under the cooperative fold accounting for 36.65% of the total. Out of this 1.22 lakh, who are under the cooperative fold, 0.41 lakh are Muslims accounting for 33.13 per cent; in other words, out of 1.66 lakh Muslims Weavers 0.41 lakh are under the cooperative fold accounting for 24.44 per cent which is less than the total cooperative coverage of 36.65%. Thus, we find that though they account for 49.67% of the total weavers, their cooperative coverage is only 24.44% of the total.

74. An analysis of the ownership of the looms shows that out of 4.63 lakh looms in the districts surveyed by us, 1.21 lakh looms are owned by them accounting for 26.14% of the total.

75. Comparing the position of the ownership of looms, we find that 49.67% of the Muslim weavers own 26.14% of the looms. This clearly brings out the fact that a large number of them are loomless, working as mere wage earners.

76. Analysing the flow of credit to the weavers, we find that in the district, surveyed by us, 20,777 weavers were provided financial assistance amounting

\*1. Assam, 2. Bihar, 3. Gujarat, 4. Haryana, 5. Madhya Pradesh, 6. Maharashtra, 7. Orissa, 8. Tamil Nadu, 9. Uttar Pradesh, 10. West Bengal.

(For details please see Annexure VII. 10).

to Rs. 345.98 lakhs out of which 15,686 Muslim weavers received credit amounting to Rs. 204.93 lakhs. Thus, in terms of beneficiaries, they are 75.50% and in terms of amount received it comes to 59.23%. The flow of credit to weavers appears to be restricted to smaller amounts even where it has been given.

77. Analysis of the provision of subsidy for purchasing equipments for weaving, we find that in the districts surveyed by us 3,367 weavers were provided subsidy amounting to Rs. 116.57 lakhs, out of which 1,752 were Muslims who received subsidy of about Rs. 0.48 lakh. Their share, thus, in terms of beneficiaries is 52.03% and in terms of amount received it is 0.42% which is extremely low.

78. The availability of yarn of requisite quality at reasonable prices being the most important raw-material for weavers, we also analysed its distribution by organised agencies of the Government. In the districts surveyed by us out of 1,480 weavers who received assistance by way of raw-materials, 1,126 were Muslims accounting for 76.08%.

79. Regarding the assistance given by way of provision of equipments for weaving, out of 8,633 weavers who were provided equipments 1,997 were Muslims accounting for 23.13% of the total.

80. We also analysed the position of implementation of the scheme of Training of Rural Youth for Self-Employment (TRYSEM) in respect of the weavers. In the districts surveyed by us out of 2.79 lakhs who were trained under TRYSEM, 4,242 were Muslims accounting for 1.52% of the total which seems to be inexplicably low.

#### Christians

81. Our Research Teams also collected data from 5 districts spread over 2 States\* in respect of accrual of benefits to Christians from Handloom Sector.

82. The analysis shows that there were 1.45 lakh weavers in the districts surveyed by us, out of which 6,785 were Christians, accounting for 4.67% of the total weaver. Out of 1.45 lakh weavers, 0.79 lakh were under cooperative fold accounting for 54.35% of total. Out of these, 5,340 were Christians accounting for 6.76% of the total in the cooperative fold. In other words, out of 6,785 Christian weavers, 5,340 were in cooperative fold accounting for 78.70% of the total.

83. Analysis of the ownership of looms shows that out of 1.20 lakh looms in the districts surveyed by us only 5,962 looms were owned by Christians accounting for 4.96% of the total. Out of 5,962 looms owned by them, 4,787 looms were working under cooperative fold accounting for 80.29% looms.

84. Analysing the flow of credit to the weavers, we find that in the districts surveyed by us Rs. 34.51

lakhs were provided to them. Out of which 14.89 lakhs were availed of by Christians accounting for 43.13% of the total. The financial assistance of Rs. 40.06 lakhs in shape of subsidy was provided, out of which Rs. 51,800 was availed of by them accounting for 1.29% of the total subsidy.

85. In the sample districts, assistance by way of provision of equipments for weaving was provided to 230 weavers, out of which 58 were Christians accounting for 25.22% of the total.

86. In these districts, out of 1,400 people trained under TRYSEM, 160 were Christians accounting for 11.43% of the total.

#### Sikhs

87. Data regarding the benefits received by Sikhs was collected from the Patiala and Sangrur districts of Punjab\*\*. There were 3,594 weavers in the districts surveyed by us out of which 1,055 were Sikhs accounting for 29.35% of the total. None of the weavers as reported to be working under the cooperative fold. There were 2,476 looms operating in the same districts, out of which 756 were owned by Sikhs accounting for 30.53% of the total looms. Financial assistance of about 0.60 lakh was made available, out of which Rs. 0.24 lakh were availed of by them accounting for 40% of the total assistance. Financial assistance of Rs. 3.50 lakhs as loan and Rs. 9,000 as subsidy was provided in Patiala district but in the absence of any community-wise break-up it was not possible to ascertain their share.

#### Buddhists

88. The collected data shows that only in Cachar district of Assam, Buddhists have participated in this sector. Out of 226 weavers, 162 Buddhists were provided financial assistance accounting for 70.68% of the total beneficiaries. Analysing the position of distribution of assistance in the shape of equipments, out of 140 weavers, 51 Buddhists received assistance accounting for 36.43% of the total beneficiaries. Thus, their participation in these programmes is quite substantial. In Maharashtra, in the districts surveyed by us, no Buddhist weaver received any financial assistance.

### OBSERVATIONS AND RECOMMENDATIONS

While collecting the data analysed in the foregoing paragraphs, we conducted a detailed survey regarding the implementation of different schemes by personal visits to the places of work of the weavers. We would now discuss some of the problems which came to our notice during these visits.

89. The foremost scheme under which the weaver received benefits (5 millions at a modest estimate) was implemented by the Government with a view to

\*1. Orissa 2. Tamil Nadu.

(For details please see Annexure VII.11).

\*\*Punjab (For details please see Annexure VII.12).



cover as many weavers as possible under the co-operative sector. With this end in view, a number of cooperatives were organised. While steps were taken to integrate the credit facilities, enough attention was not paid to production and marketing aspects. As a result, the cooperatives in the handloom sector continued to be weak. Most of the coverage of weavers by cooperatives had remained largely what can be termed as paper coverage and the number of active looms working in the cooperative sector was much smaller than it is claimed. Many of the cooperatives set up to help the weavers were defunct. As a result, the credit support in the shape of working capital and the loan could not be made available. Members of the societies were not able to avail of the benefits of the loans to meet their requirements of raw-materials and other inputs.

We, therefore, recommend that steps should be taken to organise more and more industrial type weavers' cooperative societies under one shed which are so successful in the States of Tamil Nadu and Andhra Pradesh and more and more weavers should be enrolled as their members.

90. Many of the cooperative societies in this sector are controlled by the master weavers and the middlemen who by enrolling fake members avail of the advantages available to the weavers under co-operatives. Entitlement of marketing support, raw-materials and other benefits offered thus, are manipulated in their favour which enables them to treat the weavers as wage earners or bonded labourers entitled to daily wages ranging from Rs. 8 to Rs. 10 per day. The cooperative movement in the handloom weaving sector, therefore, has not made much contribution in helping the weaving community.

We, therefore, recommend that the membership of these cooperatives should be broad-based, having at least 50 to 100 members and only one member should be enrolled from one family. The State Government should ensure that no individual or group of members monopolises the working of these societies.

91. The marketing support to these cooperatives provided by the State level cooperative federations differs from State to State. Tamil Nadu purchases more than 50% of the goods produced by primary societies while in Uttar Pradesh and Bihar it ranges between 5% to 15%. We, therefore, recommend that steps should be taken to ensure that at least 75% of the goods produced by these societies are lifted by the State Marketing federations in every State. To take up these functions and to fulfil these targets, liberal funds at cheaper rate of interest should be made available to these federations.

92. To provide credit support to the weavers, the Reserve Bank of India have formulated a scheme under which the State/Central Cooperative Banks financing the working capital requirements of the weavers' societies are given refinancing facilities to the full. The amount refinanced which was of the order of Rs. 14.49

crores in 1973-74 has increased to Rs. 96.27 crores in 1981-82. During the course of our study, we, however, observed that more than 3/4th of the credit provided for handloom sector has been availed of by the Andhra Pradesh, Tamil Nadu and Maharashtra. A very small proportion of re-finance has gone to other States, many of whom have got sizable population of the weavers. The credit requirements of the weavers in these States are, therefore, not being met.

We, therefore, recommend that both the Central/State Governments and Reserve Bank of India should take immediate steps so that all the States get adequate financial assistance in proportion to the population of the weavers in these States. Special attention should be paid to Uttar Pradesh & Bihar which have large concentration of weavers belonging to minority communities. To achieve this, steps should be taken to simplify the procedures of obtaining credits.

93. It came to our notice in several cases that the funds released for the primary weavers' cooperative societies have not reached them even after the expiry of two to three years. It was observed in Bihar that funds were retained by the District Cooperative Banks on the pretext that the societies were defaulters. During discussions it came to light that the total loan for which a society was defaulter was less than due to the society from the Government as rebate on the sale of handloom cloth. Thus, this stoppage of the loan was unjustified. Steps should, therefore, be taken by the Government to ensure that the funds released by the Government for societies are not delayed and should be paid within 3 months.

94(i) The primary input required by the handloom industry is yarn. Though weaving is done with yarn made of cotton, yarn made of silk or wool, rayon and staple fibres are also used for silk and blended fabrics. The industry also needs dyes, chemicals and zari for silk weaving. The cotton yarn, however, constitutes by far the most important inputs and the fate of handloom weavers rests on assured supply of quality hank yarn at reasonable and steady prices, as nearly 60 to 62% of the total cost of fabrics is accounted for by cotton yarn. Some efforts have been made by the Development Commissioner (Handlooms) at the Centre and the Handloom Departments in the States to arrange the cotton yarn to the weavers by negotiations with the Indian Cotton Mills Federation, Bombay. This needs to be vigorously pursued. Steps should also be taken to set up more cooperative spinning mills of weavers.

(ii) During our field studies, however, it has come to our notice that the Mills, by and large, have not honoured their promises by creating indirect hurdles. Even the Cooperative Spinning Mills have not served the purpose for which they were set up. Their main motto has turned out to be making profits. It has been observed that even Weavers' Cooperative Spinning Mills in many cases are not producing hank yarn more than 50% of their production, though they were set up to bridge the gap between the supply and demand of hank yarn for the weavers. It has also

been observed that the yarn being produced by the cooperative spinning mills in Uttar Pradesh, Bihar and in certain places in Tamil Nadu is not directly made available to the weavers and is routed through their commission agents working at far off places.

(iii) We, thus, found that there is hardly any well organised system for the supply of vital raw-materials like yarn and other inputs needed so vitally by the weavers. The attempts made so far have proved to be half-hearted. At the grass root level, the prices of the inputs are increased as disproportionately that the products of the artisans become so costly that they are hardly marketable. Worse still in an industry employing 90% of the minorities, the vital raw-material such as yarn is controlled by the mills sector which manipulates its pricing and distribution in a way so as to render its cost prohibitive. Very often, yarn of required specification is not available in the open market and the poor weaver is left at the mercy of the middlemen or the master weavers. The production loss, thus, caused is put forth as an argument for increasing the production capacity in the mills sector.

In order to overcome the problem of availability of yarn required by the weavers at reasonable prices, we recommend that raw-material (Yarn) Banks should be set up by the State Government either through State Cooperative Federations or Corporations operating in this sector. The mills in private as well as in cooperative sector must produce full quota of Hank Yarn and at least 80% of their produce should be sold to these institutions at prices fixed by the Committee to be set up by the Government of India. We also recommend that to enable these institutions to take up this function liberal finance at cheaper rate of interest be made available to them.

95. Marketing support for their products has hardly been forthcoming. Most of the Corporations set up to develop the industry and to give them marketing support have often acted on the pattern of the middlemen. They supply the raw-materials and collect the finished products after payment of wages through the agency of master weavers or the erstwhile middlemen. Under the pressure of vested interests they do not deal with the weavers directly who continue to be at the mercy of middlemen.

We, therefore, recommend that the Corporations, Cooperative Federations and other organisations set up to develop the handloom industry should take full responsibility for providing work orders to the weavers and procure at least 75% of the cloth produced by them so as to leave them free to concentrate on their production programme.

96. Handloom development projects set up to help the poor weavers by providing necessary inputs, raw-materials and full marketing support by purchasing all the cloth produced by them, have also operated more or less on the same pattern. While they purchase the full requirement of cloth from the weavers covered by the projects, they do not purchase the

cloth from the cooperatives and the individual weavers. They, however, prefer middlemen. At the expiry of the project period, the weavers covered were to be organised into cooperatives which has hardly made any progress excepting in Tamil Nadu, Kerala and Orissa.

We, therefore, recommend that more and more areas, with concentration of weavers, should be covered by the handloom development projects which should be operated from the beginning under the cooperative sector to ensure that the weavers form their cooperatives after the expiry of the project period.

### (III) *Khadi and Village Industries*

97. During our field visits, we found that Khadi and Village Industries Commission (KVIC) has done some commendable work in the production and marketing of Khadi along with preservation and development of traditional village industries. In this context, particular mention may be made of the work being done at Sewapuri in Varanasi district of Uttar Pradesh under the auspices of the Saghan Vikas Kshetriya Seva Samiti. Its activities are spread over a big complex in which several units producing cottage match box, pottery, mangalore tiles, carpentry, oil ghanis, soap making from non-edible oils and lamp shades etc. were found running efficiently. The programme of shoes and chappals making was found to be particularly commendable as the products were of requisite quality and could be sold in the market at remunerative prices. We were also happy to see the successful running of oil ghanis where the oil was being extracted from mahua, neem and castor seeds, collected from the nearby villages for being used as raw-material for making soap.

98. During our visits to various units, we found that in addition to production, each one of the units was being utilised for giving training in the respective trades to the youth, a number of whom belonged to the Minorities from the nearby villages. We interviewed many of them in the match box making units, lamp-shade making units, soap making units and the units making mangalore tiles. Trainees in most of these units were being paid a stipend on daily basis of about Rs. 120 per month. In the nearby villages, we also met a number of artisans trained in the training centre at Sewapuri belonging to our target groups engaged in manufacturing shoes and chappals with the technical and financial help provided by the Samiti.

99. Availability of leather which is the main raw-material for shoe and chappal manufacturing by the artisans of Muslim and Scheduled Caste communities is one of the great problems accentuated due to non-collection of raw hides in the areas. Thus, many of the dead animals were being buried and the raw hide was being lost. The Samiti has organised a voluntary squad consisting of 10 to 12 persons to collect the raw hide from the neighbouring villages within the radius of 10 to 15 miles who after processing it by indigenous methods supply it to the artisans for making different types of shoes and chappals. This has been of immense help to the artisans engaged in this trade.

100. Due to the absence of traditional artisans who used to manufacture tiles for roofing the houses and had migrated to the urban areas, a lot of difficulties were being experienced by the villagers in roofing their houses. To meet the requirements, the Samiti had given loans and technical assistance to some of their enterprising trainees who had started a number of units for manufacturing mangalore tiles which were being sold to the villagers at reasonable prices. This helped in giving employment to some youngmen and supplying the requirements of the consumers who were facing a lot of difficulties.

101. We also came across a number of Muslim weavers in the nearby villages who were doing the work in their houses with the help and assistance given to them by the KVIC. Thus, we find that the role of the Samiti being run as one of the implementing units of the KVIC programme is commendable not only in production of goods of common consumption but also in training and helping the youngmen of the area in finding remunerative self-employment. The use of the locally available raw-material is particularly commendable as otherwise it was going waste. We wish that more such organisations were set up under the same kind of dedicated leadership as we met at Sewapuri.

102. In the Dhar district of Madhya Pradesh, we came across a unit in the weaving of woollen blankets sponsored by the Madhya Pradesh Khadi and Village Industries Board. The villagers did spinning of the yarn for making the blankets from the raw-wool given to them. The institution has, thus, covered a large area and has provided gainful employment to a number of male as well as female workers in different processes of making blankets. A scheme of moulding the statues of aluminium by using scrap wire material obtained from the Madhya Pradesh Electricity Board has also been implemented, providing employment to a large number of people.

103. In the district of Azamgarh of Uttar Pradesh, we visited several units of Muslim artisans who were helped by the KVIC in manufacturing footwears. They reported to us that due to the financial and raw-material assistance they were able to keep their production schedule, which helped them to increase their income.

104. We also visited a lime producing unit in this district which used locally available stone in large quantities as raw-material by heating process in a bhatti. It was claimed that the lime so produced is sufficiently strong and can last long.

105. After watching the implementation of the KVIC programmes in the field by a number of units, what struck us most was the fact that there are still dedicated and enthusiastic workers under the KVIC possessing character and integrity; and it is due to their devotion that some programmes are being

implemented successfully. Most of them had imbibed Gandhiji's teachings and were selfless and dedicated workers, devoted to the cause.

#### *Data Analysis*

106. During the course of our studies regarding the implementation of the KVIC programmes and the flow of benefits to the Minorities therefrom, we were impressed that except in the production of Khadi and certain other goods, the support of KVIC in obtaining requirements of the artisans, in the procurement and distribution of raw-materials and in the marketing of the products of the village industries was hardly substantial. Before we go into the causes and suggest remedial measures to overcome them we would like first to discuss in detail the extent of flow of benefits from these schemes to our target groups on the basis of the data which we have collected.

#### *Muslims*

107. To assess the flow of benefits from these schemes being implemented under the Khadi and Village Industries Programmes, our Research Teams visited 28 districts spread over 11 States\* and collected the necessary information in this respect.

108. The analysis shows that in the districts surveyed by us, out of 23,765 artisans covered under the KVIC programmes, 2174 were Muslims accounting for 9.15% of the total.

109. Out of 23,765 artisans, 5458 were under the cooperative sector of which only 44 were Muslims accounting for 0.81%.

110. Looking at the registration of units under the KVIC programmes, there were 10,450 units registered, out of which 301 belonged to Muslims accounting for 2.88% of the total.

111. Analysing the position of supply of raw-materials and other assistance in this respect we found that out of 5639 artisans who received assistance under the KVIC schemes, 83 were Muslims accounting for 1.47% of the total.

112. From the analysis of the flow of financial benefits, it is seen that out of 7400 artisans who received financial assistance, 99 were Muslims accounting for 1.34%. Similarly of Rs. 41.75 lakhs distributed, Rs. 2.21 lakhs was availed of by them, accounting for 5.28%. Their share, therefore, both in terms of beneficiaries and the amount received was much less than their population proportion.

113. Regarding the provision of subsidy for purchasing tools and equipments, out of 5846 artisans who received assistance in terms of subsidy 45 were Muslims who received Rs. 1,200 out of a total subsidy of Rs. 2.98 lakhs. Thus, their share in terms of beneficiaries is about 0.77% and in terms of amount received 0.40%.

\*1. Andhra Pradesh, 2. Assam, 3. Bihar, 4. Gujarat, 5. Haryana, 6. Kerala, 7. Madhya Pradesh, 8. Orissa, 9. Rajasthan, 10. Uttar Pradesh, 11. West Bengal.  
(For details please see Annexure VII.13).

114. KVIC also distributes grants for special artisans working under KVIC programmes, 3,614 of ghani etc. Out of Rs. 1.18 lakh grants distributed for such purposes, the share of Muslims was Rs. 2,000 accounting for 1.69% of the total.

115. Under KVIC programmes, new artisans are given training for different vocations and artisans in the trade are also trained for upgradation of their skills. Under these programmes, out of 1,436 persons who received training, 62 were Muslims accounting for 4.32% of the total.

116. From an overall assessment, we found that in the districts surveyed by us, 41,297 artisans received assistance under different beneficiary oriented programmes of the KVIC, out of which 1,777 were Muslims accounting for 4.30%.

117. Thus, under the KVIC programmes the Muslims artisans have derived less benefits. This appears to be primarily because of the fact that the KVIC programmes with the exception of leather work and shoe-making, cover mostly the traditional village industries like pottery, carpentry, blacksmithy, cobbler, telghani, lime making etc., which are traditionally the preserve of the artisans belonging to particular castes among the Hindus living in the villages. Muslims hardly figure among these professions. Even in Khadi weaving programmes, they do not come forward in large numbers because they are traditionally handloom weavers who have specialised in this job.

#### Christians

118. Our Research Teams collected necessary information from 5 districts spread over 4 States\* in respect of the benefits accruing to Christian artisans. The analysis shows that in the districts surveyed by us out of 1,4034 artisans, 2,548 were Christians accounting for 18.16% of the total. Out of 8,587 units, 81 were owned by them accounting for 0.94% of the total.

Out of 31 units under the cooperative sector, 3 Units were owned by them accounting for 9.68% of the total. Out of 458 beneficiaries of financial assistance, only one was Christian accounting for 0.22% of the total.

Out of Rs. 11.08 lakhs assistance given, only Rs. 50 was availed by them accounting for 0.01% of the total. Out of 1,231 trainees under TRYSEM Scheme trained, 265 were Christians accounting for 21.53% of the total. It is, thus, seen that very few units are owned by them and they have hardly availed of benefits from financial assistance.

#### Sikhs

119. Our Research Teams collected necessary information regarding benefits accruing to the Sikh artisans

from 7 districts spread over 3 States\*\*. Out of 13,542 artisans working under KVIC programmes, 3,614 were Sikhs accounting for 26.69% of the total artisans. Out of 13,542, 293 artisans were working in the cooperative fold of which 217 were Sikhs accounting for 74.06% of the total.

120. There were 8,933 units registered of which 1,708 were owned by Sikhs accounting for 19.12% of the total units. Of these 29 units were operating under cooperative fold, of which 19 belonged to them accounting for 65.52% of the total units.

121. In the districts surveyed by us 388 artisans received assistance in shape of loan of Rs. 19.59 lakhs out of which 185 Sikh artisans received about Rs. 5.56 lakhs. In terms of beneficiaries, they accounted for 47.68% and in terms of amount received 28.39% of the total. Assistance in the shape of subsidy of Rs. 0.56 lakh was made available, out of which only Rs. 5,100 were availed of by them accounting for 9.01% of the total.

122. In the districts surveyed by us, grants amounting to Rs. 1.46 lakhs were made available to 388 artisans, out of which 185 Sikh artisans received grants of about Rs. 0.56 lakh. In terms of beneficiaries they accounted for 47.68% and in terms of amount 37.98% of the total.

123. Under the training programme, 1,363 people were trained, out of which 41 were Sikhs accounting for 3.01% of the total.

124. Thus, Sikhs have received substantial benefits under the KVIC programmes in most of the States where their population is less. However, in Punjab, their share as artisans and in ownership of units in cooperative sector was substantial but in availing of other benefits, their share was less.

#### OBSERVATIONS AND RECOMMENDATIONS

125. (i) Having, thus, analysed the flow of benefits to our target groups on the basis of the data collected by us, we would now like to make a few comments on the problems faced by the minorities in the Khadi and Village Industries Sector.

(ii) Looking at the total coverage of the artisans in this sector, out of an estimated 8 million artisans engaged in this sector, their coverage reached a figure of 13.16 lakhs only upto the end of 1980-81 as compared to the figures of the KVIC. This is inadequate particularly in carpentry, blacksmithy, village leather works, village pottery, cane and bamboos, etc.

(iii) Thus, a large number of artisans have not received the benefits of the development programmes of the KVIC. If these artisans have to benefit substantially the coverage of the programmes has to be increased to a very large extent in the coming years.

\*1. Bihar, 2. Kerala, 3. Madhya Pradesh, 4. Orissa.

(For details please see Annexure VII.14).

\*\*1. Bihar, 2. Madhya Pradesh, 3. Punjab.

(For details please see Annexure VII.15).

We, therefore, recommend that Khadi and Village Industries Commission at the national level and Khadi and Village Industries Boards in the various States should make concerted efforts to cover these artisans, especially living in village by fixing definite target date.

126. (i) With the quick change in consumer tastes, a village artisan finds no way of keeping abreast of the changing needs of the consumers. They are disorganised and dispersed. No institution exists to assist them in this respect. Their educational background make any attempt to reduce this gap even by short term courses very difficult.

(ii) The attempt made to help the artisans by organising cooperative societies have generally failed. On the contrary, the cooperatives have aggravated their difficulties because they are controlled, directly or indirectly, by vested interests. Thus a sizable number of artisans are at the mercy of money-lenders, traders, middlemen and unscrupulous social workers, who appropriate the fruits of their hard labour.

We, therefore, recommend that special efforts should be made to organise cooperative societies of the artisans working under the village industries programmes and also provide a separate channel of credit to these artisans. These societies should also provide them latest knowledge about techniques, designs, marketing intelligence etc. The goods produced by them should be procured by these societies and its marketing should be arranged through the channels of Khadi and Village Industries depots opened by the KVIC throughout the country.

127. There has always been a discussion on a common production programmes concerning the industries in this field since the beginning of the planning process but very little has been achieved in this direction. There is no clear cut reservation of production for industries under the KVIC. As a result, the organised sector, with its vast resources, continues to erode the base of cottage and village industries. Even wheresome protection for the KVIC sector has been stipulated, the same has not been brought into operation by many of the State Governments. For example, indiscriminate proliferation of bigger units continues much to the detriment of the KVIC units, as the State Governments have in many cases not regulated the establishment of rice mills in accordance with the provision of the Rice Milling Industry (Regulation) Act, 1958.

We, therefore, recommend that clear cut reservations should be provided in favour of the village industries covered by the Khadi and Village Industries Commission/Boards and its full implementation should be ensured by the State Governments. The purchase of some of these items for use, by the Government Departments, both at the Centre and the States, should be made obligatory.

128. (i) The flow of institutional finance to this sector has been considerably restricted due to the inability of the poor artisans to pay high rates of

interest charged by the banks. Paucity of funds has resulted in slowing down the activities of the KVIC institutions which is very much lower than warranted by the potential in the field.

(ii) Due to commercialisation of the economy, there is a keen competition for raw-materials and as a result a large number of institutions and artisans are facing difficulties in procuring raw-materials because it is concerned by the organised sector, in the season when the prices are low. In a chronic situation of shortage of basic inputs like coal, iron and steel the artisans find it difficult to procure them on their own. The formalities involved in obtaining the inputs put them beyond their reach. The artisans are willing to work; they possess the required skills; but for want of raw materials they remain unemployed for long.

We, therefore, recommend that credit arrangements and the interest subsidy provided for Khadi sector should also be extended to village industries sector. We also recommend that Khadi and Village Industries Commission/Boards should establish depots at the centres, which have concentration of these artisans, not only for supplying the raw-materials at reasonable prices but also to purchase the entire goods produced by them.

#### *Traditional Small Industrial Sector—General observations*

129. While making our observations on the flow of benefits to the Minorities in handicrafts, handlooms and village industries sectors, we have come across certain common features regarding the pattern of operation of these industries as well as the artisans working on them. We would, therefore, like to make our observations first regarding these factors before making our recommendations on the removal of constraints and bottlenecks to reach the benefits to the Minorities.

130. There are two types of artisans engaged in these industries. Firstly, there are those lakhs of village artisans who continue to render basic services to the village community as black-smiths, carpenters, potters, leather workers, tailors etc., who have so far survived despite the apathy, neglect and the opposition of the vested interest, because they are meeting some essential production and consumption needs. In many cases they have adequate local demand but are unable to meet these for want of raw materials, finance and other inputs. Demand and marketing in their case is not a constraint. All they need are inputs and other services to enable them to cash in on available opportunities. The vocation for them exists, demand exists, hereditary training system exists. Just a little assistance in the form of credit and the availability of raw materials required would enable them to earn their living.

131. Secondly, there are those artisans engaged in the handicrafts sector who are highly skilled in making fancy goods for use by affluent section in the country and abroad and the weavers of handlooms sector, whose products are not much in local demand. Their survival and expansion of their income depends on energetic outside marketing support. The success of

their vocation depends on trading operations involving procurement and supply of raw materials and sale of the finished products at remunerative prices.

132. The handlooms and the handicrafts of these artisans have a pattern of operation. At the apex is the exporter, who together with traders and financiers, undertakes the major entrepreneurial functions by providing necessary marketing support either by exporting the goods or by distributing them in different sale centres in the country and by providing finances required for production of these goods. Below him are the middlemen who utilise the finances made available to them by the Exporter-cum-Traders by providing tools and equipments and other inputs to the artisans who produce the goods but are paid the lowest. They work day and night to produce the goods and earn meagre wages of Rs. 8 to Rs. 10 per day.

133. The policy of Government is to encourage handicrafts, handlooms and village sectors but it is only of symbolic value. If we look at the total expenditure incurred, we find that during the last 30 years it is only 2% of the total Plan outlay; with such an approach what results can be achieved.

The traditional industries are a State Subject. The Industries (Development and Regulations) Act, 1951, which is a Central law for regulating industrial development in the country is used primarily for import substitution. The Director General of Technical Development set up under this Act evaluates the applications for industrial licences mainly from the indigenous angle and seldom considers the displacement consequences of the ventures on the existing industries in the traditional sector, which is a State Subject; yet the interests of the artisans cannot be protected by any State legislation as one State is not bound by the laws of the other. Here the Centre must intervene in some form or the other.

134. The common protection programmes advocated for many of these industries could not be introduced under pressure from big producers. Even minor attempts in this direction have not succeeded because the administration has always treated the traditional sector as an appendage. For example, the Textile Commissioner has a greater and more effective say in the evaluation and administration of textile policy than the agencies responsible for the development of handloom and khadi, though the policy is not to encourage further expansion of the capacity of cloth production in the mill sector. Similarly, in the matter of control over printing of fabrics for the mills, it is the Textile Commissioner and not the Handicrafts Board which has the last say in the matter.

135. It has been observed that in the matter of financing, the traditional industrial sector always get a step-motherly treatment. The institutional financing to these industries is practically non-existent. During the course of our visits to various districts we found that the composite loan scheme which was meant to help the artisans in these industries has been moving

at snail's pace as the banking and financial institutions have been shy of advancing loans under this scheme. Even in the handloom sector where there is a scheme for providing working capital finance to the weavers at subsidised rates of interest, credit is non-existent to this sector due to the cumbersome procedure laid down.

136. We have already seen that the Development Corporation set up by some State Governments have not succeeded in replacing the middlemen; they are working more as traders and exporters. This is due to the fact that they do not have a well-knit country-wide or State-wide organisation with well defined chain of command from the village to the block level, from block to the district, and from district to the State level, which can act in a concerted manner to meet the growing demands of inputs, raw-materials and marketing needs of the products of the artisans. The skeleton and inadequate staff deployed by them in particular pockets and areas of their interest, have not served the larger objective of making the artisans self-reliant and prosperous.

137. The artisans are poor, illiterate and live mostly either in the remote villages or in the congested pockets of urban areas. Their enterprises can succeed only if all the services involving supply of raw-materials and inputs as well as the marketing support and their credit requirements are given to them at their door-steps. Thus, an integrated administrative structure which can meet all these requirements is a must; a concerted effort for this purpose is called for.

## RECOMMENDATIONS

138. Thus, we find that the success of the traditional industrial sector and the ventures undertaken by the artisans engaged in these industries depends on five fundamental requirements :—

- (a) An integrated administrative infra-structure to ensure flow of adequate credit and other inputs;
- (b) Adequate supply of raw-materials;
- (c) Facilities for marketing of products;
- (d) Legal support; and
- (e) Policy support.

### (a) *Administrative Measures*

#### 1. *General*

To create a well-knit administrative structure in order to provide all the services and inputs to the artisans of whom more than 60% belong to the Minorities, we need a chain of functionaries from the village to the block level and from the block level to the district level, who can initiate concerted action to assess the requirements of tools and equipments, other inputs and raw materials and to procure and supply them at reasonable prices. They can also perform the functions of procuring the finished products of the artisans at remunerative prices which can be sold locally at the district or at the State level.

(i) We, therefore, recommend that the block level implementation machinery suggested by us in the earlier Chapter\* should be strengthened for implementation of the industrial sector by providing one or two Extension Officers depending on the requirements of each block, based on the number of artisans and the quantum of goods produced, who should function through a chain of village level workers whose primary job should be to provide the inputs, raw-materials and technical support at their door-steps and to help them in marketing their finished goods.

(ii) To facilitate the marketing of goods produced by the artisans, we recommend that the Rural Marketing Centres should be established in each block. The goods purchased by the marketing centres in the block should be sold either at the district level or at the State level through the chain of show rooms, sale depots and emporia wherever they exist. More and more sales emporia and depots should also be established to facilitate the sale of these goods.

(iii) We recommend that the Rural Marketing Centres so organised at the block level should have adequate technical staff in each block and ensure the quality control of the raw-materials as well as procurement of finished goods and adequate storage space. Rural Marketing Centres in turn should be linked with the District Marketing Centres which must have adequate staff to perform similar functions at the district level.

(iv) We recommend that at the district level, the District Marketing Centres should handle the work relating to technical support, raw material supply, credit flow and marketing arrangements for the finished products in this sector, which should form an integral part of the management of the District Industries Centres. The District Marketing Centres should be linked to the State level corporations, which also must be linked finally to the national level handicrafts and handloom boards and other marketing outlets for performing the critical functions in specific areas. Contact should be established with the foreign markets at the central level to ascertain their requirements and for exporting these goods.

(v) In order to ensure proper coordination with other departmental heads in the district, we recommend that the District Industries Centres should continue to be organised with the General Manager at its head and the subject matter specialists such as the credit, technical and marketing managers constituting the second layer to assist him. The District Industries Manager along with his organisation should also be placed under the Chief Development Officer, with other technical heads at the District level.

## 2. Flow of credit to the artisans

(i) We recommend that the flow of credit to the artisans in the whole block should be regulated through the block agencies, namely, the Block Development Officer, Assistant Development Officer and the Village Level Workers. The provision of funds for

industries under different head should be amalgamated at the district level in the credit wing of the office of the General Manager, District Industries Centres, from where it should flow to the artisans in the block depending on their needs and their requirements.

(ii) We also recommend that the payment to the artisans by Rural Marketing Centres should be made for the goods procured from them after deducting the loan instalments. Thus, linking the recovery of the loan with the procurement of the goods from them will solve the difficulty in the recovery of loans due to which the Commercial Banks are shy of advancing these loans to the artisans.

## 3. Industrial Cooperatives

(i) As Cooperatives instil confidence in their members and ensure adequate flow of benefits to them due to their participation in their management, we recommend that more and more industrial cooperatives and producers' cooperatives should be organised in each block inhabited by the Minorities by putting the Extension Officer incharge of Cooperatives. Easier capital advances and other facilities which have been provided by the different State Governments under different schemes must flow to the Minorities through Cooperatives of which they become members.

(ii) We also recommend that the cooperatives should perform their functions of providing credits, inputs, raw materials and marketing support to the artisans of Minority communities, who should become members of these cooperatives on a more effective basis. To ensure this, the working of the cooperatives should be supervised at the block level through the Extension Officer (Cooperatives) and at the District level by the District Cooperative Officers under the overall charge of the Chief Development Officer.

## 4. Artisans in Urban Areas

Our discussions on administrative measures will not be complete without catering to the needs of the artisans belonging to Minorities living in the urban and semi-urban areas.

(i) We recommend that a detailed survey of the areas predominantly inhabited by them should be done in the same manner as recommended by us for the rural areas. After identification of the artisans and the viable schemes for them, Cards should also be issued to them. Their requirements of raw materials, finances and marketing of their products should be looked after in the same manner as in the rural areas.

(ii) To ensure marketing of the products of the artisans in these areas, we recommend that Urban Marketing Centres should be established in the same manner as the Rural Marketing Centres in the rural areas. Wherever such Urban Marketing Centres are established, separate staff both technical and administrative must be provided to manage the work in the office as well as in the field. The payment to the artisans should be made immediately for the goods

\*Chapter VI—Rural Development.

procured from them after deducting the loan instalment advanced to them.

(iii) We have already seen that the flow of credit to the artisans is not adequate to meet their requirements.

We, therefore, recommend that the artisans should continue to be served under Differential Rate of Interest Scheme, Composite Loan Scheme and under Priority Sector Advances and adequate flow of credit to them should be ensured by linking the marketing of their products with the repayment of loans as suggested by us earlier.

(iv) We also recommend, that branches of commercial banks should be established in the urban areas inhabited by the artisans engaged in this sector which should have fixed targets to finance the artisans in the handicrafts, handloom and the khadi sectors under Differential Rate of Interest, the Composite Loan Scheme and under Priority Sector Advances. These targets should not be reduced under any circumstances.

(v) We recommend in addition that statutory co-operative societies should be established, with the artisans inhabiting particular areas, as members and all requirements of credit and other inputs of the members of the societies should be financed on a hundred per cent basis by these societies. The Government should ensure adequate flow of credit of these societies freely from Commercial Banks as well as from cooperative banks.

(vi) To ensure free flow of finance to the banks and the cooperative societies engaged in meeting the credit requirements of the artisans in the traditional industrial sector in the urban areas, consolidated credit requirements for each such area should be worked out on a yearly basis which should be consolidated for each district. The tie-up arrangements for arranging necessary finance should be finalised by the State Governments on this basis well in advance with the newly set up National Bank for Agriculture and Rural Development to avoid any difficulty in this regard.

(vii) We have noticed that at present the scheme of TRYSEM is not applicable to urban areas. We recommend that either a separate scheme may be evolved for catering to the requirements of the youth belonging to Minorities or we recommend that benefit under TRYSEM may be extended to these persons by applying TRYSEM to urban areas and catering to their special needs.

### 5. Protection Measures

Measures meant to protect the artisans have so far hardly succeeded due to their non-implementation by Government under pressure from big industrialists.

(i) We, therefore, recommend that effective measures should be taken to see that whatever protections

are required for the artisans are fully availed of by them. Steps should also be taken to prevent the organised industrial sector and the big producers from violating the laws, regulations and directives and taking advantage of the loopholes in them with the connivance of the officials.

(ii) With a view to implement this effectively, we recommend that a high level Coordination Committee should be set up to ensure proper implementation of the orders in this respect and to hear complaints and take proper remedial measures. To ensure this, the Committee should be provided with definite statutory powers.

### (b) Supply of Raw Materials

(i) We recommend that the Coordination Committee set up to ensure the implementation of protection measures must also be charged with responsibility of ensuring the free flow of required raw materials at reasonable prices to the artisans. The Committee should have statutory powers to fix the price of each raw material required by the artisans and to regulate its supply in adequate quantities.

(ii) To enable the institutions engaged in the supply of raw materials to the artisans at reasonable prices and also to help them to sustain the losses incurred due to fluctuations in prices, we recommend the creation of a "Price Fluctuation Fund" for the artisans initially by a lumpsum contribution by both Central and State Governments which may be supplemented later with the help of contributions made by the producers' organisations and cooperatives.

### (c) Marketing of the Products

(i) Marketing of finished products is the crux of the problem of the artisans especially in handloom, handicrafts and the village industries sectors. There is a dire need, therefore, to tie-up production and marketing arrangements in such a manner that the artisans get gainful employment and are not exploited.

(ii) With a view to ensure this, we recommend that the concerned Corporations and the cooperatives and other organisations set up for the purpose should take full responsibility for providing work orders, supplying the raw materials and procuring the finished products so as to leave the artisans free to concentrate on their production. For this purpose, corporations must have field organisations in each district which should be regularly in touch with the district and the block marketing centres to place orders and to procure finished goods.

(iii) For exporting the finished products of the industries, we recommend that a separate marketing organisation should be set up which should have linkage and tie-up arrangements, both with the institutions providing orders and procuring finished products from the artisans and craftsmen in the field, and with the institutions and organisations in the foreign countries with a view to ascertain the requirements of foreign consumers and markets.



*(d) Legal Support*

(i) We have already seen that existing laws are not enough to look after the needs of these industries.

We, therefore, recommend that steps should be taken either to amend the existing law or to enact a new legislation to safeguard artisans engaged in these industries. The proposed enactment should empower the Central Government for including in the Schedule specific industries where manufacturing should be reserved for the artisans exclusively. Power should also be given to the Government to regulate the flow of selected raw materials of vital interest to these industries.

*(e) Policy Support*

(i) The policy of the Government to encourage these industries has not resulted in any concrete action to help the artisans and in allocation of adequate funds for their development.

(ii) We, therefore, recommend the re-orientation of the priorities with a view to recognise these industries

as important both from the point of view of providing employment to Minorities as well as for supplying goods required to meet the consumer needs. This re-orientation must be reflected in the policy formulated by the Government for the development of these industries. Commensurate funds to meet the development needs of these industries must also be provided in each Five Year Plans on a realistic basis.

(iii) We also recommend that as Punjab, with a predominantly Sikh population, has received only about 2% of the vast funds allocated over the past 30 years of our planning for heavy industry, Punjab's case for more heavy industry (and especially the agro based industries like textiles and sugar) be considered with utmost sympathy, besides schemes for more power-generation like Thein Dam etc. (which was cleared after a period of 16 years, but sufficient funds have still to be allotted for it). The agricultural breakthrough has almost reached its peak and is actually on the decline. It is, therefore, even more necessary to divert the surplus and technically trained manpower of the Punjab to industry to avoid social and political upheavals of the kind we are witnessing presenting among the Sikhs.

## CHAPTER VIII

### THE ROLE OF FINANCIAL INSTITUTIONS

1. We have seen in the previous chapters\* how the flow of adequate credit is important for the welfare of the weaker sections, in particular the Minorities. As explained earlier, the sources of such credit are :

- (a) Public financial institutions like commercial banks and cooperative credit institutions which provide credit directly to the borrowers; and
- (b) The Corporations set up by the State Governments which act as middlemen and help in providing credit to the beneficiaries sponsored by them. In this category, we have selected—(i) State Financial Corporations, (ii) Backward Classes Corporations and (iii) Specialised institutions like Kerala Fishermen's Welfare Corporation for our studies on a sample basis, as they have a direct bearing on the credit requirements of the Minorities.

2. We analyse below the role of these institutions in this regard :

- (a) Public Financial Institutions

#### (i) COMMERCIAL BANKS

3. With the nationalisation of 14 major banks in 1969, a great fillip was given to the work of the banks in the fields hitherto considered outside their jurisdiction. Being controlled and run mostly by big business in the pre-nationalisation period, banks hardly considered it their duty to meet the legitimate credit requirements of the weaker sections. Nationalisation of the banks, therefore, *inter alia* aimed to achieve the following objectives :

- (a) encouragement to new classes of entrepreneurs;

- (b) provision of adequate credit for agriculture and small industries; and
- (c) extension of bank credit to areas hitherto neglected and backward.

4. As a result of the nationalisation, the nationalised Banks and the State Bank of India opened more rural branches and gave priority to the needs of the rural areas. The involvement of banks, with the people and with the implementing agencies of the Government, at the grass-roots level in the rural areas, became more widespread in the seventies when the concept of Small Farmers Development Agency (SFDA), Marginal Farmers Development Agency (MFDA), District Rural Development Agency (DRDA) and the District Industries Centre (DIC) etc. were introduced and the banks were entrusted with the special task of financing the beneficiaries indentified by these agencies.

5. With more specialisation, the banks formulated "District Credit Plans" in consultation with the District Development Agencies and the bank credit formed an integral part of the Plan projects in the rural areas. In addition, the different nationalised banks formulated their own special schemes, like Differential Rate of Interest Scheme (DRIS), Composite Loan Scheme (CLS) and other Schemes for priority sectors for extending credits to the weaker sections of the society and other eligible borrowers belonging to the poorer sections.

6. Differential Rate of Interest Scheme was introduced in 1972. Under it, credit is extended for productive purposes to the weaker sections of the community at 4% rate of interest per annum. A target of 1% of the total advances at the end of the previous year by each bank is fixed for the purpose of grant of loan\*\*. At least 66% of the advances under this scheme is to be routed through rural and semi-urban branches and 40% of the credit should flow to eligible borrowers belonging to the Scheduled Castes and Scheduled Tribes. This is indeed a most imaginatively helpful approach.

\*Chapter VI—Rural Development and Chapter VII—Industrial Sector.

\*\*According to a review undertaken by the Department of Banking on the basis of figures available till June 1981, as many as 14 banks were lagging behind in achieving the 1% target. Their names and percentage-wise performance are as follows :

UCO Bank 0.96, Canara Bank 0.51, United Bank of India 0.34, Dena Bank 0.73, Syndicate Bank 0.69, Allahabad Bank 0.74, Indian Bank 0.51, Bank of Maharashtra 0.86, Indian Overseas Bank 0.95, Andhra Bank 0.49, Punjab & Sind Bank 0.82, Vijaya Bank 0.76, Corporation Bank 0.79 and Oriental Bank of Commerce 0.70.

Banks which have exceeded the target are State Bank of India with 1.2%, Central Bank with 1.53%, Punjab National Bank with 1.40%, Bank of Baroda with 1.19% and Bank of India with 1.03%.

As at the end of December, 1981, total advances under the scheme was Rs. 255.57 crores benefiting 29,17,701 borrowers. This is 1.16% of the total advances made during the preceding year. The advances to the Scheduled Castes/Scheduled Tribes were to the extent of Rs. 123 crores benefiting 13,73,201 borrowers belonging to these communities. This constitutes 48% of the total amount disbursed under the D.R.I. Scheme during the year under reference. Out of the amount of Rs. 255.57 crores, Rs. 185.03 crores had gone to the rural branches, constituting 72.4% of the total advances made under the scheme at the end of December, 1981."

7. For the purposes of eligibility of loan, the annual income of a borrower should not exceed Rs. 3,000 in urban and semi-urban areas and Rs. 2,000 in rural areas. The size of the borrower's land-holding should not exceed one acre in the case of irrigated land and 2.5 acres in the case of unirrigated land. The restriction regarding the land-holding does not apply to the Scheduled Castes and Scheduled Tribes provided they satisfy other criteria. Under the scheme, persons engaged in agricultural and allied activities in the cottage and rural industries, etc. are also eligible to borrow.

8. Under the Composite Loan Scheme, financial assistance is extended to the people belonging to the weaker sections for setting up tiny and small scale industries in villages and towns with population not exceeding 50,000 as per 1971 Census. Artisans, however, can set up their units in towns with a population exceeding 50,000. On the basis of feasibility of the scheme, the Bank extends the loan at the concessional rates of interest upto a maximum of Rs. 25,000 which includes expenditure on working capital as well as for fixed assets. The repayment period is kept between 7 to 10 years with an initial moratorium period of 12 to 18 months.

9. \*Priority Sector Advances are given to meet the credit requirements of small agriculturists, small scale industries and other types of small borrowers such as artisans, self-employed persons, transport operators, etc. The loans are given through this scheme under concessional rates of interest which differ for different sectors.

10. Under Other Types of Advances, credit is extended by the Banks for productive purposes and business ventures at a higher rate of interest to large and medium scale industries, wholesale traders, importers and exporters, stock-brokers and other autonomous institutions.

11. All these schemes are bold and aimed at uplifting the poor, irrespective of caste or religion. Our Research Teams, therefore, collected the data scheme-wise for the different communities and have analysed their impact in the following pages.

#### *Differential Rate of Interest Scheme*

##### *Muslims*

12. The data regarding financial assistance received by Muslims under DRI scheme relates to 1953 branches (21%) out of 9309 branches located in 71 selected sample districts in 12 States\*.

\*(1) Assam, (2) Bihar, (3) Gujarat, (4) Haryana, (5) Kerala, (6) Madhya Pradesh, (7) Maharashtra, (8) Orissa, (9) Rajasthan, (10) Tamil Nadu, (11) Uttar Pradesh, (12) West Bengal.

(Please see Annexure VIII.1 for details).

\*\* (1) Assam, (2) Bihar, (3) Gujarat, (4) Haryana, (5) Kerala, (6) Madhya Pradesh, (7) Maharashtra, (8) Orissa, (9) Punjab, (10) Rajasthan, (11) Tamil Nadu, (12) Uttar Pradesh, (13) West Bengal.

(Please see Annexure VIII.2 for details).

† (1) Assam, (2) Bihar, (3) Gujarat, (4) Haryana, (5) Madhya Pradesh, (6) Maharashtra, (7) Orissa, (8) Punjab, (9) Rajasthan, (10) Uttar Pradesh, (11) West Bengal.

(Please see Annexure VIII.3 for details).

‡ (1) Assam, (2) Bihar, (3) Gujarat, (4) Haryana, (5) Kerala, (6) Madhya Pradesh, (7) Maharashtra, (8) Orissa, (9) Rajasthan, (10) Tamil Nadu, (11) Uttar Pradesh, (12) West Bengal.

(Please see Annexure VIII.4 for details).

13. The analysis of the loans given under this scheme shows that out of 290852 borrowers, 27357 were Muslims who secured loans amounting to Rs. 4.6 crores, out of Rs. 123.5 crores. Thus, in terms of borrowers, they constituted 9.41% and in terms of amount received 3.73% of the total.

##### *Christians*

14. The data regarding financial assistance received from the commercial banks by Christians relates to 2117 branches (21.7%) out of 9779 branches located in 74 sample districts in 13 States\*\*. The Christian beneficiaries numbering 4042 out of 304820, have received Rs. 24.7 lakhs out of Rs. 12,580.8 lakhs. Thus, they constituted 1.3% in terms of beneficiaries who received 0.2% of the total assistance.

##### *Sikhs*

15. The data on financial assistance given to the Sikhs under the DRI Scheme relates to 2026 branches (24%) out of 8423 branches located in 67 sample districts in 11 States†.

16. The Sikh beneficiaries numbering 11547 out of 285270, received Rs. 215.52 lakhs out of Rs. 12487.69 lakhs. Thus, they constituted 4% in terms of beneficiaries who received 1.7% in terms of the amount.

##### *Buddhists*

17. The data regarding financial assistance received by the Buddhists from the commercial banks relates to 176 branches (12%) out of 1455 branches in Bombay, Pune, Aurangabad and Nanded districts of Maharashtra.

18. Buddhist beneficiaries numbering 177 (2.2%) out of 8149, received assistance of Rs. 1.19 lakhs (2%) out of Rs. 66.08 lakhs.

#### *Composite Loan Scheme*

##### *Muslims*

19. The data on financial assistance given to the Muslims under Composite Loan Scheme relates to 1953 branches (21%) out of 9309 branches located in 71 selected sample districts in 12 States‡.

20. Its analysis shows that out of 30856 loans advanced, 1326 loans were given to the Muslims who received Rs. 0.4 crores out of Rs. 19.8 crores. Thus, in terms of borrowers they were 4.3% and in terms of amount, they received 2.02% of the total.

*Christians*

21. The data regarding financial assistance received from the commercial banks by Christians relates to 2117 branches (21.7%) out of 9779 branches located in the 74 districts in 13 States\*.

22. The Christian beneficiaries numbering 147 out of 33081, received Rs. 19.2 lakhs out of Rs. 2194.4 lakhs. Thus, they constituted 0.4% in terms of beneficiaries and 0.9% in terms of the amount.

*Sikhs*

23. The data on financial assistance given to the Sikhs under the Composite Loan Scheme relates to 2026 branches (24%) out of 8423 branches located in 67 districts in 11 States\*\*.

24. The Sikh beneficiaries numbering 2107 out of 32458, received Rs. 150.14 lakhs out of Rs. 2148.52 lakhs. Thus, they constituted 6.5% in terms of beneficiaries who accounted for 7% of the total financial assistance.

*Buddhists*

25. The data on Composite Loan Scheme collected from Greater Bombay shows 254 beneficiaries received Rs. 35.04 lakhs; no Buddhist was, however, a recipient.

*Parsis*

26. The data on Composite Loan Scheme with reference to Parsi beneficiaries was collected from the branches located in Greater Bombay only which has got 1.08% population of this community; Parsi beneficiaries numbering 6 (2.4%) out of 254, received Rs. 2.94 lakhs (8.4%) out of Rs. 35.04 lakhs.

*Priority Sector Advances**Muslims*

27. The data regarding financial assistance received by Muslims under Priority Sector Advances relates to 1953 branches (21%) out of 9309 branches located in 71 selected sample districts in 12 States†.

28. Its analysis shows that out of 1134905 loans which were advanced. 137105 loans were given to the Muslims who received a total loan of Rs. 46.7 crores out of Rs. 805.2 crores. Thus, in terms of

beneficiaries, they constituted 12.08% and in terms of amount 5.80% of the total.

*Christians*

29. The data regarding financial assistance received from the Commercial banks by Christians relates to 2117 branches (21.7%) out of 9779 branches located in 74 sample districts in 13 States‡.

30. The Christian beneficiaries numbering 12336 out of 1185647, received Rs. 667.5 lakhs out of Rs. 87706.9 lakhs. They, thus, received a share of 1% in terms of beneficiaries and 0.8% in terms of amount.

*Sikhs*

31. The data on financial assistance given to the Sikhs under the Priority Sector Advances relates to 2026 branches (24%) out of 8423 branches located in 67 sample districts in 11 States‡‡.

32. The Sikh beneficiaries numbering 47480 out of 1067362, received Rs. 6250.17 lakhs out of Rs. 85088.57 lakhs. They received 4.5% share in terms of beneficiaries and 7.4% in terms of amount.

*Buddhists*

33. The data on Priority Sector Advances relates to 176 branches out of 1455 branches in Greater Bombay, Pune, Aurangabad and Nanded districts of Maharashtra.

34. Under it, 34 Buddhists beneficiaries (0.12%) out of 27919, received Rs. 1.99 lakhs (0.03%) out of Rs. 7123.19 lakhs.

*Parsis*

35. The data on Priority Sector Advances with reference to Parsis relates to Greater Bombay and Pune in Maharashtra; Parsi beneficiaries numbering 80 (0.3%) out of 30347, received Rs. 80.33 lakhs (1%) out of Rs. 7372.09 lakhs.

*Other Types of Advances*

36. In 'Other Types of Advances' information was collected regarding various categories of big loans *i.e.* loans upto Rs. 50,000, between Rs. 50,000 to Rs. 1 lakh, between Rs. 1 lakh to Rs. 2 lakhs, between

\* (1) Assam, (2) Bihar, (3) Gujarat, (4) Haryana, (5) Madhya Pradesh, (6) Kerala, (7) Maharashtra, (8) Orissa, (9) Punjab, (10) Rajasthan, (11) Tamil Nadu, (12) Uttar Pradesh, (13) West Bengal.  
(Please see Annexure VIII.5 for details).

\*\* (1) Assam, (2) Bihar, (3) Gujarat, (4) Haryana, (5) Madhya Pradesh, (6) Maharashtra, (7) Orissa, (8) Punjab, (9) Rajasthan, (10) Uttar Pradesh, (11) West Bengal.  
(Please see Annexure VIII.6 for details).

† (1) Assam, (2) Bihar, (3) Gujarat, (4) Haryana, (5) Kerala, (6) Madhya Pradesh, (7) Maharashtra, (8) Orissa, (9) Rajasthan, (10) Tamil Nadu, (11) Uttar Pradesh, (12) West Bengal.  
(Please see Annexure VIII.7 for details).

‡ (1) Assam, (2) Bihar, (3) Gujarat, (4) Haryana, (5) Kerala, (6) Madhya Pradesh, (7) Maharashtra, (8) Orissa, (9) Punjab, (10) Rajasthan, (11) Uttar Pradesh, (12) Tamil Nadu, (13) West Bengal.  
(Please see Annexure VIII.8 for details).

‡‡ (1) Assam, (2) Bihar, (3) Gujarat, (4) Haryana, (5) Madhya Pradesh, (6) Maharashtra, (7) Orissa, (8) Punjab, (9) Rajasthan, (10) Uttar Pradesh, (11) West Bengal.  
(Please see Annexure VIII.9 for details).

Rs. 2 lakhs to Rs. 10 lakhs and above Rs. 10 lakhs. The communitywise position in respect of these loans is given in the following paragraphs.

#### *Muslims*

37. The Muslim beneficiaries numbering 27930 out of 159103 in the sample districts, received Rs. 16.52 crores out of Rs. 708.24 crores. Their share in terms of beneficiaries was here quite sizeable i.e. 17.6% but in terms of amount, it was merely 2.3%.

#### *Loans upto Rs. 50,000*

38. The Muslim beneficiaries numbering 27276 out of 133579, have received Rs. 5.95 crores out of Rs. 121.55 crores. Review of the position under this category shows that in terms of beneficiaries, they received 20% of the total and in terms of the amount, 5% of the total.

#### *Loans between Rs. 50,000 to Rs. 1 lakh*

39. The Muslim beneficiaries numbering 476 out of 14012, received Rs. 3.20 crores out of Rs. 111.32 crores. They received, thus, 3.4% in terms of beneficiaries and 3% in terms of the amount.

#### *Loans between Rs. 1 lakh to Rs. 2 lakhs*

40. The Muslim beneficiaries numbering 194 out of 3177, received Rs. 2.13 crores out of Rs. 36.67 crores. Their share under this category was 6% both in terms of amount and the number of beneficiaries.

#### *Loans between Rs. 2 lakhs to Rs. 10 lakhs*

41. The Muslim beneficiaries numbering 72 out of 2448, received Rs. 1.86 crores out of Rs. 151.20 crores. Their share was 3% in terms of beneficiaries and 1% in terms of the amount.

#### *Loans above Rs. 10 lakhs*

42. In this category there were only 9 Muslim beneficiaries out of 474, who received Rs. 2.40 crores out of Rs. 281.73 crores. Their share was only 2% in terms of beneficiaries and 1% in terms of the amount.

#### *Christians*

43. In 'Other Types of Advances', the Christian beneficiaries numbering 6460 out of 174285 in the sample districts, received Rs. 335.9 lakhs out of Rs. 73753.9 lakhs. They, thus, received 3.7% in terms of beneficiaries and 0.5% in terms of the amount.

#### *Loans upto Rs. 50,000*

44. The Christian beneficiaries numbering 6265 out of 140428, received Rs. 1.45 crores out of Rs. 126.53 crores. Thus, their share accounted for 4.5% in terms of beneficiaries and only 1.2% in terms of amount.

#### *Loans between Rs. 50,000 to Rs. 1 lakh*

45. The Christian beneficiaries numbering 105 (0.74%) out of 14179, received Rs. 0.28 crores (0.25%) out of Rs. 112.23 crores.

#### *Loans between Rs. 1 lakh to Rs. 2 lakhs*

46. The Christian beneficiaries numbering 67 (2%) out of 3216, received Rs. 0.52 crores (1.4%) out of Rs. 37.13 crores.

#### *Loans between Rs. 2 lakhs to Rs. 10 lakhs*

47. The Christian beneficiaries numbering 17 (0.7%) out of 2509, received Rs. 0.75 crores (0.5%) out of Rs. 152.55 crores. It may be mentioned that out of 17 Christian beneficiaries, 16 were of Kerala, who received Rs. 0.73 crores, out of the total amount of Rs. 0.75 crores given for the whole country. Their share came to 23.5% in terms of beneficiaries (out of 68) and 27.4% in terms of amount given (out of Rs. 2.66 crores) in Kerala.

#### *Loans above Rs. 10 lakhs*

48. Throughout India, 2 Christian beneficiaries (0.4%) out of 502, received Rs. 0.34 crores (0.12%) out of Rs. 288.44 crores. However, these 2 beneficiaries were from Kerala (12.5%) and received Rs. 0.34 crores (2.5%) out of Rs. 13.71 crores given as loans under this category in that State.

#### *Sikhs*

49. In 'Other Types of Advances', the Sikh beneficiaries numbering 10170 out of 157407, received Rs. 2443.52 lakhs out of Rs. 71267.78 lakhs. They, thus, were 6.5% in terms of beneficiaries and 3.4% in terms of amount.

#### *Loans upto Rs. 50,000*

50. The Sikh beneficiaries numbering 5534 (4.5%) out of 124035, received Rs. 4.10 crores (3.4%) out of Rs. 121.92 crores.

#### *Loans between Rs. 50,000 to Rs. 1 lakh*

51. The Sikh beneficiaries numbering 317 (2.3%) out of 13961, received Rs. 1.74 crores (1.6%) out of Rs. 111.19 crores.

#### *Loans between Rs. 1 lakh to Rs. 2 lakhs*

52. The Sikh beneficiaries numbering 143 (4.7%) out of 3036, received Rs. 1.42 crores (4%) out of Rs. 35.15 crores.

#### *Loans between Rs. 2 lakhs to Rs. 10 lakhs*

53. The Sikh beneficiaries number 128 (5.3%) out of 2440, received Rs. 2.70 crores (1.8%) out of Rs. 149.86 crores.

#### *Loans above Rs. 10 lakhs*

54. 23 Sikh beneficiaries (4.8%) out of 484, received Rs. 8.87 crores (3.2%) out of Rs. 273.90 crores.

*Buddhists*

55. In 'Other Types of Advances', Buddhist beneficiaries numbering 3 (0.06%) out of 5190, received Rs. 0.12 lakhs out of Rs. 2408.88 lakhs. All the beneficiaries here received loans upto Rs. 50,000 only. In this category, 3 Buddhist beneficiaries (0.07%) out of 4602, received Rs. 12,000 only (0.02%) out of Rs. 611.67 lakhs.

*Parsis*

56. In 'Other Types of Advances', Parsi beneficiaries numbering 156 (2.3%) out of 6751, received Rs. 351.80 lakhs (13.4%) out of Rs. 2634.87 lakhs.

57. Further classification of 'Other Types of Advances' is as follows :

*Loans upto Rs. 50,000*

58. In this category, Parsi beneficiaries numbering 119 (2.5%) out of 4724, received Rs. 71.69 lakhs (11.4%) out of Rs. 626.80 lakhs.

*Loans between Rs. 50,000 to Rs. 1 lakh*

59. The Parsi beneficiaries numbering 9 (3.6% out of 251, received Rs. 7.92 lakhs (5%) out of Rs. 156.58 lakhs.

*Loans between Rs. 1 lakh to Rs. 2 lakhs*

60. The Parsi beneficiaries numbering 7 (4.4%) out of 159, received Rs. 11.12 lakhs (7%) out of Rs. 160.37 lakhs.

*Loans between Rs. 2 lakhs to Rs. 10 lakhs*

61. The Parsi beneficiaries numbering 15 (9.4%) out of 160, received Rs. 46.82 lakhs (8.5%) out of Rs. 548.07 lakhs.

*Loans above Rs. 10 lakhs*

62. The Parsi beneficiaries numbering 6 (16%) out of 38, received Rs. 214.25 lakhs (22.3%) out of Rs. 959.51 lakhs).

*Overall Position**Muslims*

63. Taking an overall view, we find that the Muslim beneficiaries numbering 193718 out of 1615716, received Rs. 68.24 crores out of Rs. 1656.73 crores. Their share in terms of beneficiaries came to 12% of the borrowers who received only 4% of the total amount. Thus, though not in terms of beneficiaries yet in the amount received, their share was low.

64. The Muslims, however, have been recipients of loans almost in all categories. In the concessional types of loans, namely, the Differential Rate of Interest and Composite Loan Schemes, they figure in large numbers but their coverage is not adequate. The loans under these schemes are small and meant for people under lower income groups which should have been given generously to them since most of them

are engaged in small business, particularly in the urban areas. The coverage has, indeed, been very poor.

65. In the Priority Sector Scheme and Other Types of Advances, many of them have been able to get some loans. Their share in terms of the amount given, was, however, small and inadequate. They also figure in the loans of higher amounts upto Rs. 10 lakhs and above though their percentage coverage in these loans is also very poor.

*Christians*

66. The overall position in respect of different types of loans taken together indicate that Christian beneficiaries numbering 22985 out of 1697833, received Rs. 1047.3 crores out of Rs. 1762.36 crores. Thus, they received 1.4% in terms of beneficiaries and 0.6% in terms of the amount in both respects, their percentage is low.

*Sikhs*

67. The overall position in respect of different types of loans indicates that 71304 Sikh beneficiaries out of 1542497, received Rs. 9059.36 lakhs out of Rs. 170992.57 lakhs. Thus, they received 4.6% in terms of beneficiaries and 5.3% of the total loan.

68. Having regard to their population in our sample selected districts, their share was quite satisfactory in all categories of loans. They received substantial share in the Composite Loan Scheme, Priority Sector Advances and 'Other Types of Advances' which generally consist of bigger amounts.

*Buddhists*

69. The data collected shows that 214 Buddhist beneficiaries (0.52%) out of 41512, received Rs. 3.29 lakhs (0.03%) out of Rs. 9633.19 lakhs. Their share was, thus, low under almost all the schemes on the basis of the data collected from the four districts in Maharashtra.

*Parsis*

70. The overall position shows that 242 Parsi beneficiaries (0.5%) out of 46297, received Rs. 435.07 lakhs (4.3%) out of Rs. 10129.78 lakhs.

**OBSERVATIONS**

71. While analysing the flow of credit from the commercial banks to the minorities in the preceding paragraphs, we have seen that their overall coverage is inadequate, both in terms of beneficiaries and in terms of the amount given. Even under I.R.D.P., where the financing by commercial banks is obligatory, the position is not much different. Likewise the coverage of concessional finance under the Composite Loan Scheme and under the Priority Sector Advances, has also not been adequate.

72. This situation has resulted from a variety of organisational reasons. Firstly, the finance from the commercial banks has been mostly to big business,

with particular emphasis on the requirements of urban oriented commercial and industrial sectors. With the nationalisation of the banks, no doubt, this policy has been changed; but still the benefits have not percolated to the weaker sections, much less to minority communities. This is because the staff and officials incharge of the field operations are still not attuned psychologically to take the risk involved in investments required for these persons, which are not considered to be bankable proposition.

73. Secondly, even after large-scale expansion of the commercial banks in the rural areas, their coverage falls much short of their credit requirements. We found in hundreds of villages, inhabited by minorities, that these are not covered by any commercial bank. Even if a bank is located in a particular area, it has confined its activities only to traditional clients and made no effort to approach or cater to the needs of minority communities, scattered all round.

74. Thirdly, the fear that the loan advanced under Composite Loan Scheme, Differential Rate of Interest Scheme and Priority Sector Advances, may not be returned, as the ventures may not prove to be viable, has had an adverse effect on providing the necessary financial assistance to minorities. Again banks do not have adequate technical and administrative staff to guide these types of entrepreneurs who might be their potential beneficiaries. This often leads to insistence on security and guarantee which the persons belonging to the minority communities is particular and weaker sections in general are not able to arrange.

75. Fourthly, even in the branches which have been opened in the areas inhabited by them, adequate field staff for identification of beneficiaries and the recovery of loans has not been provided. This further hampers their operations in these areas.

76. Lastly, the bank officials, pressed as they are, to secure adequate return on the money advanced often do not see eye to eye with the district officials incharge of implementation of the different beneficiary oriented schemes under different sectors. They insist on fresh scrutiny of the proposals sent by the project authorities, which often results in delays and in non-sanctioning of the loans. Many persons belonging to the minority communities do not get any benefit under these schemes.

77. During the course of our studies in the districts, we also examined the functioning of the Rural Banks established to meet the credit needs of small and marginal farmers, rural artisans and landless labourers. We found that these banks were more effective though their coverage was limited and their power to disburse concessional finance to artisans was practically nil.

## RECOMMENDATIONS

78. With a view to enabling the minorities to derive full benefits from the liberal banking facilities being provided by the Government, we recommend that more

and more branches of the Commercial Banks should be opened in the areas inhabited by them. These branches should be provided with adequate staff, both office and field, to cover them extensively and sympathetically.

79. In the districts where Government has decided to open Rural Banks, the areas of concentration of minorities must also be specifically covered by opening branches of such banks, which should be authorised to offer finance at concessional rates of interest.

80. Commercial banks being the backbone for providing credit, have to play their role in meeting their requirements and cannot shirk their responsibility in this respect. We, therefore, recommend that the ratio of advances under the Differential Rate of Interest (4%) which is now fixed at one per cent of the total bank loans in a year should be increased to at least 2.5% so that a large number of people below the poverty line are covered by it, half of which should be reserved for the minorities, and the other half for the Scheduled Castes, Scheduled Tribes and other Weaker Sections.

81. A recent review of the implementation of the social banking, as made by the Reserve Bank of India\*, shows that by and large lending by banks has been done to classes that have some assets. In terms of numbers, the bias of social banking may seem to be in favour of the poor; but in terms of amounts disbursed it is the nonpoor, who seem to have bagged sizeable bank credit. We, therefore, recommend that loans should be advanced more liberally to the poor so as to meet the gap between the poor and the non-poor. Both the average size of credit and the share of credit to the poor needs to be boosted to maximise the benefit of such loans. In other words, cheap, timely and adequate supply of credit from banks must be ensured to the artisans and skilled workers of the minorities.

We also recommend that all forms etc. should be published in Urdu and the regional languages, including Punjabi, so that those literate only in these languages could also derive full benefits. They should be helped to fill up these forms and given other assistance and general guidance.

82. We have noticed that the representation of minority communities on the Boards of Directors of Banks is very poor. The members of the Board of Directors not only determine policies but also implement the programmes of the Government for betterment of different sections of our people. They also make recruitment of the officials at the middle and higher levels.

To enable, therefore, minorities to derive benefits from the schemes and programmes of these banks, we recommend that the Government, as a matter of policy, should nominate at least adequate number of Directors from the minority communities and must ensure that at least one such representative is always appointed to look after their interest.

\*The Economic Times, New Delhi—May 31, 1983.

### Minority Banks

83. As there is a strong feeling among the minorities that their share in borrowing from the existing commercial banks is not commensurate with their growing needs, and as the attitude of these banks is not helpful to them, they should be permitted to open their own Banks, which will not only generate more employment but also will be able to provide banking expertise to their respective communities; we see no reason why they should not be so permitted by the Reserve Bank of India either in the cooperative sector or otherwise. Much of the prosperity of the Punjab farmers was due to the credit made available to them by the Punjab & Sind Bank, which has lately been nationalised. A complaint was also lodged with us that a successful Muslim Cooperative Bank, based in Bombay, was not being allowed to open branches in Hyderabad and Delhi, in areas of Muslim concentration.

84. We recommend, therefore, that if the promoters satisfy other conditions, the minorities should be allowed subject always to the overall supervision of the R.B.I. to start their own Banks and allowed to recruit upto 75% of the staff from their respective communities. Alternatively, they should be encouraged to buy the existing private banks which are not doing well. Such banks will also emotionally satisfy the various minorities; they will encourage thrift and self-help among them and wean them away to industry and commerce rather than make them dependent on Government jobs and other odd and *ad hoc* assignments.

85. Another irksome constraint faced by them is that, inspite of the directives of the Reserve Bank of India to allocate 60% of the total deposits to the States concerned the Punjab has been allocated on an average, only 32% of its bank deposits, the rest being invested elsewhere. This should be rectified and the grievances of the Sikhs on this score be redressed.

### (ii) COOPERATIVE CREDIT INSTITUTIONS

86. Among the agencies involved in meeting the credit requirements of the agricultural and allied sectors, the importance of cooperative institutions can hardly be over-emphasised. Commercial banks and other institutions, no doubt, play their role, by direct lending to farmers & financing the primary cooperative societies in the rural areas; but the illiteracy and backwardness of our people in rural areas continue to inhibit them from taking full advantage of the facilities offered by the commercial banks and, therefore, it has become necessary to bring more and more people under the cooperative fold, not only to help them in being self-reliant but also to save them from exploitation by the money lenders and the middlemen.

87. The overall cooperative structure in our country is organised to meet the requirements of both the agricultural and the non-agricultural sectors. Agriculture is the mainstay of a majority of the people living

in the villages, most of whom are small and marginal farmers. They require credit assistance for short periods to meet the immediate needs of agricultural operations. They also require long term credits for infra-structure and improved machinery, etc. With a view to meeting these needs of the farmers, primary agricultural credit societies have been formed at the village level, which are controlled and supervised at the district level by the District Central Cooperative Banks, which in turn, are controlled by the Apex Cooperative Banks at the State level. To meet the requirements of long term credit, land development banks have been established at the district or sub-divisional level which are supervised and controlled at the apex level by the State Land Development Banks.

88. Among the non-agricultural credit societies the Industrial Cooperative Societies are important from our point of view as these cater to the requirements of the artisans and craftsmen belonging to the minority communities. We have already discussed their coverage, while discussing the requirements for Small Industries pertaining to Handicrafts, Handloom sectors etc. Here, we will deal with the assistance rendered by the Cooperative Credit Institutions as well as the extent to which the minorities have been able to avail of the benefits offered by them in the agriculture and allied sectors.

89. To become a member of the agricultural cooperative society, a farmer has to deposit the required share money. A number of such persons joining together can form a primary cooperative society. In some States these can be organised at the village level and in certain States at the Panchayat level. The members of the societies can avail of the following loans :

- (a) Maximum credit limit under short term loan is Rs. 10,000 with 14% interest and is repayable after six months in lumpsum. It can be given to those who have their own holdings. Short term loan is given both in kind and cash. Rs. 200 per acre is given in cash. Like-wise loan in kind upto Rs. 250 for Rabi crops and Rs. 130 for Kharif crops per acre is advanced to the owner cultivators.
- (b) Medium-term loan is advanced for three years and the maximum credit limit is Rs. 3,000.
- (c) Long-term loans are given to the farmers who require long term credit for provision of irrigation facilities, agricultural machinery, land improvement in the form of levelling etc. They can become members of the Land Development Banks which advance suitable credit to enable them to meet their requirements for the above mentioned purposes.
- (d) Under consumption loan, the maximum credit limit is Rs. 500 with an interest @13% and is repayable in three years in monthly instalments of Rs. 20. These loans are advanced for education, marriage,



disease, death and birth ceremonies and are given to those who do not own more than 4 acres of land or their income does not exceed Rs. 300 per month. These loans are available for those persons who have been given 'agricultural loan'.

- (e) Cooperative society advances loan to rural artisans under small industrial sector also to encourage them to increase their scale of business. Maximum credit limit is Rs. 1,000 with interest rate of 11% and is repayable after one year in lumpsum.

90. The rates of interest mentioned above are subject to the changes made by Reserve Bank of India or NABARD, from time to time.

91. As cooperative credit is generally advanced on the basis of the duration of the loans, we have collected data in respect of short term, medium term and long term loans advanced to our target groups.

#### Short Term Loan

##### Muslims

92. Under this category, data in regard to financial assistance given as loans by the Primary Credit Co-operative Societies have been collected from 37 selected sample districts spread over 11 States\*.

93. In the short term loan category, out of 12.21 lakh beneficiaries, 2.08 lakhs were Muslims who received Rs. 21.64 crores loan out of Rs. 132.92 crores. Thus, they accounted for 17% of the total borrowers who secured 16% of the total amount. Their share in these types of loans was quite satisfactory and compared well with their population percentage in the sample districts.

##### Christians

94. Under this category information was collected from 17 selected sample districts in India, spread over 7 States\*\*.

95. In the short term loan category, the Christian beneficiaries numbering 94,386 out of 6,89,908 received Rs. 1036.85 lakhs out of Rs. 7516.96 lakhs. In terms of percentage, their share accounted for 14% in terms of beneficiaries and 14% in terms of amount.

\* (1) Assam, (2) Bihar, (3) Gujarat, (4) Haryana, (5) Kerala, (6) Madhya Pradesh, (7) Maharashtra, (8) Orissa, (9) Rajasthan, (10) Uttar Pradesh, and (11) West Bengal.

(Please see Annexure VIII.31 for details).

\*\* (1) Assam, (2) Gujarat, (3) Kerala, (4) Madhya Pradesh, (5) Maharashtra, (6) Orissa, and (7) West Bengal.

(Please see Annexure VIII.32 for details).

† (1) Assam, (2) Gujarat, (3) Haryana, (4) Madhya Pradesh, (5) Punjab, (6) Rajasthan, and (7) Uttar Pradesh.

(Please see Annexure VIII.33 for details).

†† (1) Assam, (2) Bihar, (3) Gujarat, (4) Haryana, (5) Kerala, (6) Madhya Pradesh, (7) Maharashtra, (8) Orissa, (9) Rajasthan, (10) Uttar Pradesh, and (11) West Bengal.

(Please see Annexure VIII.34 for details).

@ (1) Assam, (2) Gujarat, (3) Kerala, (4) Madhya Pradesh, (5) Maharashtra, (6) Orissa, and (7) West Bengal.

(Please see Annexure VIII.35 for details).

£ (1) Assam, (2) Gujarat, (3) Madhya Pradesh, (4) Punjab, (5) Haryana, (6) Rajasthan, and (7) Uttar Pradesh.

(Please see Annexure VIII.36 for details).

##### Sikhs

96. The data relates to 19 selected sample districts spread over 7 States†.

97. In the short term loan category, the Sikh beneficiaries numbering 1,58,297 out of 6,13,492 received Rs. 3624.62 lakhs out of Rs. 7909.35 lakhs. In terms of percentage, their share accounted for 26% in terms of beneficiaries and 46 per cent in terms of amount.

##### Buddhists

98. The information on financial assistance given to the Buddhists through the Cooperative Societies could be collected from Chandrapur district in Maharashtra.

99. Under the Short Term Loan category, 446 Buddhist beneficiaries (2.2%) out of 20,443 received Rs. 2.08 lakhs (1.4%) out of Rs. 149.71 lakhs

##### Medium Term Loans

##### Muslims

100. The data has been obtained from 36 selected sample districts spread over 11 States‡.

101. In this category, out of 2.39 lakh beneficiaries, 0.37 lakhs were Muslims who received Rs. 5.53 crores loan out of Rs. 30.22 crores. Thus, they accounted for 15.5% of the total borrowers who received 18% of the total assistance. State-wise analysis shows that their share was satisfactory almost in all the States.

##### Christians

102. The data relates to 17 selected sample districts spread over 7 States@.

103. In the Medium Term Loan category, the Christian beneficiaries numbering 28,474 out of 1,79,641 received Rs. 298.70 lakhs out of Rs. 2368.07 lakhs. Thus, they accounted for 16% in terms of beneficiaries and 12.6% in terms of amount given.

##### Sikhs

104. The data relates to 18 selected sample districts spread over 7 States£.

105. In the Medium Term Loan category, the Sikh beneficiaries numbering 5505 out of 78,117 received Rs. 219.57 lakhs out of Rs. 1726.35 lakhs. Thus, they

accounted for 7% of the total borrowers who received 13% of the total amount advanced.

#### *Buddhists*

106. The data relates to the Chandrapur district of Maharashtra; under the Medium Term category, 7 Buddhist beneficiaries (0.44%) out of 1,584, received Rs. 4,000 (0.2%) out of Rs. 22.98 lakhs.

#### *Long Term Loans*

#### *Muslims*

107. The data relates to 31 selected sample districts spread over 11 States\*.

108. Analysis of the data shows that out of a total of 80,000 beneficiaries, 5700 were Muslims who received Rs. 2.32 crores loan out of Rs. 18.72 crores of loans given. Thus, they accounted for 7% of the total who secured 12% of the total assistance.

#### *Christians*

109. The data relates to 16 selected sample districts spread over 7 States\*\*.

110. In the Long Term Loan category, the Christian beneficiaries numbering 4780 out of 68,072 received Rs. 83.59 lakhs out of Rs. 1138.37 lakhs. Thus, their share was 7% in terms of beneficiaries and 7.3% in terms of amount given.

#### *Sikhs*

111. The data relates to 11 selected sample districts spread over 6 States†.

112. In the Long Term-Loan category, the Sikh beneficiaries numbering 4335 out of 49,458 received Rs. 638.09 lakhs out of Rs. 1207.36 lakhs. Thus, their share was 9% in terms of beneficiaries and 53% in terms of amount given.

#### *Buddhists*

113. The Buddhists received no assistance under long Term Loan in Chandrapur district of Maharashtra from where data in this respect was collected, though the total number of beneficiaries in this district was 2512 who had secured loan to the extent of Rs. 101.05 lakhs.

#### *Overall Position*

#### *Muslims*

114. Thus, taking an overall view, we find that the position of Muslims in securing agricultural loans from

the cooperative sector was quite satisfactory. The Muslim beneficiaries numbering 2.51 lakhs out of 15.41 lakhs, secured Rs. 29.49 crores out of Rs. 181.86 crores. Here they constituted 16% of the total beneficiaries who secured almost 16% of the total assistance given under this sector.

#### *Christians*

115. The overall position indicates that the Christian beneficiaries numbering 1,27,820 out of 9,37,621, received Rs. 1420.14 lakhs out of Rs. 11023.40 lakhs. Thus, they accounted for 13.6% of the total borrowers who received 13% of the total assistance.

#### *Sikhs*

116. The overall position indicates that the Sikh beneficiaries numbering 1,68,137 out of 7,41,067 received Rs. 4482.28 lakhs out of Rs. 10843.06 lakhs. Thus, they accounted for 23% of the total borrowers who received 41% of the total financial assistance.

#### *Buddhists*

117. Taking all types of loans in the selected sample district of Chandrapur in Maharashtra, 453 Buddhist beneficiaries out of 24,539 received Rs. 2.12 lakhs out of Rs. 273.74 lakhs. They, thus, accounted for less than 2% of beneficiaries and less than 1% in terms of amount.

#### **OBSERVATIONS**

118. A review of the position of minorities in this respect shows that till about 1951-52, cooperative credit institutions played almost insignificant role in providing credit to the rural sector; much less to our target groups. Primary credit cooperative institutions numbering 1.08 lakhs were widely spread out and met hardly 3% credit requirement. They generally lacked financial strength and organisational capacity. Many of them did little business and were running either at a loss or were just surviving.

119. Things, however, changed after the nationalisation in 1969, when the scheme of financing primary agricultural credit societies by commercial banks was introduced in June, 1975 in five States, and by the end of June, 1980, it was in operation in thirteen States. In these States, twentyfour commercial banks through their 735 branches financed more than 3115 societies in 128 districts. During 1979-80, commercial banks financed 2,000 societies by providing short term agricultural loans of Rs. 22.6 crores, besides medium term loans of Rs. 5.4 crores.

\* (1) Assam, (2) Bihar, (3) Gujarat, (4) Haryana, (5) Kerala, (6) Madhya Pradesh, (7) Maharashtra, (8) Orissa, (9) Rajasthan, (10) Uttar Pradesh, and (11) West Bengal.

(Please see Annexure VIII.37 for details).

\*\* (1) Assam, (2) Gujarat, (3) Kerala, (4) Madhya Pradesh, (5) Maharashtra, (6) Orissa, and (7) West Bengal.

(For details please see Annexure VIII.38).

† (1) Assam, (2) Gujarat, (3) Haryana, (4) Madhya Pradesh, (5) Punjab, and (6) Uttar Pradesh.

(For details please see Annexure VIII.39).

120. Despite these developments, credit gaps are large in certain areas, where neither cooperatives nor commercial banks had any organisation at the grass-roots level. Even here the organisation existed, it was not capable of satisfying the total needs of eligible borrowers. In particular, there was a significant gap in institutional arrangements in respect of small, marginal and sub-marginal farmers and other rural producers and artisans. During the last few decades of development, a lot of attention was paid to the building of primary agricultural societies, into strong and viable institutions but they continued to be weak and poorly managed though they grew in large numbers.

121. During our survey of the sample districts, we examined the working of the cooperative credit institutions. In Mewat area of Gurgaon district in Haryana, inhabited by Muslims, and in quite a large number of cases in other States, we came across societies which after initial organisation were hardly doing any business and had become defunct. Even where they existed, they were suffering from poor management and lack of adequate credit support from the higher credit institutions.

(ii) We have already seen how low and meagre their coverage is. During the course of our studies, we found that in a vast majority of cases the cooperative societies were advancing only short term loans of small amounts of Rs. 200 to Rs. 300, depending on the holdings of the farmers. The land development banks, on the other hand, were advancing loans of a long term nature for minor irrigation, for improvement of land and for purchase of machines etc; they had not advanced any loans to meet the other credit requirements of their beneficiaries.

(iii) Thus, it has resulted in many of the weak and poor borrowers in the rural areas to knock at other doors to get the full finance required for their projects. If one were lucky enough to get a long-term loan for installation of a pump set for irrigation through the land development bank, there was no guarantee that his increased requirements for working capital due to the introduction of irrigated cultivation, would be met. He was lucky if the cooperative which offered short-term loan to him also came to his rescue. Similarly, the cooperative credit channels which gave them only short-term loan often harassed them in such a way by giving them these loans in small and unproductive instalments that the borrowers had to run to the money-lenders for the balance. The consequence has been the defeat of the twin national policy of driving out the money-lenders and building a sound credit structure.

(iv) While analysing the flow of benefits to the artisans and entrepreneurs in the traditional small industrial sectors, we have seen the inadequate part played by the cooperatives in offering a package of assistance, including adequate flow of credit to the artisans. In fact, one of the areas neglected by institutional credit hitherto, is the traditional small industrial sector both in the rural as well as in the urban areas. So far all attempts for rural credit development have been confined only to agriculture,

animal husbandry and irrigation and in urban areas to more affluent sections. This lacuna has to be made up by organising more and more industrial cooperatives for the benefit of the artisans, most of whom belong to our target groups.

(v) Despite their great potential, cooperative institutions have not made much impact in this sector, primarily due to poor management and restricted flow of credit to the societies. Due mainly to these reasons, they have failed to provide the package of services so necessary for the success of the ventures in these sectors. As a result, the poor artisans continue to be exploited by the middlemen, both in providing raw-materials and in offering marketing support. The cooperatives have, indeed, failed to help them; but without them artisans and farmers cannot be salvaged from the clutches of the exploiting middlemen and money-lenders. Hence, a new reorientation in forming and running these cooperatives has to be done.

## RECOMMENDATIONS

122. The biggest advantage of the cooperatives, in our view, is that they ensure the participation of the beneficiaries, in the functioning of these institutions and in developing their confidence.

(i) We, therefore, recommend that the cooperatives should be organised in specific pockets and areas with large concentration of artisans and other functional groups belonging to the minorities, whose professions are of similar nature. Their proper working should be watched by the functionaries in the blocks and districts so that they are manned properly and meet the requirements of these groups. To ensure this, there must be a Government nominee on the management of the societies who should have a voice in decision making and must be held responsible for their proper working.

(ii) We also recommend that artisans in the rural and urban areas, particularly those belonging to our target groups, should be covered progressively by the industrial cooperative societies whose credit raw-material and marketing requirements should be met by these institutions. The best way of reaching them is through the cooperatives which must be involved in giving them purposive and productive-oriented credit. Assistance to artisans should be linked up with the marketing of their products which must be channelised through the cooperatives.

(iii) We recommend that the producers' cooperative marketing societies, which can play a significant role in marketing the agricultural products profitably and be a source of additional income to the farmers and our target groups, should be organised in large numbers to provide marketing support to the producers.

123. The scheme of financing the rural and the traditional small industrial sectors can succeed only if adequate finances are made available to the Rural Banks to meet the credit requirements of the borrowers and the cooperative credit institutions. The flow of such credit should not be a problem if marketing is linked to loan recovery as recommended by us in the previous chapter on the Industrial Sector and credit plans are drawn on realistic basis.

(i) We, therefore, recommend that credit plans for each sector should be prepared on yearly as well as five yearly basis and the actual credit needs based on such planning should be assessed for each district. The institutions to provide the required funds should be identified and tie-up arrangements finalised to ensure adequate availability of credit to these sectors.

(ii) In this connection, the tie-up arrangements with the NABARD, the bank for agricultural and rural development at the national level are extremely important. We, therefore, recommend that consolidated credit requirements of each district under different sectors should be intimated to NABARD in advance through the relevant channels at the district and the State levels and the money thus, made available by the NABARD should flow to the beneficiaries either through the Rural Banks or through the cooperatives, under the schemes being implemented and supervised by the Block level agencies.

#### (B) Assistance by State Corporations

##### (1) STATE FINANCIAL CORPORATION

124. The financial institutions other than the Commercial Banks and Cooperatives meet the requirements of credit in the industrial sector. The long term financing in the industrial sector is required for investment in new projects as also for renovations and modernisation of existing plants and machineries. In the organised sector, where considerable investment has to be made, State Financial Corporations generally meet the requirements of such credit. In addition they grant loans for acquisition of land, building, plants and machineries. They also finance small scale industrial units coming up in the backward rural areas. Moreover, other activities such as manufacturing, mining, hotels, road transport and even maintenance, assembling and repairing etc. of industrial establishments are eligible for assistance by these Corporations.

125. The maximum amount of loan which can be granted by the Corporations varies from State to State. The rate of interest also varies according to the size of the industry and the area where the industry is being established. The effective rate of interest varies from 11% to 15% depending on the nature of the borrowing unit. This was the rate prevalent when we conducted our studies. It might have undergone some change as it is subject to the stipulations of Reserve Bank of India, from time to time. The rate of interest in case of loans upto Rs. 25,000 under the Composite Loan Scheme is 9.5% for backward areas and 11% for non-backward areas. The loans are generally given for a period of ten years with a moratorium for the first two years.

126. Almost all the State Governments have set up such Corporations under their own laws. Their general supervision, direction and control vest in the Board of Directors which consists of the nominees of the State Government, Industrial Development Bank of India and the Reserve Bank of India, etc.

127. Though most of the activities of these Corporations are concerned with the financing of long term requirements of the bigger industrial undertakings, linked as they are for the availability of their finances, with Industrial Development Bank of India and Industrial Finance Corporation of India, they, however, advance some finances to the small scale industrial sectors also. We, therefore, collected information in respect of the activities of such Corporations from the States of Haryana, Karnataka, Madhya Pradesh and Orissa in respect of loans advanced by them to individual beneficiaries engaged in small business like ready-made garments, transport and other miscellaneous items. They also advance loans to the technically qualified persons under the Composite Loan Scheme.

128. The data in regard to assistance given by the State Corporations was collected by us for the Muslims and Christians. About the Sikhs, Buddhists and Parsees as they could not be easily identified by us from their names, we were not able to collect the relevant data.

##### *Muslims*

129. We obtained sample data about the Muslims from the State Financial Corporations of Haryana, Karnataka, Madhya Pradesh and Orissa. The Haryana Financial Corporation granted loans to 167 entrepreneurs, for establishing industries in the tiny sector, out of which 5 were Muslims accounting for 3% of the total borrowers and 2.5% in terms of the amount given as compared to their population percentage of 4% in this State.

130. In the case of Karnataka, the information relates to loans given for specialised schemes of business, like ready-made garments, transport and other miscellaneous activities. Out of 113 borrowers, 12 were Muslims accounting for 10.62% of the total beneficiaries. In terms of amount their share was 7.74% as compared to their population in this State, which is 10.6%.

131. In the case of Madhya Pradesh, out of 1,067 borrowers, 34 were Muslims accounting for 3.18% beneficiaries and in terms of amount given, their percentage came to 1.26 as against their population in this State, which is 4.4%.

132. Similarly, in the case of Orissa, out of 7,053 beneficiaries, 188 were Muslims which accounted for 2.67% beneficiaries in comparison to population in Orissa, which is 1.5%.

##### *Christians*

133. With regard to Christians, data could be obtained only from the Madhya Pradesh State Financial Corporation, which had sanctioned a number of industrial loans during 1980-81; of these 2 were Christian beneficiaries out of 1,067, they received Rs. 3.67 lakhs out of Rs. 3750.49 lakhs. Thus, they accounted for 0.2% of the total beneficiaries who secured 0.10% share of the total amount as compared to their population of 0.69%.

(2) **STATE INDUSTRIAL DEVELOPMENT CORPORATIONS :***Tamil Nadu Small Industries Development Corporation (SIDCO)*

134. This Corporation furnished us information in respect of only one scheme *i.e.* assistance to educated unemployed; it relates to the period 1973-74 to 1980-81 covering 340 beneficiaries, out of which 38 were Muslims accounting for 11.18% of the total beneficiaries.

(3) **BACKWARD CLASSES CORPORATIONS :***Andhra Pradesh Backward Classes Cooperative Finance Corporation*

135. This institution renders assistance to backward classes in Andhra Pradesh its population of backward classes is 50% of the total population. Most of them belong to occupational groups such as carpenters, blacksmiths, weavers, shepherds, fishermen, tailors, potters, etc. Some members of the Muslim community such as Dudekula, Laddaf, Pinjari and Noorbash have also been classified as backward classes in the State and are eligible for such benefits as are admissible to the other backward classes.

136. The Corporation provides margin money at 6% rate of interest to the extent of 20% of the total cost of the scheme and the remaining 80% is obtained from the commercial banks at the prevalent rate of interest.

137. The three schemes of which information could be collected were (i) Economic Support Programme for those whose annual income fall below Rs. 1,500 and who do not technically fall within the category of listed backward classes; (ii) Special Employment Scheme formulated by different departments, *viz.* Industries Department, Transport Department (Andhra Pradesh State Road Transport Corporation) and Animal Husbandry Department and (iii) Programme for Listed Backward Classes, which were implemented during the period 1975—80.

*Muslims*

138. Under these schemes, 130 persons benefited out of which 117 were Muslims accounting for 90% of the total assistance. Under the special employment scheme formulated by the Industries and the Animal Husbandry Departments of the State Government, benefit accrued to 205 persons out of which 33 were Muslims accounting for 16.10% of the total beneficiaries.

139. Under the programme for backward classes, so classified, out of 4,250 beneficiaries, 88 were Muslims accounting for 2.07% of the total beneficiaries.

*Christians*

140. In the above-mentioned three schemes, out of the total of 4,585 beneficiaries, 6 were Christians. Their share in terms of beneficiaries was 0.13% and

they had secured Rs. 0.68 lakh out of Rs. 172.29 lakhs; this came to 0.4%. Schemewise data was collected only for the beneficiaries. Under the Economic Support Programme, out of 130 beneficiaries, only 2 were Christians accounting for 1.54% of the total beneficiaries. Under the Special Employment Scheme, out of 205 beneficiaries, 4 were Christians, accounting for 2% of the total. Under the Programme for Backward Classes so classified, there was no Christian beneficiary.

(4) **KARNATAKA STATE BACKWARD CLASSES AND MINORITIES DEVELOPMENT CORPORATION :**

141. The main objectives of this Corporation are to assist the members of the backward classes and special groups to establish and develop village, cottage and small scale industries; they assist in the purchase of vehicles, auto-rickshaws, the running of provision shops or other small and petty business. They also help persons, engaged in other professions, such as doctors, engineers, accountants, etc. The Corporation provides margin money assistance to the extent of 20% if the amount of loan exceeds Rs. 10,000. It gives 30% margin money assistance if the amount is between Rs. 5,000 to Rs. 10,000. In the case of those projects where amount is below Rs. 5,000, the Corporation provides 50% margin money assistance; it bears 6% rate of interest.

142. The Corporation had advanced loans to 457 beneficiaries for the period from 1979 to 1981. The schemes/professions/business/crafts for which loans were advanced, were milch cattle, bullock-carts, sheep rearing, workshops for repairs, petty business like ready-made clothes, provision and grocery stores, etc.

*Muslims*

143. In the Milch Cattle, dairy and other agricultural projects, 35 Muslim beneficiaries (33%) out of 106, received Rs. 44,000 (39.3%) out of Rs. 1.12 lakhs.

144. In the Small and Petty Business Scheme, 122 Muslim beneficiaries (51.3%) out of 238, received Rs. 1.56 lakhs (57.4%) out of Rs. 2.72 lakhs.

145. In the Craft and Coir Shops business, 38 Muslim beneficiaries (59.4%) out of 64, received Rs. 39,000 (49.4%) out of Rs. 79,000.

146. In the Transport business, 21 Muslim beneficiaries (43%) out of 49, received Rs. 31,000 (38.3%) out of Rs. 81,000.

147. On the whole, Muslims beneficiaries numbering 216 (47.3%) out of the total of 457, received Rs. 2.70 lakhs (49.6%) out of Rs. 5.44 lakhs.

*Christians*

148. Under all these schemes taken together, there was only one Christian beneficiary out of 457, he was given Rs. 5,000 out of Rs. 5.45 lakhs. Thus,

the Christian beneficiary accounted for 0.22% in terms of beneficiaries and just 1% in terms of the total amount for all these schemes. However, the same Christian beneficiary received Rs. 5,000 out of Rs. 2.72 lakhs in the "small and petty business scheme"; in this category there were 238 beneficiaries. Thus, the percentage of Christian beneficiary came to 0.4 who was given 1.8% assistance.

(5) *KERALA FISHERMEN'S WELFARE CORPORATION LTD.*

149. The Corporation since its inception is implementing schemes of Housing, Insurance, Special Bus Service for marketing and Scholarships to Fishermen's children.

*Muslims*

150. Under the Housing Scheme, Muslim beneficiaries numbering 2,337 (23.4%) out of 10,000, received Rs. 9,348 (23.4%) out of Rs. 40,000. Under the Fishermen Insurance Scheme, 39 Muslim beneficiaries (9.2%) out of 422, received Rs. 2,79,000 (19%) out of Rs. 14,86,000.

151. Under the Special Bus Service Scheme where there were 246 beneficiaries, receiving in all Rs. 98,000, there was not a single Muslim. Under the Scholarship to Fishermen Students Scheme, 12 Muslim beneficiaries (2.5%) out of 483, received Rs. 3,600 (2.5%) out of Rs. 1.45 lakhs. Thus, on the whole, Muslim beneficiaries numbering 2,388 (21.4%) out of 11,151, received Rs. 2,91,948 (16.5%) out of Rs. 17,69,250. These percentages do not compare favourably with the population of Muslim fishermen which is quite high in Kerala.

*Christians*

152. The Christian beneficiaries numbering 3,165 out of 10,000, received Rs. 12,660 out of Rs. 40,000 under the Housing Scheme. They, thus, accounted for 31.65% both in terms of beneficiaries and the amount.

153. Under the Fishermen's Insurance Scheme, the Christian beneficiaries numbering 224 out of 422, received Rs. 6.30 lakhs out of Rs. 14.86 lakhs. Thus, they accounted for 53% in terms of beneficiaries, who received 42.4% share of the total assistance.

154. Under Special Bus Service Scheme, Rs. 98,000 was spent for 246 beneficiaries; all of them were Christians. Thus, they accounted for 100% both in terms of beneficiaries as well as the amount given.

155. Under the Scholarships for Fishermen's Children Scheme, 145 Christian beneficiaries out of 483, received Rs. 0.41 lakh out of Rs. 1.45 lakhs. Thus, their share accounted for 30% in terms of beneficiaries who received 29% share of the total assistance.

156. On the whole, Christian beneficiaries numbering 3,780 out of 11,151, received Rs. 7.83 lakhs out of Rs. 17.69 lakhs. They accounted for 34% in terms of beneficiaries and 44% in terms of assistance received.

**OBSERVATIONS**

157. These Corporations, we regret to state, have failed to ameliorate the conditions of Minorities and to help them to better their lives. While the State Financial Corporations are intended to serve all sections of society generally and are expected to cater to the needs of the big industrial ventures by providing long-term credit, these Corporations set up for the welfare of backward classes were intended to look after their welfare; in this respect they have been able to achieve little, with the result that Muslims and Christians who are classified as backward in the States of Tamil Nadu, Kerala, Karnataka and Andhra Pradesh, continue to suffer; these Corporations meant for their uplift, have not touched even the fringe of their problems.

158. One of the reasons for their failure has been total dependence on the Commercial Banks to advance credit for the ventures proposed by them for the Minorities; the Commercial Banks did little to advance credits for such ventures. The officials of these Corporations were either too ill-equipped and untrained to persuade the Commercial Banks in this regard or were too lethargic and uninterested to pursue them with devotion and dedication.

159. The other great handicap from which most of these Corporations suffer was the inadequate provision of the field staff to identify the needs, requirements and traditional skills of the beneficiaries and the nature of the ventures proposed by them, whether they were viable or not. During the course of our studies in the districts, we did not meet any official either of the Backward Classes Corporations or of any other specialised institutions who could clearly explain as to how they operate at the grass-roots level and as to how they mobilised credit for the beneficiaries. Lack of field staff, therefore, to organise and monitor the activities has been the biggest handicap of these Corporations due to which minorities were not able to derive benefits from them.

**RECOMMENDATIONS**

160. The objective behind setting up of these institutions is to create special organisations which should be responsible for helping the backward classes including the minorities to improve their economic conditions; it is, indeed, laudable and deserves to be emulated. We, therefore, recommend that the States which have drawn up the list of backward classes including from among the minorities, should set up such Corporations to look after their economic development and to render them necessary financial and technical assistance.

161. To make these Corporations successful, we recommend that adequate office and field staff should be provided to them in the areas of concentration of backward classes and minorities, who should be trained to guide them properly in undertaking economic ventures. The staff so provided, should also be made responsible for monitoring and evaluation of the projects undertaken and a periodic review of their performance should be taken.

162. Further, to ensure proper flow of finance to the beneficiaries by these Corporations, we recommend that once the beneficiary is identified, banks should

not hesitate to advance the necessary credit for the ventures recommended by them and the Corporation should be held responsible for recovery of the loan instalments from the beneficiaries.

163. To instil confidence into the minorities that the Corporations will implement schemes and projects for their benefit, we recommend that adequate number of their members should be appointed on the Board of Directors of these Corporations, as minorities should have a sense of participation in the activities of these Corporations.

## CHAPTER IX

### DISTRIBUTION OF ECONOMIC CONCESSIONS AND CONFLICTS DUE TO ECONOMIC DISPARITIES

During their field studies, our Research Teams received some evidence to suggest that the social tensions generated as a result of the urge of the people to avail of the fruits of economic progress after independence had resulted in conflicts and communal riots; this is also borne out by the findings of several independent commissions of enquiry. One of the major causes of these riots seems to be the economic rivalry and the jealousy between different groups which leads to fighting and results invariably in destruction of life and property.

2. What is the nature of these tensions and what are its causes? On the basis of our meetings and discussions with a wide cross section of the people in the country and our observations during our visits to various places, we gathered the following impressions :

#### (a) Rural Areas

(i) Huge investments made in the agricultural sector during the successive Five Year Plans have generated widespread economic activity in rural areas, offering numerous opportunities to our people. The Green Revolution following the availability of improved agricultural inputs and the technical equipments gave them substantial economic gains, improving the lot of the farmers. The beneficiaries were, however, the big and medium land owners and the conditions of the small and marginal farmers did not change much. The landless labourers still continued to languish. Some improvement in their lot, no doubt, took place and there were no starvation deaths as in the past. Even their per capita income has gone up, but still their poverty is too stark as not to worry us.

(ii) This, in turn, has been the major cause of their migration to the cities in search of employment. Those who remained behind either refused to work in the fields or their services could be obtained with great difficulty. All these factors have created many complications both in the rural and urban areas which have resulted in tensions of a kind hitherto unheard of.

(iii) The farmers and landlords belonging to intermediate castes who are the main beneficiaries of the green revolution have become aggressive in their behaviour. Being powerful, they organise repressive measures from time to time to force the labourers into submissions. They also import cheap labour from other States, creating further social and even political tensions. These lead to conflicts between the "haves" and the "have nots", the latter becoming increasingly assertive of their rights, social, religious,

cultural and economic, which the 'haves' are not prepared to concede.

#### (b) Urban Areas

(i) Huge investments made in the industrial sector during the successive Five Year Plans have also altered the urban scene. It has created not only greater opportunities for gainful employment to engineers, technicians and others but also led to the establishment of a large number of small and tiny industries supply the much needed ancillaries for the bigger units and offering employment to technicians, artisans and other skilled and unskilled workers.

(ii) The urban areas which were seats of traditional arts and crafts in the handicrafts sector and employed highly skilled artisans in the weaving industry, were also not untouched. These had a sizable Muslim population, large section of which comprise the artisans and craftsmen. They were either engaged in their traditional professions or took to working as technicians and mechanics. As a result, the economic stratification usually followed the pattern of Hindu being businessmen and Muslim being workers. The relationship though unequal was accepted by both sides as economically expedient.

(iii) This situation, however, changed after the sixties when due to increased export of these goods to foreign countries, the erstwhile craftsmen also started availing of the new opportunities and became small entrepreneurs. They, thus, started competing with their erstwhile masters and some of them by now have become businessmen of substance.

(iv) This situation led to increased requirement of workers who were enlisted from among the weaker sections from the villages, most of whom were either Muslims or Scheduled Castes. Thus the old economic stratification on communal lines broke down. Entrepreneurs were no longer necessarily Hindus and artisans and workers were no longer Muslims, though Hindu continued to be dominant among the traders and exporters and Muslims among the workers. The competition thus generated, among the various sections engaged in this business, had a particularly dangerous effect on the perceptions of some anti-social elements who exploited it for their selfish ends resulting in communal violence in the cities and towns. Thus truly secular economic changes have resulted, sometimes, in tensions and conflicts of a communal nature, as the pretext chosen to incite them were small incidents which were given religious colour. Even communal conflicts, which sometimes erupted between



Harijans and Muslims in the cities were largely due to economic competitions, but were exploited by anti-social elements on religious grounds.

(v) After a deep study of a number of such conflicts over the years, we are convinced that whatever the immediate provocation for the resultant violence, there has always been an underlying economic factor responsible for all such conflicts. Group rivalry over gaining the control of some economic ventures, differences over sharing the gains of some existing enterprises etc. have very often resulted in violence which has been given communal colour by interested groups. Further, prolonged nature of violence in most of the conflicts witnessed these days and the target-oriented destruction of property lends credence to the theory that these are not sporadic expression of communal anger but pre-planned operation with specific goals and targets in mind by vested interests. In our view, therefore, communal conflicts are more the result of the economic competition, which has often resulted in the majority community depriving minorities of their economic gains. Innocent lives were taken in this process to instil a sense of insecurity among the victims and destruction of their properties was aimed at uprooting them economically.

(vi) Such dangerous anti-social tendencies will have to be countered with firmness by law enforcing authorities. In this regard, the Prime Minister's latest directive, if faithfully implemented, should go a long way in controlling the situation and eradicating the evil.

(vii) We are distressed to point out that in spite of communal disturbances during the last three decades resulting in hundreds of deaths and loss of crores worth of property, very few persons have been punished so far. Punitive fines imposed collectively on the affected areas were never collected (except lately in Bihar), nor in riot-prone areas, property and human life insured at minimum premium. Compensation paid, if at all, was meagre, and given very late, haltingly and through cumbersome procedures which encouraged the miscreants on both sides to take the law into their own hands. District officials, incharge of the affected areas, were at best transferred not suspended. Inquiry Commissions were rarely appointed as a matter of course, but only after a lot of agitation and public outcry. Further, these commissions took their own time to make their recommendations which too, even though belated, were hardly implemented (except lately in Bihar). Even the recommendations of the National Integration Council in this behalf are yet to be implemented; most of them have been kept on the shelves in the North Block at Delhi.

(viii) While recommending the integrated administrative structure at the district level, we have already emphasised the imperative need of integrating the development wing of the district administration. We also recommend that the law and order machinery should be fully integrated in the District administration and Superintendent of Police must also be placed under the District Magistrate. In addition, the grass-

roots machinery for providing timely and adequate intelligence from the riot-prone areas to the Police Stations, should be revived and strengthened. Police Stations should be provided with staff to move quickly to the trouble spots and these should, in selected troublesome areas, be officered and manned by among other members of the minorities. Employment of adequate Constables and other supervisory staff and providing of official and residential accommodation, jeeps and motor-cycles to ensure fast mobility at short notice are the minimum requirements of the Police Stations for prompt preventive action.

(ix) Though we do not recommend that the rapidly growing communal organisations, both Hindus and Muslims, should be banned by law, strict vigilance should be kept over their activities by the Government, both in regard to their press statements and their public speeches and activities so that their potential for mischief is checked.

(x) All Newspapers and Periodicals which spread communal hatred and communal violence must be brought to book and the laws in this regard must be strictly enforced. Liberal advertisements should be given to the news papers in Urdu, Punjabi, and other regional languages so as to help them to propagate communal harmony and make them financially viable.

(xi) Finally solutions to these problems will have to be found in terms of equitable distribution of economic gains as a result of our developmental activities. We have already considered the nature of these problems and have made recommendations to reach the benefits of economic growth to the minorities in the rural areas by administrative and other structural changes in the implementation machinery at the grass-roots level. We have also suggested the steps required in the agricultural and allied sectors and in the traditional industrial sector to strengthen the economic base of the landless labourers and the artisans among minorities. Implementation of these measures will go a long way in mitigating their difficulties.

(xii) Before, however, discussing the solutions to the problems relating to the urban areas we will consider the benefits derived by the minorities from the opportunities available to them. A bird's eye view of the economic scene in the urban areas shows that they are either engaged in small business enterprises or work as daily wage earners and live on subsistence income. Firstly, we will consider the benefits being derived by small entrepreneurs among them from establishing small business, shops and other facilities which are sources of livelihood to a large number of Muslims and other minorities. Thereafter we will consider the benefits derived by the poorer sections from the opportunities available and the impact which it had on their socio-economic conditions with the help of data collected during our studies in some of the pockets in metropolitan cities and small towns.

(xiii) With a view to ascertain how far minorities have derived the benefits from the licences and quotas

issued by the Civil Supplies Departments of Governments in different States and have succeeded in establishing small business, shops etc. to earn their living, we conducted a survey of such licences issued; likewise our Research Teams surveyed the number of licences issued for running taxis, buses and trucks, auto-rickshaws etc. in the cities and what share the minorities have received from these. The housing schemes of the Government launched for the benefit of the weaker sections and others have been studied to ascertain the extent of benefits derived by them.

(xiv) It must, however, be clarified that the data analysed here pertain to urban and semi-urban pockets in the districts and in the big cities, where there is concentration of Muslims and other minorities. In that sense, it is fairly representative of their economic conditions; but it is not comprehensive.

*Distribution of Licences for ownership of small shops and dealerships by the Civil Supplies Department*

3. In most of the States, Civil Supplies Departments issued licences for distribution of essential commodities and have fixed quotas for such distribution in the urban areas. The establishment of shops have generated employment to a large number of people, including the minorities; it, therefore, has a direct bearing on their economic well-being. They can own these shops, employ their people and even help in the distribution of commodities to their people.

4. Similarly, they can also be issued licences by the local authorities for establishments, dealing in eatables and other articles of daily use; these can be easily managed by them and be a source of continuing income.

*Muslims*

5. Our Research Teams collected sample data from 73 districts spread over 14 States\* regarding the licences issued for the distribution of essential commodities by the Civil Supplies Department. It is seen that out of 3.50 lakh beneficiaries of these licences and quotas, 0.24 lakh were Muslims accounting for 6.97% of the total, as against their population of 14.73%.

They have also collected data regarding licences issued for small shops and other such establishments

from 18 districts spread over 9 States\*\*. It is seen that out of a total of 1.94 lakh such shops 0.24 lakh belong to the Muslims accounting for 12.25% of the total.

*Christians*

6. Our Research Teams collected information regarding licences issued for distribution of essential commodities by the Civil Supplies Department from 21 sample districts spread over 11 States†.

It is seen that out of a total of 85,124 beneficiaries of these licences and quotas only 1,949 were Christians accounting for 2.29%; there were no Christian beneficiaries in Haryana, Madhya Pradesh and Rajasthan.

The data collected from 12 districts spread over 9 States‡ regarding licences for small shops and other such establishments, shows that out of 1.59 lakh such shops only 667 belonged to Christians accounting for 0.42% of the total.

*Sikhs*

7. Our Research Teams conducted sample studies in 46 districts spread over 11 States@ and collected the information regarding licences issued for distribution of essential commodities by the Civil Supplies Departments. These show that out of 1,81,255 beneficiaries the number of Sikhs was 4,699, accounting for 2.59% of the total.

The data regarding licences issued for small shops and other such establishments collected from 15 districts spread over 8 States£, shows that out of 1.73 lakh such shops 2,123 belonged to Sikhs accounting for 1.23% of the total. Sikhs own a large number of small shops and other such establishments in a number of States outside Punjab and derived benefits therefrom. In Punjab, however, where they are concentrated, their share was not proportionate to their population.

*Buddhists*

8. The data regarding licences issued for distribution of essential commodities by Civil Supplies Department to Buddhists was collected from Pune and Ratnagiri districts of Maharashtra. It is seen that out of 3,061 beneficiaries of these licences and quotas 26 were Buddhists accounting for 0.85% of the total.

\*Andhra Pradesh, Assam, Bihar, Gujarat, Haryana, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal.

(For details please see Annexure IX.1).

\*\*Andhra Pradesh, Bihar, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Rajasthan and Uttar Pradesh.

(For details please see Annexure IX.2).

†Andhra Pradesh, Assam, Bihar, Gujarat, Karnataka, Kerala, Maharashtra, Orissa, Tamil Nadu, Uttar Pradesh and West Bengal.

(For details please see Annexure IX.3).

‡For details please see Annexure IX.4.

@Assam, Bihar, Gujarat, Haryana, Madhya Pradesh, Maharashtra, Orissa, Punjab, Rajasthan, Uttar Pradesh and Andhra Pradesh.

(For details please see Annexure IX.5).

£Andhra Pradesh, Bihar, Gujarat, Madhya Pradesh, Maharashtra, Orissa, Rajasthan and Uttar Pradesh.

(For details, please see Annexure IX.6).

Our Research Teams also collected data regarding the licences issued for small shops and other such establishments from Ratnagiri district of Maharashtra to Buddhists. It shows that out of 3,602 such shops 12 were owned by them accounting for 0.33%.

#### *Parsees*

9. In respect of Parsees, the data regarding licences and quotas issued by Civil Supplies Department was collected from 5 districts spread over 3 States\*. It shows that out of 31,000 beneficiaries of such licences/quotas, 71 were Parsees accounting for 0.23% of the total.

Our Research Teams have also collected data regarding licences issued for small shops and other such establishments from Ahmedabad district of Gujarat. It is seen that out of 1.35 lakh of such shops, 221 were owned by Parsees accounting for 0.16% of the total.

### TRANSPORT

#### *Muslims*

10. The analysis of the data collected from 62 districts spread over 13 States† shows that out of 1,06,110 permits issued for trucks, 18,038 were issued to Muslims accounting for 17%. Similarly out of 26,000 permits issued for buses, 4,524 were issued to them accounting for 17.40% of the total.

Analysis of the data collected regarding the ownership of auto-rickshaws, taxis and other small vehicles shows that out of 0.82 lakh permits issued for these vehicles, 0.17 lakh were issued to the Muslims accounting for 20.20% of the total.

#### *Christians*

11. Our Research Teams conducted studies and collected data from 31 districts spread over 11 States‡ regarding the grant of licences of various types of vehicles with a view to assess the benefits which have accrued to Minorities in this sector. The analysis shows that out of 78,665 permits issued for trucks, 4,657 were issued to Christians accounting for 5.92% of the total. Similarly, out of 17,849 permits issued for buses, 6,167 were issued to them accounting for 34.55% of the total.

Analysis of the data regarding ownership of Auto-rickshaws, taxis and other small vehicles shows that

out of 61,255 permits issued for these vehicles, 5,800 were issued to Christians accounting for 9.47% of the total. Having regard to their overall population in the sample districts their share in permits of all types of commercial vehicles is good.

#### *Sikhs*

12. Our Research Teams collected data from 56 districts spread over 13 States\*\* regarding the grant of licences of various types of vehicles with a view to assess the benefits which have accrued to our target groups in this sector. The analysis shows that out of 86,044 permits issued for trucks, 14,129 were issued to Sikhs accounting for 16.42%. Similarly, out of 10,269 permits issued for buses, 423 were issued to them accounting for 4.12% of the total.

Analysis of the data collected regarding ownership of auto-rickshaws, taxis and other small vehicles shows that out of 48,902 permits issued for these vehicles, 3,616 were issued to Sikhs accounting for 7.39% of the total. It shows that their share in permits issued for all types of vehicles is good not only in Punjab but also in other States.

#### *Buddhists*

13. Our Research Teams conducted field studies and collected data@ from Aurangabad and Ratnagiri districts of Maharashtra regarding grant of licences of various types of vehicles. The analysis shows that out of 4,133 permits issued for trucks, 8 were issued to Buddhists accounting for 0.19% of the total. Similarly, out of 997 auto-rickshaw permits only 8 were issued to them accounting for 0.80% of the total. No Buddhist was issued permit for bus, taxi and other vehicles.

#### *Parsees*

14. Our Research Teams collected data from 8 districts spread over 3 States£ regarding the allotment of permits to Parsees issued by the transport authority.

The analysis shows that out of 14,695 permits issued for trucks, 33 were to Parsees accounting for 0.22% of the total. Similarly, out of 381 bus permits issued 7 were to them accounting for 1.88% of the total. The share of Parsees in auto-rickshaws was 0.13%, taxis 0.69% and other types of vehicles 0.07%. It indicates that they have had good allotment of permits for different types of vehicles.

\*Gujarat, Madhya Pradesh and Maharashtra.

†Andhra Pradesh, Assam, Bihar, Gujarat, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal.

(For details, please see Annexure IX. 7).

‡Assam, Bihar, Gujarat, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Rajasthan, Tamil Nadu and Uttar Pradesh.

(For details, please see Annexure IX.8).

\*\*Andhra Pradesh, Assam, Bihar, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Punjab, Rajasthan, Uttar Pradesh and West Bengal.

(For details, please see Annexure IX.9).

@For details please see Annexure IX.10.

£Gujarat, Madhya Pradesh and Maharashtra.

(For details please see Annexure IX.11).

## HOUSING

15. Next to food and clothing, housing constitutes an important requirement of human beings. It is a typically labour intensive activity which generates much employment among the poorer sections. That is why the Government has undertaken a large scale programme of construction of houses for allotment to various sections of our population. To help the poorer sections in the villages, programmes have also been drawn up for allotment of house sites.

As a vast majority of minorities would be entitled to avail of the benefits under these schemes we decided to study what their share was in the different States on a sample basis.

The commonly accepted categories for whom houses have been built and allotments made belong to the following :—

- (i) Economically Weaker Sections (EWS).
- (ii) Low Income Groups (LIG).
- (iii) Middle Income Groups (MIG).

Our analysis will, therefore, be confined to the houses built under these three categories.

16. In each State and Union Territory, there are more than one agency engaged in constructing the houses or providing house-sites to the people. In such cases, total allotments made in each category by different agencies have been combined and the analysis has been done category-wise.

*Muslims*

17. The analysis of the data regarding housing programmes collected from 22 districts spread over 9 States\* shows that out of 1,21,447 houses allotted under all the three categories of housing schemes in the sample districts, 3,478 were allotted to Muslims constituting 2.86% of the total. Having regard to their population percentage in the sample States i.e. 9.27 their representation in housing programmes is very low.

Category-wise analysis of the data shows that under the EWS category, out of 95,519 beneficiaries, 2,691 were Muslims accounting for 2.81% of the total.

In the LIG category, out of 18,922 beneficiaries, 518 were Muslims constituting 2.74%.

In the MIG category, out of 7,006 beneficiaries, 269 were Muslims constituting 3.84% of the total.

All these figures clearly indicate that their share in every category has been very poor.

\*Andhra Pradesh, Bihar, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and Uttar Pradesh. (For details, please see Annexure IX.12).

†Andhra Pradesh, Bihar, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and Uttar Pradesh. (For details, please see Annexure IX.13).

‡Andhra Pradesh, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Punjab (Rural Houses), Rajasthan and Uttar Pradesh. (For details, please see Annexure IX.14).

*Christians*

18. The analysis of the data regarding housing programmes collected from 22 districts spread over 9 States† shows that out of 1,21,447 beneficiaries under 3 categories 566 were Christians, constituting 0.47% of the total.

Category-wise analysis of the data shows that under EWS category, out of 95,519 beneficiaries, 305 were Christians accounting for 0.32% of the total.

In LIG category, out of 18,922 beneficiaries, 188 were Christians constituting 0.99% of the total.

Out of 7,006 persons benefited under the M.I.G. category, 73 were Christians constituting 1.04% of the total.

The data shows that the percentage of Christians in this respect when compared with their population percentage in sample States works out to 1.58 which was low.

*Sikhs*

19. The data pertaining to Housing Programmes for Sikhs was collected from 20 districts spread over 8 States‡. It shows that out of 1,21,474 beneficiaries under all the three categories, 3,451 were Sikhs, constituting 2.84% of the total beneficiaries.

Categorywise analysis shows that in the E.W.S. category out of 99,435 beneficiaries, 3,097 were Sikhs accounting for 3.11% of the total.

In the L.I.G. category, out of 15,976 beneficiaries, 174 were Sikhs constituting 1.09% of the total.

In the M.I.G. category out of 6063 beneficiaries, 180 were Sikhs accounting for 2.97% of the total.

In the L.I.G. category, their representation was satisfactory. In the M.I.G. category also they had done well in all the States. No data was made available from Punjab under L.I.G. and M.I.G. categories. Keeping in view their population proportion of 2.08% in these States, their overall share was good.

*Buddhists*

20. Our Research Teams collected data pertaining to Housing Programmes from 4 districts of Maharashtra for Buddhists. It shows that out of 21,007 persons who benefited under the three categories, 1,287 were Buddhists constituting 6.13% of the total beneficiaries.

Categorywise analysis shows that in EWS category out of 19,922 beneficiaries, 1,264 were Buddhists accounting for 6.34% of the total.

In the L.I.G. category out of 1,063 beneficiaries only 23 were Buddhists constituting 2.16% of the total. In the MIG category, Buddhists had no share.

Keeping in view their population percentage in the sample districts (7.51%), their overall representation appears to be satisfactory.

#### *Socio-economic studies in urban pockets*

21. Quite a large percentage of the poorer sections among the Muslims live in compact localities in the urban areas known as 'mohallas' and 'basties' marked by congestion and unhygienic conditions. To ascertain the impact of the economic gains, as a result of the licences, quotas, housing and other opportunities available in the cities, on their living conditions, we conducted sample studies in some such pockets having concentration of Muslims in various States. During these studies, we collected data from the household, regarding family size, their income, employment, educational level, financial and other benefits availed of by them from the Government schemes under implementation. This has been consolidated State-wise and its analysis is given below :—

#### ANDHRA PRADESH

22. In this State, two pockets were selected in Hyderabad city for our socio-economic studies. In Ganganagar, in one of the pockets, about 300 families and in Jaya Guda, the other pocket, about 50 families live on unauthorised land, where no educational, medical or any other civic amenity was available. All the houses were made of mud with thatched roofs. Two public taps provided potable water for two hours a day. Only a few houses had electricity.

About 90% of the people living in these localities were Muslims and the rest were from Scheduled Castes. The average family consisted of six members. Over 65% of the population was illiterate; about 30% were educated upto the primary level and about 5%, educated upto Matric or Higher Secondary.

Majority of the people earned their living as daily wage earners and were rickshaw-pullers. About 10% had occupation as cobblers, or were engaged in making match boxes. A few had small stores selling articles of daily consumption. The average monthly income of the households, interviewed by us, was about Rs. 200 per month but 5% of the households had an income of over Rs. 400 per month.

About ten persons had secured bank loans for small ventures but the others were not even aware of the various schemes of the Government meant for their welfare.

#### BIHAR

23. We selected one of the mohallas in Bihar-Sharif in Nalanda district in this State, which has a population of about 1.5 lakhs. It had no educational, medical and civic amenities. People mostly lived in mud houses with thatched roofs. About 45% of the families belonged to the Muslim, and 24% were from

Scheduled Castes and the rest constituted weaker sections. The literacy level among them was about 45% and many of the Muslims knew only Urdu and had studied in Madarsas. The average family consisted of about six to seven persons.

Majority of the people were engaged in bidi making and handloom weaving, and other cottage industries, like making of foot-wear and other leather works. A few of them also did carpentry, blacksmithy, tailoring and other petty trades. Among the handloom workers, about 85% were Muslims and the rest were from Scheduled Castes.

The average monthly income of the households surveyed by us was about Rs. 200 per month but in some cases they had an income between Rs. 300 and Rs. 400 per month.

There was no training centre, adult education centre or any training institution for women in the area. A school set up by a Muslim voluntary organisation, two Madarsas and a private college, fulfilled the educational needs of the inhabitants.

Most of the inhabitants of the mohallas were not aware of the various government programmes for their welfare and none of them had availed of any bank loans.

In the absence of any uniform wage structure, bidi workers and handloom weavers were being exploited by the middlemen and the employers. The women workers were the worst exploited. In addition, a large number of handloom workers were idle for better part of the year for want of regular work, due to shortage of raw materials and other inputs.

#### KARNATAKA

24. We conducted studies in a few pockets in Bangalore city, namely, Hamid Khan Garden, Lachmayya Compound, Mohinpura, Veerangaja Khamosh Nagar, Sangh Sewa Sangla and Jai Nagar areas. No civic amenities were provided in these areas and most of the huts did not belong to the residents. About 80% of the households consisted of Muslims and the rest were from Scheduled Castes and other Weaker Sections. Residents of about 71% of the households surveyed by us were illiterate; 14.3% were educated upto the primary level and another 7% were educated upto the middle level and the rest about seven per cent upto high school level.

Majority of them were hawkers, domestic servants, butchers, automobile workers and daily wage earners engaged in agarbati and bidi making. The average income of the families was about Rs. 500 per month and the average family consisted of about six to seven persons. No one had received any assistance from the banks; or were aware of any Government Scheme.

There was no adult education centre, no school or training institute of any kind in the area.

#### KERALA

25. In Trivandrum we selected Beempalli pocket for our socio-economic studies. Ninety per cent of the

houses here were kacha, 20% were electrified and about 8% had drainage facilities. About hundred households out of one thousand belonged to the Muslims. Other 900 belonged to persons from the Scheduled Castes and other Weaker Sections, majority of whom were illiterate. There was a primary school in the area with a strength of about 300 students. In addition it had about 150 boys and girls attending a high school situated at a distance of about two kms. Among the inhabitants there were three graduates. Majority of the inhabitants in the pocket earned their livelihood as fishermen, though about forty to fifty households were also engaged in other jobs as bus conductors, traffic inspectors, police constables, petty traders, etc. Some of them also earned well and had better living standards. The average income of the households was about Rs. 200 per month.

About seventy persons received loans from Banks for construction of their houses and for buying boats. Others did not avail of any benefit from the assistance offered by the Government. The people were generally keen that their children should join some professional or vocational institution as they were not enthusiastic about sending them to schools. No such vocational institution, however, existed in the area.

#### MAHARASHTRA

26. In the metropolitan city of Bombay, we selected Madanpura and in Aurangabad city, we selected Kiradpura, Manzoorpura and Mission compound (inhabited by the Christians) for our socio-economic studies. Most of the people in these areas lived in dilapidated houses and huts constructed on unauthorised land. No drinking water, drainage/sewage facilities had, therefore, been provided to the area. Eighty per cent of the inhabitants were Muslims and the rest were from Scheduled Castes and other weaker sections. Average size of the family consisted of seven members in Bombay and of about four to six persons in Aurangabad.

Majority of the residents were daily wage earners, like vendors, carpenters, labourers, drivers etc. Some of them also owned petty shops and were petty contractors. The average monthly income of the residents in Bombay was about Rs. 500 per month and about 16% of the households had also income going upto Rs. 800 per month. Though some of them had received bank assistance, the majority of them were not aware of any government scheme for their welfare.

There were no adult education centres, women training centres or any other vocational institutes. Illiteracy was quite prevalent in Bombay as well as in Aurangabad. In these pockets only about 20% were matriculates.

#### TAMIL NADU

27. In Madras city, Hussain Nagar was selected for our socio-economic studies where 85% of the population consisted of Muslims. Five per cent were Christians and the rest were from Scheduled Castes and Weaker Sections. In the Coimbatore city, we

selected Sunnamukalvai where 75% of the residents were Muslims.

Both the pockets lacked civic amenities. While in Madras there were a few pucca houses, in Coimbatore only one-third of the houses were pucca. Some of the houses in both the cities were electrified but had no direct water supply. Average family in both the cities consisted of about six members. Over 45% of them were illiterate, 20% educated upto primary level and 24% upto the middle level and about 12 per cent upto Matric level and above.

Most of them earned their livelihood as taxi drivers, mechanics, bidi workers and daily labourers. Some of them were petty traders and owned small shops. The average monthly income in Madras city pockets was about Rs. 200 per month but about 10% of the households had income of about Rs. 400 per month. There were no adult education centres, women training centres or any other vocational training centre in these areas. Due to lack of technical training facilities, the younger generation did not possess any technical skill and were mostly unemployed.

Most of the residents in both the cities had not received any financial assistance from banks though some of them were aware of the schemes under which they could be provided such assistance.

#### UTTAR PRADESH

28. In Lucknow city we selected three pockets inhabited by a large proportion of Muslims and Scheduled Castes. About 10% households in these areas also consisted of weaker sections. About 90% of the households interviewed were staying in their own huts where no basic civic amenities were available. The average size of the family consisted of about five to six persons. Over fifty per cent of the households were illiterate but a few among them also had studied upto Matric.

Majority of them were daily wage earners, casual labourers, rickshaw pullers etc. Some Muslims among them also owned tea shops, small hotels, barber saloons, tailoring shops etc. The average income of the households was about Rs. 300 per month. None of them had availed of any benefits from any government scheme or was aware of it.

In Meerut city we selected two urban pockets. These also had no basic civic amenities. There was acute shortage of accommodation for people and the areas were most congested.

About 80 to 90% of the households consisted of Muslims and the others were from Scheduled Castes. Most of them were illiterate though some of them had education and there were a few graduates among them.

Most of the persons living in the area were daily wage earners whose average income was about Rs. 300 to Rs. 400 per month. Some skilled artisans among them, earned about Rs. 600 per month, but a large number were unemployed.

Majority of the residents were unaware of any government schemes for their welfare. None of them had availed of any loan from the banks.

## DELHI

29. In the Union Territory of Delhi, field studies were conducted in some urban pockets around Jama Masjid area like (i) Gali Kababian; (ii) Haveli Bakhtawar Khan; (iii) Kucha Faulad and Kucha Nahar Khan; (iv) Bara Hindu Rao; (v) Nabi Karim and (vi) Turkman Gate. In these pockets there was an average population of about one thousand families. Majority of them were Muslims. In Nabi Karim area there was a large concentration of the Scheduled Castes. These pockets were all very congested and almost all the houses were in dilapidated condition. Though civic amenities like drainage/sewerage, drinking water, electricity were available, due to heavy concentration of population, these fell short of requirements.

Educational institutions like primary and secondary schools, Government dispensaries in Allopathic, Homoeopathic and Unani medicines, girls training institutions in tailoring, embroidery etc. were available and catering to the needs of the people.

A sample survey of some of the households indicated that about 90% of the people inhabiting the area were Muslims and the rest were from Scheduled Castes. The average size of the each household was about 7—10 members. Most of the people were petty shopkeepers, owning grocery shops, pan-shops, small stationery shops, cloth shops, motor tools and other vocations. Women were mostly house-wives.

The literacy rate among children was low and the drop-out rate very high. The quality of education imparted was very poor and the teachers did not bother to take their work seriously.

The average monthly income of the each household was about Rs. 600 to Rs. 700 per month and about 5% of the households had an income of over Rs. 1000 per month.

About 15 households had secured some bank loans. Most of the households had little idea about the bank loans and other assistance provided by the Government agencies and departments. Some felt that a booklet containing detailed information about the welfare measures could be made available to them through information centres to be set up locally by Government or other voluntary agencies; it would help them to know what they had to do to get these benefits.

In a number of households the men were artisans engaged in cottage industries. The production and marketing was mostly unorganised and in the hands of the middlemen. Some of their products were being exported through middlemen who exploited the artisans and manipulated the prices to their advantage.

## OBSERVATIONS

30. Thus we find that bulk of the poorer sections living in specific pockets in the urban areas in different

cities belonging particularly to the Muslims and Scheduled Castes, who were at the lowest rung of the ladder had hardly taken advantage of the benefits available to them. They lived in conditions of abject poverty and ignorance. Facilities like schools, training centres, hospitals etc. were practically non-existent and they had no awareness of any government or other scheme for their benefit.

The average size of household in the pockets consisted of 6 persons most of whom were illiterate and had a monthly income ranging between Rs. 200 to Rs. 400. There were no basic amenities for them though the pockets were in existence for a decade.

31. No specific schemes had been framed for their welfare. On account of lack of concern, the problems of these people were becoming worse day by day. Economic deprivation was their main worry due to which they suffered untold miseries on all sides. They were exploited by unscrupulous and selfish elements not only economically but also on communal lines.

32. The licences for ownership of small shops and dealerships in public transport vehicles like taxis, buses, trucks, auto-rickshaws etc. had been issued to the better of persons among them having connection with influential people. The poorer sections living in these areas sometimes worked as shop attendants and drivers of the vehicles, for which they were paid on daily basis. But we did not come across any case in which they were the owners of any establishment or vehicle.

33. Our analysis of the data on housing shows that most members of the minorities particularly the Muslims had hardly been allotted houses in the big urban centres to meet their requirements. Not being aware of government schemes in this regard, they themselves did not participate in them or sometimes when some of them did, they failed to get the allotment as they did not know how to go about it and the officials were hardly helpful to them.

34. In our interviews with the Muslim leaders and the ordinary beneficiaries, we drew their attention to their low participation in the housing programmes. They explained their preference for living along with their kith and kin in the traditional neighbourhoods where they could carry on their trade or professions. They did not like the idea of being scattered which might make them insecure and hamper their professional work.

35. In certain parts of Hyderabad city, we studied the activities of the society set up by the Andhra Pradesh Government in 1978 known as "Society for Employment Promotion and Training in Twin Cities" (SETWIN). We were so much impressed by this programme of training and self-employment offered to a large number of beneficiaries belonging to the Muslim community and others who live in the old city of Hyderabad that we went into great details about its functioning. The scheme is worth emulating by other States. Its main objectives are :—

- (i) to provide self-employment opportunities through various programmes like Transport

Service, Home Service, Production Units and Complexes etc. ;

- (ii) to provide training in demand based skills to improve the skills of the unemployed;
- (iii) to start training-cum-production centres for providing employment to unskilled persons; and
- (iv) to provide training in large and medium scale industries to educated unemployed for their ultimate absorption in jobs on completion of training.

36. In accordance with these objectives a socio-economic survey was undertaken by this society to identify the need-based skills and the potentialities of the beneficiaries in the area. The survey report, which is a very detailed document, forms mainly the basis for formulation of different programmes by SETWIN. These are :—

#### *Training programmes :*

- (i) Undertaking training programmes which aim at providing opportunities to the unemployed to acquire skills in demand-based categories so that they are either able to get employment or create self-employment after the completion of their training;
- (ii) Organising some of these training programmes in collaboration with Hindustan Machine Tools;
- (iii) The training programmes range from three months to one year and the rate of stipend paid for training in various trades varies from Rs. 10 to Rs. 300 per month;
- (iv) The training programmes are time bound and the recruitment to them is made through open advertisements. In addition, lists of candidates from employment exchanges are also obtained; and
- (v) The Selection Committee consisting of experts and others decide the selection of candidates for these courses.

#### *Production Centres :*

- (i) To provide employment to the persons trained, they have started schemes like, T.V. assembling complex, carpet manufacturing complex, gem-production unit, leather garments manufacturing unit, ready-made garments tailoring unit, etc. We visited the leather garment manufacturing unit and ready-made garment, tailoring unit, which employed a large number of Muslim girls. We were much impressed by the skill of the girls employed as well as the quality of their products. When interviewed, most of them stated that they were gainfully employed and were satisfied with the work given to them.

- (ii) They also run special passenger bus service in the city of Hyderabad which employs about 450 drivers and mechanics and about 250 conductors. More than 70% of them were Muslims. We interviewed some of the drivers who stated that they were satisfied with the training and the job given to them.

- (iii) SETWIN has also started home service booths for giving jobs to unemployed technicians coming from poorer families. After their training in respective trades, which was mostly of a practical nature, the technicians had been employed in the booths which offered home service to the families living in particular areas.

The booths had been provided with telephones. Under this scheme, 28 home service booths had been set up in selected areas which helped to provide employment to 250 technicians besides assisting the general public in meeting their urgent home service requirements of repairing items like T.V., Radio, Scooters, Fridge and other electrical goods. Carpentry services for minor repairs and replacements in the houses had also been provided. We interviewed some Muslims engaged in this work. They stated that they were able to earn Rs. 400 to Rs. 500 per month and were satisfied with their lot.

37. We believe that this is a shining example of helping the Muslims and making them useful and earning members of our society. We recommend the setting up of such organisations in different centres, with sizeable Muslim population, throughout the country.

### 38. RECOMMENDATIONS

#### (a) *Inhabitants of urban pockets*

(i) To help the minorities and weaker sections living in specific pockets in big urban centres, we recommend that a comprehensive survey of such areas in the cities, which have a history of communal violence and other troubles, should be carried out, to determine the family size, extent and source of their income; their educational levels, traditional skills, housing and civic amenities available, including the provision of electricity, etc. Based on such surveys, specific area-based programmes to provide them with basic civic amenities along with provision of electricity, etc. should be formulated and implemented without delay.

(ii) We also recommend that the families living in these pockets should be given licences, for small shops, businesses, transport vehicles etc. on regular quota basis by the State Governments concerned. They should be provided enough loans from the commercial banks to incur non-recurring as well as recurring expenditure to run these ventures.



It should be ensured that quotas and licences in their names are not misused by others and are utilised by the genuine licencees for their own good. Periodical checks must be made by the urban area development authorities and misuse should be strictly prevented.

(iii) To provide more houses to the minorities we recommend launching of special programmes for them by the Government after a detailed survey of the localities where they live. In the new colonies to be provided for them, as a result of implementation of these programmes, all facilities for carrying their traditional business or vocation must be provided. For example, if the weavers are taken out from a particular pocket to a new colony, they must be given enough space for installing their looms and other facilities and inputs enabling them to carry out their vocation and help them in selling the cloth produced by them.

This was successfully done, during the Emergency, in Delhi, when the Muslims, uprooted from unauthorised places were rehabilitated in other areas, such as Khichripur, Mangolepuri, Inderlok and Nandnagari and given all facilities and opportunities for work. A plot of about 25 square yards per family was given to them. Other amenities like drinking water, electricity, roads, public transport, primary health centre, public conveniences, primary schools etc. were also provided. A number of small scale industrial estates were also established with a view to provide them opportunities of work near their places of residence.

(iv) While we would not like to encourage Housing Society for any particular minority we have no hesitation in recommending to the Government that in every housing scheme, a separate share should be specified for minorities (like the Janta Flats for weaker sections or house-sites for the Harijans and the landless).

The question of Parsis, however, should be treated on a different footing as their number is very limited and they are having only one such colony in Bombay for the last sixty years; they may be allotted separate plots; but care should be taken that only genuine allottees used the flats constructed on these plots for their use.

#### (b) *Urban artisans*

(i) We have already seen that a large percentage of minorities living in the urban areas are self-employed artisans and workers with traditional training and skills. While discussing their problems in the chapter on the Industrial Sector, we have already recommended the setting up of special cells in the District Industries Centres, which should be made responsible for providing them credit facilities, raw-materials and marketing assistance at their door steps by linking marketing with the recovery of loans.

(ii) We reiterate that these recommendations will go a long way in mitigating the hardships of a large section of artisans among the minorities in the urban areas; their proper implementation should, however, be ensured.

#### (c) *Unskilled Urban Unemployed*

(i) The minorities not endowed with traditional skills, will have to be trained in jobs which can give them gainful employment to enable them to become useful citizens. We have already seen in our discussions on the role of "Society for Employment Promotion and Training in Twin Cities" (SETWIN) at Hyderabad that the need-based training in skills and jobs urgently required by these young persons has enabled them to engage themselves in jobs and productive ventures and has provided them with opportunities to earn a decent living. Similar schemes on a country-wide basis will help considerably in ameliorating the economic conditions of minorities.

(ii) Recognising the immense potential of the scheme, we, therefore, recommend that such schemes be started in the big urban centres by the various State Governments on a programmed basis, after a detailed survey of the areas inhabited by them has been completed. The Centre should start such schemes on its own in the Union Territories as well as in the States to supplement the efforts made by the State Governments.

(iii) A list of Government welfare schemes should be prepared and given the widest possible publicity, especially in the English, Urdu and Punjabi newspapers so that the Minorities should be able to know what exactly are grants and concessions, such as permits, quotas, licences, loans, etc., being offered by the Government which they could avail of.

(iv) In the grant of loans for scooters, auto-rickshaws, taxis, etc., the mortgage of the property purchased with these loans should be enough guarantee for the banks to advance the entire amount of loan on concessional rate of interest. No fresh guarantee should be insisted upon in the case of minorities who are today among the weakest section of our population.

(v) We recommend that in the grant of quotas, permits, facilities, concessions, etc., utmost care should be taken that the minorities received their due and adequate share so as to help each of them to come up in the economic fields and to dispel the sense of discrimination prevailing among them.

(vi) We recommend that figures of different minorities showing their participation in various economic activities, including occupations, professions, services, etc. should be enumerated by the Registrar General and Census Commissioner for India, so as to get a correct picture of their economic conditions in different fields.

## CHAPTER X

### IMPLEMENTATION MACHINERY

While studying the socio-economic conditions of the minorities and the benefits which they could derive from the economic opportunities available, the absence of a suitable Government machinery to look after their interests and to coordinate the various economic measures meant for their welfare has struck us as one of the most important lacunae. At the Central level, the matter pertaining to the minorities are dealt with in the Ministry of Home Affairs—in the Internal Security Division with matters relating to Muslims, and in National Integration Division with minorities other than Muslims. In addition, both these Divisions are charged with several other responsibilities. After the recent directives issued by the Prime Minister, these are being centralised under a separate cell in the Union Home Ministry which is being headed by a Special Secretary. We welcome this step and feel that it will initiate a new approach to the redress of the grievances of minorities.

2. The Minorities Commission and the Special Officer for Linguistic Minorities appointed to look into some of their problems, do not have any statutory powers. They can investigate into the grievances of the minorities and only make recommendations to the Government.

3. As per the consensus arrived at in the Chief Ministers' Conference in 1961, the responsibility for the coordination of work regarding national integration including safeguards for linguistic minorities, was to be assumed by the Chief Ministers, who may be assisted in this task by the Chief Secretary. In addition, there should be a Special Officer in each State who will work under the direction of the Chief Secretary. In pursuance of this, various States have set up machinery at different levels of the administration. Various State Governments have also appointed their own Minority Commissions which are merely advisory bodies with no executive powers.

4. Our examination of the functioning of the Ministries at the Central as well as at the State levels has revealed that the main pre-occupation of the Governments has been to deal with the law and order aspect of the communal problems. Some attempts have also been made to take some special measures relating to national integration but the economic aspects of the problems of the minorities have hardly received any attention either at the Central or at the State level. Departments at the Central and the State levels, no doubt have implemented to some extent different programmes for the economic development of all sections of society, which include minorities, but no specific programme has been chalked out for them and no concerted effort made to tackle their problems imaginatively and boldly. Time has come when

we should get out of the set grooves and initiate new measures meant specially for their benefit.

5. We strongly feel that the Government should set up suitable and competent machinery, which will be able to implement not only these recommendations, but also become a watch dog for the interests of the minorities and the weaker sections.

6. As pointed out above, there are so many departments, commissions and committees dealing with the same problems and the victims of injustice and discrimination do not know whom to approach. They go from one department to another and each one passes the buck on to the other with the result that tensions are built up, gradually, over a period and these assume serious and threatening proportions endangering the fragile fabric of our national unity.

7. We understand and deeply appreciate the fact that ours is a country governed by secular and democratic laws, and therefore, no special concessions can be given to any particular section of our people only on the basis of religion. But even according to our Constitution, special concessions have been given to the most deprived sections of our society, namely, the Scheduled Castes based solely on the basis of religion. The Constitution also empowers the Government to protect the interest of the socially or economically backward sections, no matter how that backwardness originated or has become perpetuated.

8. In the State like the Soviet Union, there is a regular Ministry of Religious Affairs, although the State publicly professes atheism to be its creed. Necessary funds are allocated to the various churches not only to propagate religion, according to their own lights (without mixing it up with politics), but also to look after the various churches and their properties which are deemed to be precious cultural heritage. In the United States of America, as is evident from the well-known University of California *Vs.* Allan Bakke case (1980) the Court upheld the discrimination in admission to the University in favour of the less-fortunate negro applicant to the University, against a white candidate with better marks. The Race Relations Act of Great Britain and Canada and the Race Relations Commissions, intervene effectively both in the case of individuals and racial groups whenever any discrimination on the basis of religion, race, sex or place or origin or birth is practised by Government or even a private agency. Both in Canada and the United States, the aboriginal "Indians" have been allotted vast reserves for their exclusive use and benefit; and their property has been made exempt in certain cases.

9. In Canada, education is generally under the jurisdiction of provinces, but education of "Indian" is the responsibility of the Federal Government. These schools follow provincial curricula but are encouraged to provide special materials and programmes related to "Indian" heritage and culture. The Federal Government also provide a comprehensive programme of financial assistance and counselling services at the school and university levels.

10. Employment and relocation programmes offer on-the-job and in-service training facilities, relocation grants, counselling and follow-up services and mobility assistance. The development of leadership is encouraged through a variety of training and other programmes. An "Indian" Economic Development Fund only for a single year 1971-72 was funded to the tune of Rs. 40 crores which was disbursed in the form of loans, grants, loan-guarantees, technical and management advice and specialised training for the development of economic activity through the provision of basic infra-structures and professional and technical services. They have a population of only 2,57,000 today.

11. Similar funds are allocated by various Governments in the world for the cultural preservation and resurgence of minority cultures. They can buy time or are allotted time on the Radio and Television; they can also open their own schools and universities and their trust properties meant for social or religious work are exempt from all kinds of taxes.

12. We, therefore, strongly recommend that our Government should also establish a High Power Commission on Minorities and the Weaker Sections (including the Scheduled Castes and Scheduled Tribes and other Backward Classes), with suitable legal powers to hear and adjudicate upon all complaints brought to its notice either individually or collectively by the Minorities, Scheduled Castes, Scheduled Tribes and the other Weaker Sections. Its verdict should be binding on the Government. Once this is done, all other Commissions, Committees and Commissioners dealing with the problems of the minorities, scheduled castes, scheduled tribes, and the weaker sections should be abolished. Its annual reports should be place before Parliament. Its Chairman should have the status of a Union Minister and should be an ex officio Member of Planning Commission. It should conduct research, act as a liaison between Government and these sections, hold seminars, control distribution of scholarships to these sections, hear appeals against discrimination, institute inquiries (under the Commission of Inquiry Act, 1952) publicise and monitor benefits accruing to or available for these classes, keep liaison with the universities, technical institutes and employment agencies, both private and public, and supervise land reforms, etc., for the benefit of under-privileged classes.

13. If, for any reason, the Government finds itself unable to accept this recommendation, then a "Ministry for Minority Affairs and the Weaker Sections" (including the Scheduled Castes and Scheduled Tribes), should be constituted, both at the Centre and in the States, dealing exclusively with the problems of the religious minorities and the weaker sections. The Ministry of

Social Welfare and National Integration should also form part of this Ministry. It should be watch-dog of the Government for all funds allocated for their uplift, laws passed to ameliorate their lot or guarantees given in the Constitution, to dispel any sense of grievance or discrimination prevailing among them.

14. It shall also collect data on scientific lines about the employment opportunities available to them and to advise these sections accordingly. It should also analyse and publish data relating to educational facilities, self-employment, trade, industry and commerce pertaining to the target groups, and open special teaching institutes, etc., for them. Often, as we have repeatedly pointed out, these sections do not even know if any opportunities exist at all for them which they could avail of. It should hold seminars, institute scholarships, collect data, communitywise, in employment, both public and private, and suggest remedial measures to redress the imbalances, if any.

15. Just as the "Year of the Child", the "Year of the Women" and the "Year of the Disabled" have been observed by our country, the year, 1985, should be observed as the "Year of the Minorities and the Weaker Sections". The Government should highlight its achievements with regard to these under-privileged sections in this year, fill up the lacuna left in the implementation of its own commitments and assurances and educate the minorities and the majority, not only with regard to their rights but also responsibilities.

16. We want especially to emphasise the need for protective discrimination in favour of the Parsis, an infinitesimally small minority. Considering the number of Parsis in commerce and industry in the past, especially in Bombay and Gujarat, the benefits derived by them from the Commercial Banks appear to be very low. Their education is going down and so also their representation in the higher services. Their share in farming has declined considerably and their migration from the rural to urban areas has created new problems in employment and housing. Their share in the small scale industries, mainly due to lack of credit and other incentives, has dwindled. The housing shortage especially needs to be made goods by reserving plots or flats for their poor. As in the case of Anglo-Indians, who have been protected by the Constitution, the Parsis need equal, if not more, protection because of the patriotic role they have played.

17. The Government mass media like the All India Radio and Television, etc., should allot special time to propagate the ethos and moral teachings of various religions. The Government should also sponsor or subsidise suitable publications on various faiths and their impact on the Indian society through the centuries so as to remove misgivings in the minds of most Indians about the religious beliefs, practices and histories of these faiths and highlight the common bonds uniting the different communities.

18. The birthdays of the religious prophets should be celebrated as national festivals. Registered voluntary organisations promoting the cause of inter-religious harmony and having the backing and support

of responsible and distinguished citizens must be given every encouragement to carry on and expand their activities.

19. While re-naming roads and other public places, erecting statues or displaying paintings of the great ones of the past, care must be taken by Government that eminent leaders of all faiths should be represented in these ventures, as this has a great psychological impact on the minds of all people and leads to national cohesion.

20. Though our State is secular, it is not anti-religious. In fact, it seeks to give protection, respect and encouragement to all religions equally. This being so, we recommend that moral education based on the teachings of principal religions of India be taught at every level at School, and the common features uniting them should be highlighted.

21. At all Universities, a chair of comparative religions be established so that our people know better about each other's faith and mutual suspicions

and prejudices are removed. Our polity and economy will both be strengthened by our better understanding of each other's spiritual ethos and ways of life. We sincerely believe that in the unity of all religious communities lies the strength and prosperity of our motherland.

22. This report of ours on the Minorities has been the result of objective, sustained and often strenuous efforts on the part of everyone connected with the Panel and is being presented to the Government, in the firm belief that both the Centre and the States will implement them with the least delay and in the spirit of consolidating our secular character and removing all the prejudices that have been bedeviling the harmonious relations between the various religious communities. The Panel is confident that what we have recommended, if faithfully and honestly implemented, will go a long way in strengthening our national economy and in bringing about a genuine egalitarian society, which was the dream of the Father of our Nation.

(Sd/-)

Dr. Gopal Singh  
Chairman

(Sd/-)

Dr. Rafiq Zakaria  
Member-Secretary

(Sd/-)

Smt. Aloo J. Chibber  
Member

(Sd/-)

Arvind Netam  
Member

(Sd/-)

I. D. Jawahar Raj  
Member

(Sd/-)

Dr. J. Leon D'Souza  
Member

(Sd/-)

L. Bullayya  
Member

(Sd/-)

Lama Lobzang  
Member

L. R. Naik  
Member

(Sd/-)

N. C. Parashar  
Member



**PART TWO**

**MINUTE OF DISSENT**



L.R. NAIK,  
Ex-M.P.  
MEMBER

भारत सरकार  
गृह मंत्रालय  
अल्पसंख्यकों, अनुसूचित जातियों, जनजातियों तथा कमजोर वर्गों  
से सम्बन्धित उच्च-स्वरीय समिति  
GOVERNMENT OF INDIA  
MINISTRY OF HOME AFFAIRS  
High Power Panel on Minorities, S.C., S.T. & Weaker Sections  
4th Floor, Lok Nayak Bhavan, Khan Market,  
New Delhi-110003.

**Minute of dissent by L.R. Naik, Ex. M.P. and Member, H.P.P. in respect of Report on Minorities.**

I have not appended my signature to the Report on Minorities because I could not persuade myself to agree to some of the recommendations made in this Report.

While I am fully in agreement with the approach of the Prime Minister in her recent directive in which she has enjoined on the Ministries and the State Governments to ensure that benefits reach the minorities in substantial measure, I feel that some of the recommendations made in this Report go well beyond this and are in the nature of reservation for minorities which is not contemplated in the Constitution. It is only a wise and sensitive administrative approach at all levels that will extend full justice to minorities. Anything in the nature of reservation is fraught with grave risk. I shall now deal with some of the observations and recommendations made in the Report with which I am not in agreement.

In para 35 at Chapter II, there is an observation that officials have failed in their duty to give help and cooperation to the minorities, mostly because of their own communal prejudices. This is a totally unwarranted conclusion not based on any fact gathered by the H.P.P. so far as I am aware. In sub-para (xv) of para heading "Short-term Solutions" in Chapter IV, there is a recommendation that reservations should be made for minorities in technical institutions on the basis of their population. Under the Constitution, reservation can be made only for backward sections of the population and not for religious groups. I do not see the purpose of making a recommendation which cannot be implemented by Government.

In para 12 of Chapter V, it is observed that : "It is worth mentioning that while in the year 1977-78, the representation of Muslims went up (a Muslim incidentally was the Chairman for the UPSC in these years). In all the other years, the representation appears to be uniformly low . . . . .". Firstly, it is in bad taste to make reference to the religion professed by the Chairman of the UPSC as though he is in a position to manipulate the percentage of intake of Muslims. Secondly, when the term of the Chairman is for five years and when no reference is made to the recruitment levels achieved by Muslims in each of the five years in each of the civil services to which recruitment is made, what is the need to refer to the religion professed by a Chairman of that high organisation?

In para 112 of Chapter V, much is made of the difficulty in obtaining information concerning minorities in various private organisations. It is needless to labour this point for no organisation is required to maintain records showing the religious persuasion of its various members.

Among the recommendations made in para 126 Chapter V, there are many which smack of reservation. For example, sub-para 12 refers to "definite reservation" in various classes of services in the Centre and in the States. Sub-para 14 talks of a "definite quota" for minorities. My efforts at persuading my colleagues to agree to delete these references, which are patently unsustainable under the Constitution having failed, I have no other go but to express my disagreement with such recommendations.

There is a totally needless reference to the Provincial Armed Constabulary under sub-para 9 of para 124, Chapter V. There is no need for such a reference when the point is already made in sub-para 10. There is also



no need to make a reference to the interim report in sub-para 10 when the H.P.P. itself had agreed that the interim report was not to be processed by the Government. I am also not in agreement with sub-para 15—while I agree with the recommendation as such, I am not aware of any information gathered by the H.P.P. which warrant the observation that a large segment of communal elements have permeated the Government and other public sector services. I do not think that the recommendation at sub-para 20 should be made. There should be no requirement that data should be collected about representation of various minorities in services. For one thing, it will be difficult to define minorities and secondly it will divide rather than unite people. It is ridiculous to suggest as in sub-para 207 that the six-monthly reports should specify the number of minority candidates who applied and were rejected and the reasons for the rejection. I am not aware of any data with the H.P.P. which leads to the suggestion made in sub-para 22 that discrimination was in fact practised against many members of minorities. I am not aware of the steps taken by the H.P.P. to redress them “though our timely intervention”. While I can understand prior publicity in pockets of minority concentrations before recruitments and proper coaching, I cannot see how special recruitment can be made to recruit minorities in technical institutions, private sector, commerce and industry etc. as has been suggested in sub-para 23. The recommendation in sub-para 25 again is puerile. It says “technical, scientific and specialised jobs which are going abegging could be offered to qualified candidates from minorities and other weaker sections” as though something can be offered on a platter. While fair employment clause can be there to prohibit discrimination, how can minority representation in proportion to population be ensured in private undertakings (sub-para 27). This is not done even for Scheduled Castes and Scheduled Tribes.

I feel that by making impracticable recommendations of this kind, the H.P.P. has, instead of strengthening the hands of Government, only embarrassed the Government which set up the H.P.P. and done great disservice to the minorities.

In Chapter VI, para 51 (iii), there is a reference that ‘Sikh’ farmers have contributed to the green revolution in Punjab. I feel that the reference should be to ‘Punjabi’ farmers. I am not in agreement with sub-para (iv). Obviously lands legally in possession cannot be taken away. But what are the facts?

Obviously this has a reference to alienation of lands granted to various tribal beneficiaries by the Government of U.P. in the past in the Torai region of Nainital District. Our Research Team visited this area and made an elaborate enquiry regarding dispossession of tribals of their lands granted to them. The enquiry reveals that illegal possession holders are mostly Sikhs, ex-servicemen from hill areas and Bangalees refugees from East Bengal and they number 7861 and are holding land unauthorisedly belonging to 5722 persons belonging to Scheduled Tribes. The area under unauthorised possession is 16,554 acres. Legally, the tribal land cannot be transferred to non-tribals under the Law of the U.P. Government. But the tribals have been deprived of their lands and serious dispute is going on between them and the unauthorised possessors. The Government of Uttar Pradesh in their anxiety to keep the land in possession of tribal beneficiaries have issued an Ordinance on 3rd June, 1981 calling upon usurpers to hand over the land to the original holders namely the Scheduled Tribes.

This matter was discussed in the Panel meeting and we opposed the move made that Sikhs and ex-servicemen should not be disturbed. Ultimately, it was decided to call upon the U.P. Government to do all that is in their power to put the land in the possession of the original holders. But these facts have not been reflected adequately from what is stated in this paragraph (IV) and therefore, not warrant the kind of recommendation made.

Sub-para (v) is not necessary in the context of terms of reference of the Panel.

There is a reference to certain causes for community conflicts at sub-para (v) “(b)—Urban Areas” in Chapter IX. It is said that “communal conflicts are more the result of the economic competition which has often resulted in the majority community depriving minorities of their economic gains. Innocent lives were taken in this process to instil a sense of insecurity among the victims and destruction of their properties was aimed at uprooting them economically”. I do not think that any fact as gathered by the H.P.P. can lead to such an emphatic statement. I do not agree with the rather blanket and wholesale criticism of Government’s functioning as made in sub-para (vii). The observation made in para 33—the Muslim minorities were not aware of government schemes and the officials were hardly helpful to them—is also not warranted by facts gathered.

In Chapter X, I notice an attempt to justify the recommendation, to which I have adverted to earlier, of the H.P.P. suggesting reservation for minority communities. It is said that in para 7 thus "But even according to our Constitution, special concessions have been given to the most deprived sections of our society, namely, the Scheduled Castes based solely on the basis of religion". To say that Scheduled Castes were given protection because they were Hindus is to show a total lack of appreciation of the social structure of the Hindu society as it has evolved over the years. It is well-known that the caste stratification of the Hindu society is something very peculiar to it and it is equally well-known that Scheduled Castes are at the lowest rung of this stratified structure. I have not come across any member of the minority community during our extensive tour in the country who has taken exception to reservations for Scheduled Castes and I am surprised that the H.P.P. should make an observation of this kind.

It has to be understood clearly that the reservation policies of both the Central and State Governments in favour of certain categories of the Indian society are not based on any religion, whether Hindu, Muslim, Christian, Sikh or Buddhist. The State shall not discriminate against any citizen on grounds only of religion, race, caste, sex, place of birth or any of them. Protective discrimination is, however, made in favour of socially and educationally backward classes of citizens for making special provision for their advancement and in admissions to educational institutions and public services. These backward classes include Scheduled Castes and Scheduled Tribes. Similarly, there are Sikhs Scheduled Castes who have been given certain special facilities as in the case of other Scheduled Castes for their advancement on the ground that they are socially and educationally backward and not on account of their professing Sikhism. Muslims in Lakshdweep are Scheduled Tribes who are entitled to certain special concession. Then again there are certain muslim communities who are akin to Hindu Castes on grounds of their common traditional professions in several Indian States like Maharashtra, Gujarat, Rajasthan, Karnataka, Kerala, Tamil Nadu, Pondicherry, Bihar, Uttar Pradesh, etc. who have been put in the category of "Other backward classes" and reservations have been provided for them. There are several Christian scheduled tribes especially in North-east region who enjoy reservation policies of Central and State Governments. They are also put in the list of "Other backward classes" in various States especially in South India and are enjoying reservations. Similarly, is the position of Buddhist scheduled tribes. Neo-Buddhists of Maharashtra are treated at par with the Scheduled Castes and further attempts are being made to give them the actual status of Scheduled Castes.

In order to know the kind of benefits the "Other Backward Classes" are getting out of reservation policies adopted by various States, the H.P.P. has recently issued a suitable questionnaire to Chief Secretaries to various States and Union Territories calling for information on this point. We are awaiting their replies. It would, thus, be seen that the reservation policies whether of the Central or State Governments is based on social and educational backwardness of certain categories of citizens of India and not on religion.

I sincerely hold that anything that is done by way of reservation on grounds of religion is bound to result in disintegration of the country, nay, even its balkanisation. Any such tendency cropping up in the country should, therefore, be nipped in the bud. We had enough of it in the past due to two-nation theory. A perusal of the Report shows that we are now embarking on four-nation theory.

It is a fact of life that no religious minority, be it Muslim, Christian or Sikh is free from casteism. In this sense there are upper dominant castes or classes and lower or backward classes in each minority group. Those who belong to lower classes have been specified either as Scheduled Castes, Scheduled Tribes or Other Backward Classes for special treatment for their advancement as envisaged by our Constitution. So in my opinion there are no minority problems as expounded in the Report except in matters of certain fundamental rights, they enjoy. The real problem is the removal of disparities of income between the rich and the poor and augmenting of the nation's wealth which can be brought about by implementing various fiscal policies of both Central and State Governments and also the New 20-Point Programmes launched by our Prime Minister, Smt. Indira Gandhi.

I am not in agreement with para 13 that there should be a Ministry for minority affairs. Such separation does, in fact, no good to the welfare of the community sought to be benefited. It is important that the Ministry for Home Affairs should throw its full weight behind the programmes for the welfare of various backward groups, such as scheduled castes, scheduled tribes and minority groups as far as their fundamental rights are concerned as provided in Art. 30 of the Constitution. Only then something significant can be achieved. Without the support of the

Home Minister and Home Secretary, the emphasis gets diluted and nothing really substantial can be achieved. The Special Cell suggested by the Prime Minister in her recent directives to various Ministries and State Governments is in the right direction. The Special Cell should interact with the other ministries of the Government of India and with the State Governments and see that in all that Government does for the welfare of the people the various minority sections get proper attention. If this is done and if the muslim leadership will end their ceaseless criticism of Government, if they will cease to exploit the poor muslim masses, if they will encourage the masses to join the mainstream through modern, scientific education, if they will encourage women to take to education and the services and the various professions, and if they will encourage family planning, if they stop mismanagement of Waqf properties, then a golden age will surely dawn for the muslim masses.

The Chairman, Dr. Gopal Singh, and Member-Secretary, Dr. Rafiq Zakaria, have been extremely kind to me and it is with great reluctance I have penned this Minute of dissent. I know they understand me and I am grateful to them.

(Sd/-)  
L.R. NAIK