

**COMMITTEE ON THE WELFARE
OF SCHEDULED CASTES AND
SCHEDULED TRIBES
(1986-87)**

(EIGHTH LOK SABHA)

EIGHTEENTH REPORT

MINISTRY OF INDUSTRY

(DEPARTMENT OF INDUSTRIAL DEVELOPMENT)

Action taken by Government on the Recommendations Contained in the 58th Report of the Committee on the Welfare of Scheduled Castes and Scheduled Tribes on the Ministry of Industry (Department of Industrial Development)—Reservations for, and employment of, Scheduled Castes and Scheduled Tribes in Khadi and Village Industries Commission and Facilities Provided for the Economic Development of Scheduled Castes and Scheduled Tribes by the Commission.

Presented to Lok Sabha on 22. 8. 86

Laid in Rajya Sabha on 22. 8. 86



**LOK SABHA SECRETARIAT
NEW DELHI**

August, 1986/Sravana, 1908 (S)

Price : Rs. 1.80

CONTENTS

	PAGE
COMPOSITION OF THE COMMITTEE	(iii)
INTRODUCTION	(v)
CHAPTER I REPORT	1
CHAPTER II Recommendations/Observations which have been accepted by the Government.	8
CHAPTER III Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies.	16
CHAPTER IV Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee and which require reiteration.	20
CHAPTER V Recommendations/Observations in respect of which final replies of Government have not been received.	31

APPENDIX

Analysis of the action taken by Govern-
ment on the recommendations contained
in the Fifty-eighth Report of the
Committee.

39

**COMMITTEE ON THE WELFARE OF
SCHEDULED CASTES AND
SCHEDULED TRIBES
(1986-87)**

Shri K. D. Sultanpuri—*Chairman*

MEMBERS

Lok Sabha

2. Shri Banwari Lal Bairwa
3. Kumari Mamata Banerjee
4. Shri G. Bhoopathy
5. Shri Radhakanta Digal
6. Shri Prithwi Chand Kisku
7. Shri K. Kunjambu
8. Shri Wangpha Lowang
9. Shri Narsinh Makwana
10. Prof. Meijinlung Kamson
11. Shrimati Sumati Oraon
12. Dr. A. K. Patel
13. Shri U. H. Patel
14. Shri Amarsinh Rathawa
15. Shri Baju Ban Riyan
16. Shri Ananta Prasad Sethi
17. Shri Sunder Singh
18. Shri Narsing Suryavansi
19. Shri Bhausahab Thorat
20. Dr. V. Venkatesh

Rajya Sabha

21. Shrimati Omem Moyong Deori
22. Shri Faguni Ram
23. Shri Shantimoy Ghosh
24. Shri H. Hanumanthappa
25. Shri Radhakishan Malaviya
26. Shri Ramkrishna Mazumdar

(iv)

27. **Shri Dharam Chander Prashant**
28. **Shri Thindivanam K. Ramamurthy**
29. **Shri Sukhdev Prasad**
30. **Shri Suraj Prasad**

SECRETARIAT

1. **Shri M.K. Mathur—*Joint Secretary***
2. **Shri M.G. Agrawal—*Chief Legislative Committee Officer***
3. **Shri Kuldip Sahai—*Senior Legislative Committee Officer***

INTRODUCTION

I, the Chairman, Committee on the Welfare of Scheduled Castes and Scheduled Tribes having been authorised by the Committee to submit the Report on their behalf, present this Eighteenth Report (Eighth Lok Sabha) on Action Taken by Government on the recommendations contained in the Fifty-eighth Report (Seventh Lok Sabha) on the Ministry of Industry (Department of Industrial Development)—Reservations for, and employment of, Scheduled Castes and Scheduled Tribes in Khadi and Village Industries Commission and facilities provided for the economic development of Scheduled Castes and Scheduled Tribes by the Commission.

2. The Draft Report was considered and adopted by the Committee on the 7th August, 1986.

3. The Report has been divided into the following Chapters.

I. Report.

II. Recommendations/Observations which have been accepted by Government.

III. Recommendations/Observations which the Committee do not desire to pursue in view of the Government replies.

IV. Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee and which require reiteration.

V. Recommendations/Observations in respect of which final replies of Government have not been received.

4. An Analysis of the action taken by Government on the recommendations contained in the 58th Report of the Committee is given in the Appendix. It would be observed therefrom that out of 26 recommendations made in the Report, 10 recommendations i.e. 38.46 per cent have been accepted by Government. The Committee do not desire to pursue four recommendations i.e. 15.39 per cent of their recommendations in view of Government replies. In respect of 10 i.e. 38.46 per cent replies of Government have not been accepted by the Committee and require reiteration, and

(vi)

for 2 recommendations i.e. 7.69 per cent, final replies of Government have not been received.

NEW DELHI;

K. D. SULTANPURI,

Chairman,

*Committee on the Welfare of Scheduled
Castes and Scheduled Tribes*

August 21, 1986

Shrawana 30, 1908 (Saka).

CHAPTER I

REPORT

This Report of the Committee deals with Action Taken by Government on the recommendations/observations contained in the Fifty Eighth Report (Seventh Lok Sabha) on the Ministry of Industry (Department of Industrial Development)—Reservations for, and employment of, Scheduled Castes and Scheduled Tribes in Khadi and Village Industries Commission and facilities provided for the economic development of Scheduled Castes and Scheduled Tribes by the Commission.

1.2 In para 2.18 of their Fifty-eighth Report, the Committee had desired that they should be apprised as to why Government instructions in regard to the appointment of a Liaison Officer and for setting up a Cell had been grossly violated by the Commission.

1.3 In their reply dated 7th May, 1986, the Ministry of Industry (Department of Industrial Development) have stated that as per Memo. No. Adm. II/SC/ST/2 dated 7.2.1978, Khadi and Village Industries Commission had nominated a Liaison Officer for work relating to representation of Scheduled Castes/Scheduled Tribes in the services of the Commission. It has been stated that under its order dated September 22, 1983, KVIC had created a separate Cell under the Liaison Officer to ensure enforcement of Government orders of reservation in Services and posts under the Commission. The Commission had also posted one UDC and one LDC in the Scheduled Caste/Scheduled Tribe Cell.

1.4 The information now given in action taken reply is contrary to the information supplied earlier to the Committee. Even if the Committee accept that the Liaison Officer was appointed in KVIC on 7.2.1978 and Cell was set up in September, 1983, as against application of reservation orders w.e.f. 6th October, 1964, there was unduly long delay in doing so and there was gross violation of instruction of the Government by the Commission. The Committee have not been given reasons for these lapses and would like to be apprised of the same.

1.5 In para 3.8 of the Report the Committee had recommended that the whole recruitment procedure in Khadi and Village Industries Commission should be reviewed and the direct recruitment quota particularly in Group 'C' and 'D' post should be increased so that more and more Scheduled Castes and Scheduled Tribes can be recruited in the services of KVIC,

1.6 In their reply dated 7th May, 1986, the Ministry of Industry (Department of Industrial Development) have stated that there are about 5100 posts under the Khadi and Village Industries Commission in Groups 'A', 'B', 'C' and 'D' of these, as many as 4,382 are in Groups 'C' and 'D'. All the posts in Group 'D' are filled in by direct recruitment and as many as 51% of the posts in Group 'C' are filled by direct recruitment. Thus, so far as it relates to the posts under Group 'C' and 'D', taken together, about 62% of the posts are filled in by direct recruitment. It has been stated that the percentage of posts filled by direct recruitment is sufficiently high and any further increase in this percentage will tell upon the chances of promotion of those recruited in Group 'D'.

1.7 The Committee are not convinced with the reply of Government. The Government have not reviewed the whole recruitment procedure in KVIC as recommended by the Committee and the Government reply is silent on this aspect. The Committee, therefore, reiterate that the Government should review the whole recruitment procedure in KVIC and apprise the Committee of the action taken in the matter.

1.8 In para 3.13 of the Report, the Committee had stressed that while issuing circulars/advertisements in newspaper for filling up the vacancies or while sending requisitions to the employment exchanges, the concessions/relaxations, available to Scheduled Caste/Scheduled Tribe candidates should be specifically mentioned. The Committee had further desired that Khadi and Village Industries Commission should bring out a small brochure mentioning therein the detailed procedure followed by KVIC for making recruitment to various categories of posts both in its Central Office and in the States. In that brochure, the relaxations/concessions available to Scheduled Castes/Scheduled Tribes both in direct recruitment and promotion are required to be precisely mentioned. The Committee had also observed that copies of the brochure should be made available to the Public through Commission's offices in various States.

1.9 In their reply dated 7th May, 1986, the Ministry of Industry (Department of Industrial Development) have stated that the KVIC follows the orders issued by the Government in the matter of reservation in services for Scheduled Caste/Scheduled Tribe. These orders have also been compiled in the Brochure on Reservation for Scheduled Castes and Scheduled Tribes which is a publication of the Department of Personnel and Administrative Reforms.

1.10 The Government reply is silent about recommendation of the Committee that while issuing circulars/advertisements in newspapers for filling up the vacancies or while sending requisitions to the employment exchanges, the concessions/relaxations available to Schedule Caste/Scheduled

Tribe candidates should be specifically mentioned by the KVIC therein. The Committee therefore re-emphasise that this should invariably be done.

The Committee are also not satisfied with the reply of the Government that any abridgement of Brochure on Reservation for Scheduled Castes and Scheduled Tribes in Posts, brought out by the Department of Personnel and Administrative Reforms by the Commission would not be authentic and therefore a separate brochure is not brought out by the Commission. The reply of the Government is not relevant. The Committee had, infact, desired that the Commission should bring out a small brochure mentioning therein the actual procedure for making recruitment to various categories of posts both in its Central Office and in KVIC offices in various States as well as relaxations/concessions given by KVIC to Scheduled Caste/Scheduled Tribe both in direct recruitment and promotions. The publication of such a brochure is all the more necessary as the copies of the Government brochure are not available in various subordinate offices in the States and are not freely available to the employees and the public. The Committee, therefore, reiterate that salient features of the reservation procedure followed by KVIC for making recruitment to various categories of posts both in the Central office and in the States and various relaxations/concessions given by KVIC to Scheduled Caste/Scheduled Tribe both in direct recruitment and promotions should be compiled in a small brochure and made available to the employees in various offices or organisations of the Commission and to the public.

1.11 In para 3.24 of the Report, the Committee had recommended that the whole promotion policy for the Central Office of the Khadi and Village Industries Commission as well as for their State Units should be reviewed and clear-cut guidelines should be laid down in regard to the promotions to be made in various categories of posts.

1.12 In their reply dated 7th May, 1986, the Ministry of Industry (Department of Industrial Development) have stated that so far as the State Offices of KVIC are concerned, the State Directors are the appointing authority only in the case of LDCs and UDCs for their own offices in their respective States. It has been stated that the State Directors are required to observe the prescribed procedure and the instructions.

1.13 The Committee are not satisfied with the reply of the Government which is evasive and not relevant as it has not been mentioned therein whether the Government have reviewed the promotion policy for the Central Office of KVIC as well as for their State Units and if not, for what reasons. The Committee reiterate their earlier recommendation that KVIC should review the whole promotion policy for their Central Office as well as for their State Units and clear-cut guidelines should be laid down in regard to the promo-

tions to be made in various categories of posts in accordance with reservation orders.

1.14 In para 4.19 of the Report, the Committee had desired that they should be apprised as to how far the remedial measures proposed to be taken by the Khadi and Village Industries Commission have succeeded in clearing the backlog in all categories of posts.

1.15 In their reply dated 7th May, 1986, the Ministry of Industry (Department of Industrial Development) have stated that the following remedial measures have been taken by KVIC in clearing the backlog :

- (i) The Commission *vide* its circular dated 2.9.1977 raised the percentage of reservation for Scheduled Caste and Scheduled Tribe to 25%, *i.e.* more than the percentage prescribed. It was, however, brought in line with the one prescribed by the Government *vide* circular dated 26.12.1980.
- (ii) The Commission introduced stipendary training in respect of candidates belonging to Scheduled Caste and Scheduled Tribe who do not fulfil qualification relating to prescribed experience even for posts in Group 'A'. Two officers in Group 'A' under this criterion have been appointed. At lower levels also, a number of persons have been appointed under the relaxed conditions relating to experience and by providing for their stipendary training.

1.16 The reply of the Government is evasive. It has not been mentioned in the reply whether the KVIC has taken any new measures to wipe out the existing backlog. It has also not been mentioned as to how far the Commission has succeeded in clearing the backlog in various categories of posts in the Commission. The Committee, therefore, reiterate their earlier recommendation that they would like to be apprised of the new measures taken by the Commission to clear the backlog and the extent to which such measures have succeeded in clearing the backlog in all categories of posts.

1.17 In para 4.21 of the Report, the Committee had recommended that the Commission should make serious efforts to remove the shortfalls in Groups 'C' and 'D' posts for which there appears to be no dearth of Scheduled Caste and Scheduled Tribe candidates. The Committee had also observed that in order to remove the shortfalls, 50% of all fresh vacancies should be filled by Scheduled Caste/Scheduled Tribe candidates till such time the backlog is cleared and in case this procedure does not help to wipe out the shortfalls the Commission might consider to make special recruitment to Group 'C' posts exclusively for Scheduled Castes and Scheduled Tribes.

1.18 In their reply dated 7th May, 1986 the Ministry of Industry (Department of Industrial Development) have stated that action is being

taken to issue orders to all recruiting authorities to resort to special recruitment when the quota reserved for SC/ST does not get filled up.

1.19 The reply of the Government is silent regarding the recommendation of the Committee that 'in order to remove the shortfalls, 50% of all fresh vacancies should be filled by Scheduled Caste and Scheduled Tribe candidates till such time the backlog is cleared.' The Committee therefore reiterate their earlier recommendation that the Commission should make serious efforts to remove the shortfalls in Groups 'C' and 'D' posts for which there appears to be no dearth of SC/ST candidates. In order to remove the shortfalls, 50% of all fresh vacancies should be filled by SC/ST candidates till such time the backlog is cleared.

1.20 In para 5.19 of the Report, the Committee had recommended that some minimum percentage of financial assistance should be reserved for SC/ST artisans under the 'Liberalised Pattern of Assistance' Scheme.

1.21 In their reply dated 7th May 1986, the Ministry of Industry (Department of Industrial Development) have stated that in so far as KVIC is concerned, there is no direct financing to any individual for Khadi and Village Industries. It has been stated that the KVIC assists the State Khadi and Village Industries Boards and directly aided institutions.

1.22 During evidence the Committee were informed that under 'Liberalised Pattern of Assistance' individual artisans are given 75% grant and 25% loan for purchasing improved tools and equipments. But, in their action taken reply the Government have stated that in so far as KVIC is concerned, there is no direct financing to any individual for Khadi and Village Industries. This reply of Government is contradictory to the information given to the Committee during the evidence. The Committee would therefore like the Government to reconcile this contradiction. The Committee reiterate their earlier recommendation that some minimum percentage of financial assistance should be reserved for Scheduled Caste and Scheduled Tribe artisans.

1.23 In para 5.21 of the Report, the Committee had recommended that as the funds are provided by the KVIC to the State Boards, there is no reason why the Commission should not assert in getting due share for Scheduled Castes/Scheduled Tribes in various programmes being undertaken by the State Boards. The Committee had also recommended that the KVIC should strengthen their own machinery for the implementation of Khadi and Village Industries programmes in the rural areas. The Committee had also observed that as the funds are provided by the Commission, to State Boards and other institutions, they must evolve a proper machinery to oversee the implementation of these programmes.

1.24 In their reply dated 7th May, 1986 the Ministry of Industry (Department of Industrial Development) have stated that the Government

have constituted a High level Committee under the Chairmanship of Shri M. Ramakrishnayya, formerly Chairman of NABARD and Deputy Governor, Reserve Bank of India to review the role played by the Khadi and Village Industries Commission, its policies and programmes as also its systems and procedures. It has been further stated that the question regarding strengthening the machinery for implementation of Khadi and Village Industries Programmes in rural areas is being looked into by the Committee.

1.25 The Committee are not satisfied with the reply of Government. The Committee would like to be apprised whether the question regarding reservation for Scheduled Castes and Scheduled Tribes in the programmes undertaken by the State Boards in the Village and Industries sector is covered by the terms of reference of the High Level Committee headed by Shri Ramakrishnayya. A copy of the Report of the High Level Committee may also be furnished for the information of the Committee. The Committee would also like to be informed about the final action taken by KVIC regarding strengthening the machinery to oversee the implementation of Khadi and Village Industries programmes in rural areas with a view to getting due share for Scheduled Castes/Scheduled Tribes in various programmes being undertaken by the State Boards.

1.26 In para 5.30 of the Report, the Committee had observed that the Government might consider if it is feasible to issue a trade mark 'Khadi' for the cloth produced by institutions controlled and aided by Khadi and Village Industries Commission. The Committee had also recommended that Khadi and Village Industries Commission Act may be amended, if necessary, for the purpose of stopping the sale of spurious Khadi which has not been produced from hand spun yarn.

1.27 In their reply dated 7th May, 1986, the Ministry of Industry (Department of Industrial Development) have stated that in pursuance of Regulation 24 of the Khadi and Village Industries Commission Regulations, 1958, KVIC has appointed a Committee called Certification Committee and action may be taken by the Chairman of the Committee against spurious Khadi. It has also been stated that the Chairman of the Certification Committee may suspend the certificate of a certified Institution for six months in case it violates the Certification Rules. The Ministry have further stated that so far as the recommendation regarding amendment of the KVIC Act for the purpose of stopping the sale of spurious Khadi is concerned, the provisions contained in the Khaddar (Name Protection Act 1934) (Act No. VIII of 1934) may meet the requirement for stopping sale of spurious Khadi. The Ministry have stated that the Commission had proposed amendments to the KVIC Act for making suitable provision so that cloth produced without following the Rules and Regulations of the Commission may not

be sold as "Khadi." It has further been stated by the Ministry that the matter is under examination in consultation with the Ministry of Law and Justice.

1.28 The Committee are not satisfied with the reply as the Chairman of the Certification Committee appointed by KVIC will take action for production of spurious Khadi against the certified institutions only. The reply is silent regarding the action proposed to be taken by KVIC for production of spurious Khadi by all other institutions/agencies. The Committee would, therefore, like to be apprised of the action proposed to be taken by the Commission, by amending KVIC Act or otherwise, against all such agencies, which produce and sell spurious Khadi. The Committee would also like to be informed of the opinion expressed by the Ministry of Law and action taken in pursuance thereof in regard to obtaining the trade mark registration for the word "Khadi". The final position regarding amendments made to KVIC Act with a view to preventing the sale of spurious Khadi, may also be intimated to the Committee.

1.29 In para 5.57 of the Report, the Committee had recommended that Khadi and Village Industries Commission should carry out a survey in the Hill and Tribal Areas of the country to assess the impact of their programmes on the socio-economic conditions of the Tribal people.

1.30 In their reply dated 7th May, 1986, the Ministry of Industry (Department of Industrial Development) have stated that the Commission has asked all the State Khadi and Village Industries Boards and State Directors to furnish data regarding share of Scheduled Castes and Scheduled Tribes in the "Annual Report Performance" for 1985-86 in respect of different industries. The Ministry have also stated that the Commission insists during the budget discussions with the directly aided institutions that they should increase the coverage of Scheduled Caste and Scheduled Tribe beneficiaries.

1.31 The reply of the Government is not relevant. It has not been mentioned in the reply whether the Commission would implement the recommendation of the Committee that the KVIC should carry out a survey in the Hill and Tribal Areas of the country to assess the impact of their programmes on the socio-economic conditions of the tribal people. The Committee reiterate their earlier recommendation that the Khadi and Village Industries Commission should carry out a survey in the Hill and Tribal areas of the country to assess the impact of their programmes on the socio-economic conditions of the tribal people.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation (Sl. No. 1, Para No. 1.19)

Section 4 of the Khadi and Village Industries Commission Act provides that the Commission shall consist of not less than three and not more than five members appointed by the Central Government, one of them being nominated by the Central Government, to be the Chairman thereof and the members may be either whole time or part-time as the Central Government may direct.

The present Commission consists of 3 Members only even though the membership can go upto five.

The Committee note that as many as 25 Khadi and Village Industries have been entrusted to the Khadi and Village Industries Commission (vide Appendix-I) for implementing various developmental programmes.

The Committee feel that the volume of work of the Commission has increased enormously. Accordingly, the membership of the Commission also needs to be strengthened. The Committee, therefore, recommend that the membership of the Khadi and Village Industries Commission should be increased from three to five.

The Committee are surprised to note that none of the members of the present Khadi and Village Industries Commission belongs to Scheduled Caste/Scheduled Tribe Community. The Committee need hardly stress that the economic development of S.Cs. and S.Ts. is a common objective both of State Governments as well as of the Central Government. With this end in view, as also to safeguard their interests in the Commission, the Committee recommend that at least one member from Scheduled Caste/Scheduled Tribe Community should invariably be included as a member of the Khadi and Village Industries Commission.

Reply of Government

Accepted.

[Ministry of Industry (Department of Industrial Development) O.M.No.
A-35021/15/83-KVI (II) dated 7th May, 1986.]

Comments of the Committee

The Committee expect that their recommendation regarding increase in membership of the Commission from the present three to five as provided in KVIC Act and that atleast one member of the Commission should be from Scheduled Castes/Scheduled Tribes community would be implemented soon.

Recommendation (Sl. No. 3, Para 2.12)

The Committee note that at present the Ministry of Industry is monitoring the implementation of reservation orders relating to the posts carrying a pay scale of more than Rs. 1200 per month only in the Khadi and Village Industries Commission. The Committee were informed during evidence that the Ministry had no arrangements for monitoring the implementation of reservation orders in Khadi and Village Industries Commission for the posts below Rs. 1200/-.

The Committee are not satisfied with the present monitoring system of the Ministry of Industry and they recommend that all posts in Group A,B,C and D should be covered by the monitoring system of the Ministry of Industry. The Committee need hardly stress that the Scheduled Castes and Scheduled Tribes normally enter service in the lower posts where there is presently no monitoring arrangement. The Committee feel that even though the primary responsibility of implementing the reservation policy lies on the Khadi and Village Industries Commission yet the Ministry of Industry cannot absolve itself of the responsibility of seeing that the posts reserved for Scheduled Castes and Scheduled Tribes at the lower levels are actually filled by candidates belonging to these Communities.

Reply of Government

Government have requested the KVIC to give monthly returns showing position of representation of the Scheduled Castes and Scheduled Tribes in its staff Groupwise to enable it to monitor its progress and observe the reservation orders. The Government have further directed KVIC that all cases of dereservation will be separately reported with full facts to the Government.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83-KVI (II) dated 7th May, 1986.]

Recommendation (Sl. No. 8, Para 3.25)

The Committee are concerned to note that the orders of the Government that 25% of the vacancies accruing in the grade of Peons will be reserved for being filled by the transfer of sweepers, farrashes, chowkidars etc. who have put in a minimum of 5 years service even though they may

not be possessing minimum educational qualifications prescribed for direct recruitment to the posts are not being followed by the Commission. The Committee would like to be apprised if these instructions have now been implemented by the Commission so that eligible Scheduled Castes/Scheduled Tribes persons who are working as sweepers are absorbed against the post of peons so that they get elevated in their social status.

Reply of Government

The instruction in respect of absorbing SC & ST persons who are working as sweepers against the post of peon so that they get elevated in their social status are now being complied with by the Khadi and Village Industries Commission.

[Ministry of Industry (Deptt. of Industrial Development) O.M.No. A-35021/15/83-KVI (II) dated 7th May, 1986.]

Recommendation (Sl. No. 9, Para 3.36)

The Committee note that there is a Services Selection Board in the Khadi and Village Industries Commission. Besides, there are Departmental Selection Committees for selecting candidates for lower posts. It was stated during evidence that with the reconstitution of the Commission the Services Selection Board is also reconstituted. The present Board was constituted in January, 1984. At present there are 4 members on this Board but none of them belong to Scheduled Caste/Scheduled Tribe community. However, the Committee were informed during evidence that the Commission has decided to have one scheduled caste representative as the fifth member of the Board. The person whose name is being considered for appointment on the Board is at present Secretary, Railway Service Commission, Bombay and the Commission has already sought the concurrence of the Ministry of Railway (Railway Board) in this regard. The Committee were further informed that the formal appointment orders will be issued only after his name is cleared by the Ministry of Railways. The Committee are surprised to note that in the past no Scheduled Caste/Scheduled Tribe member had been appointed on the Services Selection Board of Khadi and Village Industries Commission. The Committee firmly believe that the name of the Secretary, Railway Service Commission, Bombay was considered for inclusion in the Services Selection Board only after the Committee took up the subject for examination. The Committee recommend that a Scheduled Caste or Scheduled Tribe officer should invariably be included in the Services Selection Board and in Staff Selection Committees of the Khadi and Village Industries Commission so as to instil confidence in the Scheduled Caste/Scheduled Tribe candidates and employees. The Committee would like that Khadi and Village Industries Commission should issue necessary instructions in this regard.

Reply of Government

These recommendations are now being followed.

[Ministry of Industry (Deptt. of Industrial Development) O.M.No. A-35021/15/83-KVI (II) dated 7th May, 1986.]

Comments of the Committee

As far as possible, KVIC should include one of their own SC/ST officers in the Services Selection Board.

Recommendation (Sl. No. 10, Para 3.44)

The Committee note that reservation orders were made applicable in the Khadi and Village Industries Commission from 6th October, 1964 but the maintenance of rosters for each category of post separately was started in 1978. Thus Khadi and Village Industries Commission started maintaining rosters 14 years after the date of the implementation of reservation orders. No satisfactory explanation has been furnished to the Committee for this inordinate delay in the maintenance of rosters.

The Committee further note that Director (Administration) who was also the Liaison Officer was required to maintain the rosters and hence the question of Inspection of rosters by the same person did not arise. Subsequently, an officer other than the Director (Administration) was appointed as Liaison Officer w.e.f. 22nd September, 1983 who would be now inspecting the rosters periodically and submit regular reports for taking corrective action. In so far as State offices are concerned the Committee note that the practice so far has been to inspect the rosters as and when the general inspection of these offices is undertaken. However, there has been no fixed periodicity for making general inspection of the State Offices.

From all accounts available, both written and verbal, the Committee are led to believe that proper attention has not been given towards maintenance of rosters and their periodical checking by the Liaison Officer with the result that the whole system has been working in a haphazard manner.

The Committee need hardly stress that the rosters are the kingpins in which the whole system of implementation of reservation orders rests. As such the Committee recommend that the rosters should be properly maintained and checked in the Head Office, Regional Offices and State Offices of Khadi and Village Industries Commission by the Liaison Officer at least once a year and signed in the token of such inspection. The Liaison Officer should submit regular inspection reports to the Head Office of Khadi & Village Industries Commission so that the mistakes noticed in the rosters are rectified promptly.

Reply of Government

The requirements, as spelt out in the recommendation, are now being complied with by the Khadi and Village Industries Commission.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83-KVI (II) dated 7th May, 1986.]

Recommendation (Sl. No. 12, Para 3.49)

The Committee are concerned to note that a large number of reserved vacancies in Groups A, B, C and D were dereserved by Khadi and Village Industries Commission during the years 1980, 1981 and 1982. The Committee feel surprised that the Commission could not fill the reserved vacancies even in Group C and D for which the candidates are not expected to possess high technical qualifications.

The Committee recommend that as far as possible no vacancy reserved for Scheduled Caste/Scheduled Tribe should be dereserved as the Committee is basically opposed to the principle of dereservation.

Reply of Government

The Commission is bound to follow the instructions/guidelines issued by the Government from time to time regarding filling up of vacancies reserved for SC/ST and the principles to be followed regarding dereservation. The Commission have been requested to strictly adhere to the guidelines/instructions issued by the Government from time to time, in this behalf.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83-KVI (II) dated 7th May, 1986.]

Recommendation (Sl. No. 13, Para 3.50)

The Committee suggest that Khadi and Village Industries Commission should resort to special recruitment of Scheduled Caste/Scheduled Tribe candidates with a view to fill all the reserved vacancies which could not be filled earlier and which have not lapsed so far.

Reply of Government

Action is being taken to issue orders to all recruiting authorities to resort to special recruitment when the quota reserved for SC & ST does not get filled up. In addition, orders are also being issued directing all authorities that before any proposal for dereservation is sent they should notify the vacancies to Commissioner of SC & ST, Employment Exchanges and notified voluntary organisations, as listed, and obtain their replies.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83-KVI (II) dated 7th May, 1986.]

Comments of the Committee

A copy of the orders issued to all the recruiting authorities of KVIC to resort to special recruitment should be furnished to the Committee.

Recommendation (Sl. No. 23, Para No. 5.39)

According to the data furnished to the Committee, in Khadi Sector the percentage share of Scheduled Caste and Scheduled Tribes in employment is 10% and 1% respectively. The Committee find that taking into account the total employment generated by Khadi and Village Industries the percentage share of Scheduled Castes and Scheduled Tribes comes to 11 & 15 respectively. In view of the fact that Scheduled Castes comprise 15% (which is double the population of Scheduled Tribes who constitute 7½% of the population), their share in the total employment generated in Khadi and Village Industries Sector is very low. The Committee, therefore, recommend that Khadi and Village Industries Commission should make concerted efforts to provide employment to Scheduled Castes in industries like Ghani Oil, Cottage Match, Aluminium Utensils and Polyvastra with a view to increase their share in the total employment generated in Khadi and Village Industries Sectors.

Reply of Government

The government while agreeing with the recommendations of the Committee have requested the Khadi and Village Industries Commission to keep the recommendations of the Committee in view and issue directions to the officers accordingly. It may be relevant to point out here that of the persons benefited under various Khadi and Village Industries programmes, 28% belong to SC & ST during 1984-85.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83-KVI (II) dated 7th May, 1986.]

Comments of the Committee

A copy of the directions issued by KVIC to the officers in the matter may be furnished to the Committee immediately.

Recommendation (Sl. No. 24, Para No. 5.49)

The Committee note that Khadi and Village Industries Commission have arranged several training programmes both in Khadi and Village Industries Sectors. The Committee feel unhappy that in these training programmes there is no reservation of seats for Scheduled Castes and Scheduled Tribes. The Committee also feel surprised that the Scheduled Caste and Scheduled Tribe persons who are taken in these training courses

are not provided any special facilities. The Committee note that during the years 1980-81, 1981-82 and 1982-83, 3246 persons were given training in Khadi sector out of which only 212 were Scheduled Castes and 98 Scheduled Tribes who received training in the Village Industries Sector, the Committee was informed that no separate date for Scheduled Castes and Scheduled Tribes was available. The Chairman of the Commission had stated during evidence that they had given employment to about 40 million people by the end of the Sixth Five Year Plan and 27 per cent of the total employment generated had gone to Scheduled Castes and Scheduled Tribes. From the data made available to the Committee regarding training given to Scheduled Castes and Scheduled Tribes in Khadi sector, the Committee do not agree with the views of the Chairman of the Khadi and Village Industries Commission that 27% of the employment opportunities have gone to Scheduled Castes and Scheduled Tribes.

The Committee recommend that certain percentage of seats should be reserved for Scheduled Castes/Scheduled Tribes persons in various training Courses both in Khadi and Village Industries Sectors. Correct data relating to the number of Scheduled Caste/Scheduled Tribe persons trained in these sectors should be maintained by the Commission. The Scheduled Caste/Scheduled Tribe persons who are selected for training should receive special attention with a view to improve their technical skills and remove deficiencies, if any.

Reply of Government

The Commission have since been requested to reserve a certain percentage of seats for SC/ST in the various training courses both in Khadi and village industries sectors and to maintain correct data relating to the number of SC & ST persons trained in these sectors. The Commission have been further requested that those beneficiaries belonging to SC & ST who are selected for training should receive special attention with a view to improving their technical skills and removing deficiencies, if any.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83-KVI (II) dated 7th May, 1986.]

Recommendation (Sl. No. 25, Para No. 5.50)

The Committee would like to be informed about the steps taken by the Commission to streamline the procedure for selection of trainees in Khadi and Village Industries Sectors and for reserving a fixed quota for these communities.

Reply of Government

The Commission have issued instructions to all the State Directors with copies to all the Training Centres under the purview of the Directorate of

Training of the Khadi and Village Industries Commission asking them to indicate the seats reserved for SC & ST while inviting applications for training and further that the admission of requisite number of SC & ST candidates should be ensured.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83-KVI (II) dated 7th May, 1986.]

Comments of the Committee

A copy of the instructions issued by KVIC to all the State Directors and Training Centres in the matter may be furnished to the Committee immediately.

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT REPLIES

Recommendation (Sl. No. 2, Para No. 2.5)

The Committee note that under section 16 of the Khadi and Village Industries Commission Act, 1956 the Commission is bound to follow the directions issued by the Central Government from time to time. The Committee were informed during evidence that Government had no authority to issue directions to the Khadi and Village Industries Commission regarding implementation of reservation orders. They were empowered to issue directions to the Commission in relation to its programmes only.

The Committee cannot but express their surprise and displeasure on the above information. Khadi and Village Industries Commission Act came into force in 1956. It is rather strange that officers concerned in the Ministry of industry were not aware of the loopholes in the aforesaid Act in so far as the implementation of reserved orders is concerned. Any lacuna in this regard should have been plugged long back by bringing forward an amendment to the Act. The Committee find it difficult to accept the plea that a presidential directive which is issued in the case of Public Undertakings is not contemplated in the case of a Statutory Corporation. The Committee suggest that Ministry of Industry should obtain the opinion of the Ministry of law as to whether a Presidential directive can be issued to a Statutory Corporation for implementing the reservation policy of the Government. The Committee recommend that in case it is not feasible to issue a Presidential Directive to Khadi and Village Industries Commission for implementing the reservation orders then Government should immediately amend the Khadi and Village Industries Commission Act, 1956 and make a specific provision therein for implementing the orders relating to reservations for Scheduled Castes and Scheduled Tribes in services.

Reply of Government

As per Home Ministry's orders [O.M. 17/4/69-Estt, (SCT) dated 3.2.1970], autonomous bodies are required to follow the reservation orders issued by Govt. from time to time. In compliance of these orders, KVIC have already amended Regulation 3(7) of KVIC Regulation 1958 which reads as under :

“Provided that nothing on this sub-regulation or any other provision made in pursuance thereof shall affect reservations and other concessions required to be provided for the Scheduled Castes, the Scheduled Tribes and other special categories of persons by the Commission, on the basis of the orders issued by the Central Government from time to time in this regard”.

There is therefore, no need to issue another Presidential directive for the purpose.

[Ministry of Industry (Department of Industrial Development) O.M. No. A-35021/15/83-KVI (II) dated 7th May, 1986.]

Comments of the Committee

The Committee were informed during evidence that Government had no authority to issue directions to KVIC regarding implementation of reservation orders. They were empowered to issue directions to the Commission in relation to its programmes only. In the action taken reply, the Government have now informed that as per Home Ministry's Order No. O.M. 17/4/69 Estt. (SCT) dated 3.2.1970, autonomous bodies are required to follow the reservation orders issued by Government from time to time and in compliance with these orders, KVIC have already amended Regulation 3 (7) of KVIC Regulations, 1956 so as to provide that nothing in this sub-regulation or any other provision made in pursuance thereof shall affect reservations and other concessions required to be provided for the Scheduled Castes, the Scheduled Tribes and other special categories of persons by the Commission on the basis of the orders issued by the Central Government from time to time in this regard. It is apparent that the Committee were given wrong information and misled during the evidence with the result that the Committee were unnecessarily exercised to make recommendations for amendment of KVIC Act, 1956. The Committee take a serious view of this and would like the Government to take note that they have given wrong information to the Committee. The Government should also assure the Committee that only correct information would be supplied to them during evidence in future.

Recommendation (Sl. No. 11, Para 3.45)

The Committee also feel that one Liaison Officer appointed in September, 1983 may not be able to cope with the work of checking the rosters both in the Head Office and in Regional/State Offices of Khadi and Village Industries Commission.

The Commission should, therefore, consider if there is need to appoint separate Liaison Officer in each Regional Office.

Reply of Government

The strength of the Regional Offices is comparatively small and the number of persons recruited per year is not much. Therefore, it is not necessary to have a separate Liaison Officer for each office.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83-KVI (II) dated 7th May, 1986.]

Recommendation (Sl. No. 17, Para No. 4.24)

The Committee note that in Khadi and Village Industries Commission the selected candidates who are on probation are given in-service training. However, no special arrangements have been made for giving in-service training to the Scheduled Caste/Scheduled Tribe employees but they are given this training alongwith other employees. The representative of the Commission stated during evidence that the Commission was considering to introduce separate in-service training programme for Scheduled Caste/Scheduled Tribe employees. He assured the Committee that they will follow the directions of the Government in this regard. The Committee need hardly stress that the aim of the in-service training is to bring Scheduled Castes and Scheduled Tribes candidates upto the required standard. The Committee, therefore, recommend that in-service training scheme for Scheduled Caste and Scheduled Tribe employees should be introduced forthwith.

The Committee also recommend that pre-promotion training programme should be arranged for the benefit of Scheduled Caste/and Scheduled Tribe employees, who are eligible for promotion prior to the holding of written tests so as to improved their chance of selection.

Reply of Government

The recommendation regarding introduction of in-service training scheme for SC/ST employees has been noted. It may, however, be mentioned that the existing arrangements in the Commission to give training to its staff and officers are totally inadequate. Commission will try to introduce in-service training for its staff and officers and while introducing such training, make arrangement for special training to SC & ST officers.

In the Commission at present there are no tests for promotion. There has also been no case where any SC/ST officer has been found unfit for promotion due to lack of training.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83-KVIC (II) dated 7th May, 1986.]

Recommendation (Sl. No. 21, Para No. 5.22)

The Committee note that as on 31.3.1982, Rs. 308.48 crores were outstanding loans given by Khadi and Village Industries Commission to societies institutions and State Boards. Such a huge amount remaining outstanding confirms the Committee's conclusion that Khadi and Village Industries Commission has failed to set up an adequate monitoring system for Khadi and Village Industries. The Committee feel that unless the recovery position is improved and the loans are repaid to the Commission by the concerned institutions in time, adequate funds would not be available for recycling. The Committee, therefore, recommend that suitable remedial steps should be taken by the Commission to improve the recovery of loans from the State Boards as well as other institutions concerned.

Reply of Government

Government have issued instructions to Khadi and Village Industries Commission to improve the recovery position of loans from the State Boards and other institutions. It may, however, be clarified that loans outstanding are different from loans overdue. The position in this respect as on 31.3.1982 is as below :

Loans outstanding
346.83 (Rs. in crores)

Loans overdue
15.37 (Rs. in crores)

This will show that compared to total loans given by the Commission, the loans overdue are not significant.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83-KVI (III) dated 7th May, 1986.]

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Recommendation (Sl. No. 4, Para No. 2.18)

The Committee note that Khadi and Village Industries Commission introduced reservation for Scheduled Castes and Scheduled Tribes in services on 6.10.1964. However, the Commission set up a cell for looking after the interests of Scheduled Caste and Scheduled Tribes only on 22.9.1983. A liaison officer was also appointed by the Commission in September, 1983.

The Committee feel surprised that the Commission took about 20 years to set up a cell and to appoint a Liaison Officer to watch the implementation of the reservation orders. This only shows that all along the Commission had shown scant respect to the reservation policy. Only when this Committee decided to examine the Commission and a questionnaire was sent to them on 22.6.83 they decided to set up a Cell and appointed Liaison Officer as a face saving device.

The Committee would like to be apprised as to why Government instruction in regard to the appointment of a Liaison Officer and for setting up a Cell had been grossly violated by the Commission.

Reply of Government

As per Memo No. Adm-II/SC/ST/2 dated 7.2.1978, Khadi and Village Industries Commission had nominated a Liaison Officer for work relating to representation of Scheduled Castes/Scheduled Tribes in the services of the Commission. Under its order dated September, 1983, KVIC had created a separate Cell under the Liaison Officer to ensure enforcement of Government order of reservation in Services and posts under the Commission. The Commission had also posted one UDC and one LDC in the SC/ST Cell.

[Ministry of Industry (Deptt. of Industrial Development) No. A-35021/15/83-KVI(II) dated 7th May, 1986.]

Comments of the Committee

See Chapter I, Para 1.4.

Recommendation (Sl. No. 5, Para 3.8)

The Committee note that in Khadi and Village Industries Commission the vacancies are filled up in 3 ways *i.e.* by direct recruitment, by promotion and by the method of selection. Except for the post of Superintendent, the vacancies are filled up 50% by promotion, 25% by selection and 25% by direct recruitment. In the case of Superintendents, 50% posts are filled by promotion and 50% by selection. The Committee feel that the main reason for the poor representation of Scheduled Castes/Scheduled Tribes in this organisation is the faulty method of recruitment. The Committee need hardly stress that if direct recruitment quota is higher particularly in Group 'C' posts then the intake of Scheduled Castes and Scheduled Tribes can certainly be much more than it is at present. The Committee, therefore, recommend that the whole recruitment procedure in Khadi and Village Industries Commission should be reviewed and the direct recruitment quota particularly in Group 'C' and 'D' post should be increased so that more and more Scheduled Castes and Scheduled Tribes can be recruited in the services of KVIC.

Reply of Government

There are about 5100 posts under the Khadi and Village Industries Commission in Group 'A', 'B', 'C' and 'D'. Of these, as many as 4,382 are in Group 'C' and 'D'. All the posts in Group 'D' are filled in by direct recruitment and as many as 51% of the posts in Group 'C' are filled by direct recruitment. Thus, so far as it relates to the posts under Group 'C' and 'D', taken together, about 62% of the posts are filled in by direct recruitment. Hence it will be seen that the percentage of posts filled by direct recruitment, is sufficiently high and any further increase in this percentage will tell upon the chances of promotion of those recruited in Group 'D'.

[Minister of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83-KVI(II) dated 7th May, 1986.]

Comments of the Committee

See Chapter I, Para 1.7.

Recommendation (Sl. No. 6, Para 3.13)

The Committee note that some concessions/relaxations are given to Scheduled Caste/Scheduled Tribe candidates at the time of recruitment in Khadi and Village Industries Commission. The Committee, however, feel surprised that these relaxations in age, experience and educational qualifications etc., are not specified in the advertisement issued in the newspapers. The Committee need hardly stress that these concessions/relaxations have no meaning unless these are brought to the notice of the Scheduled Caste/

Scheduled Tribe applicants by precisely mentioning them in the advertisements which are issued in the various newspapers.

The Committee, therefore, stress that while issuing circular/advertisements in newspapers for filling up the vacancies or while sending requisitions to the employment exchanges, the concession/relaxations available to Scheduled Caste/Scheduled Tribe candidates should be specifically mentioned.

The Committee also find that Khadi and Village Industries Commission is an All India organisation and they are operating in various parts of the country. The Committee therefore recommend that Khadi and Village Industries Commission should bring out a small brochure mentioning therein the detailed procedure followed for making recruitment to various categories of posts both in the Central office and in the States. In that brochure, the relaxations/concessions available to Scheduled Caste/Scheduled Tribes both in direct recruitment and promotion should be precisely mentioned. Copies of these brochure should be available to the Public through Commission's offices in various States.

The Committee have no doubt that these brochures will help in achieving uniformity in the recruitment of staff for the Commission in various States.

Reply of Government

The KVIC follows the orders issued by the Government in the matter of reservation in Services for SC/ST. These orders have also been compiled in the Brochure on Reservation for SCs and STs in Services, which is a publication of the Department of Personnel and Administrative Reforms. The appointing authorities under the Commission have been advised to follow the procedure outlined in the aforesaid Brochure. It is felt that any abridgement of the publication by the Commission may not be authentic and hence a separate Brochure is not brought out by the Commission.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83-KVI(II) dated 7th May, 1986]

Comments of the Committee

See Chapter I Para 1.10

Recommendation (Sl. No. 7, Para No 3.24)

The Committee are concerned to note that Khadi and Village Industries Commission is not following Government instructions in regard to the implementation of reservation orders in promotions. The data furnished

to the Committee regarding promotions made during the years 1980-83 is not only confusing but utterly unreliable. The statement indicates that there was no promotion in Group 'A' in 1980 but in 1981 there were 23 promotions in Group 'A'. Again in 1983 there was only one promotion of a person belonging to Scheduled Caste category.

The representative of the Commission admitted during evidence that as far as Group 'C' is concerned the picture is not clear not only with regard to Scheduled Caste and Scheduled Tribes reservation roster but even with respect to the entire filling in of the vacancies. The Committee cannot but express their displeasure at the unsatisfactory state of affairs in the Khadi and Village Industries Commission in so far as promotions to various categories of posts is concerned. The Committee cannot accept the plea taken by the representative of the Commission that since there is shortage of officers in feeder cadres adequate number of Scheduled Castes and Scheduled Tribes could not be promoted during the year 1980-82.

The Committee can draw only one conclusion that the Central office of the KVIC at Bombay is not exercising proper control on their State offices and there is no proper feedback to the Central Office from the State office in regard to the promotions made particularly to Group 'C'.

The Committee therefore recommend that the whole promotion policy for the Central Office of the Khadi & Village Industries Commission as well as for their State Units should be reviewed and clear-cut guidelines should be laid down in regard to the promotions to be made in various categories of posts. The Committee would like that a new and correct statement indicating the promotions made in Group A, B and C during the years 1980-83 should be furnished to the Committee for their information.

Reply of Government

So far as the State Offices of Khadi and Village Industries Commission are concerned, the State Directors are the appointing authority only in the case of LDCs and UDCs for their own offices in their respective States. The State Directors are required to observe the prescribed procedure and the instructions regarding reservation policy. In the case of State offices, not many vacancies occur in the two categories of posts *i.e.* LDCs and UDCs. It may be mentioned here that bulk of the staff under the Commission was taken over in 1957 from the erstwhile Khadi and Village Industries Board which itself was functioning with effect from 1953. Further recruitment was made during the early stages of the Commission's formation *i.e.* 1957 to 1963 whereas orders regarding implementation of the reservation policy were issued from 1964 onwards. In the circumstances, since most of the approved strength was already filled up, the position regarding representation of SC & ST could improve slowly. It has been improving steadily from 1980 onwards, as will be seen from the statement attached.

As regards monitoring system to watch appointment of SC & ST category candidates, a liaison officer for SC & ST of the rank of Director has been appointed. He belongs to ST category at present and is trained.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83-KVI(II) dated 7th May, 1986.]

Comments of the Committee

See Chapter I, Para 1.13.

Statement showing the total number of employees promoted and the number of SC/ST amongst them during the year from 1980 to 1984.

Year	Category of post	Total No. of employees promoted	No. of		Percentage		Shortfall	
			SC	ST	SC	ST	SC	ST
1	2	3	4	5	6	7	8	9
1980	A	1	—	—	—	—	1*	—
1981	A	20	—	—	—	—	2*	1*
1982	A	1	1	—	100	—	—	—
1983	A	—	—	—	—	—	—	—
1984	A	1	—	—	—	—	—	—
1980	B	24	1	1	4.16	4.16	3	1
1981	B	2	2	—	100	—	1	—
1982	B	1	—	—	—	—	—	—
1983	B	15	—	—	—	—	3	1
1984	B	9	2	—	22.22	—	—	1
1980	C	NA	—	—	—	—	—	—
1981	C	15	—	—	20	—	3	—
1982	C	32	5	—	15.62	—	2	1
1983	C	26	6	2	23.07	7.69	—	1
1984	C	23	4	—	17.39	—	—	1

Note : Group B includes both gazetted and non-gazetted posts.

*Vacancies reserved for SC/ST deserved in the absence of eligible SC/ST candidates for promotion and carried forward to subsequent three recruitment years.

Recommendation (Sl. No. 14, Para 4.19)

The Committee note that the reservation orders were made applicable to Khadi & Village Industries Commission in 1964. The statement relating to the Staff strength in 1964 indicates that there were 5139 employees in the Commission out of which 124 belonged to Scheduled Castes and Scheduled Tribes. The statement indicating the staff strength as on 31.3.1982 indicates that the total number of employees in Khadi & Village Industries Commission was 4,635 out of which Scheduled Caste and Scheduled Tribe employees were only 359. During evidence when the Committee acquired why the total number of employees in Group 'C' had been reduced to 3054 in 1982 as compared to 4406 in 1964, the representative of the Ministry of Industry (Department of Industrial Development) had stated that this was on account of ban on recruitments, closing the activities of the Commission in three States, namely Bihar, Gujarat and Tamilnadu and the decision that the State Boards should themselves carry on their activities. Subsequently, the representative of the Department of Industrial Development corrected his statement by saying that 'Government did not ban recruitment; Government only banned creation of posts'. In this connection the representative of Khadi & Village Industries Commission, stated categorically that "as far as embargo is concerned, it is on filling up of posts and it is not on creation of posts".

From the above contradictory statements made by the representative of the Ministry and of the Commission the Committee can draw only one conclusion that the concerned authorities have no clear grasp as to why there have been consistent shortfalls in the recruitment of Scheduled Castes and Scheduled Tribes in the Commission. The Committee need hardly stress that if the Khadi & Village Industries Commission was sincere in their efforts to recruit Scheduled Castes and Scheduled Tribes according to the reservation policy laid down by the Central Government there is no reason why there should be shortfalls in various categories of posts.

The statement showing the recruitment made during the year 1980, 1981 and 1982 indicates that the total number of vacancies were always much more than the number of vacancies actually filled. The representative of the Commission explained this variation by saying that some of the vacancies had been filled "on acting basis" which had not been reflected in the statement. The representative of the Commission also admitted that the principle of reservation was applicable if the vacancy was for a period of 45 days or more. In these circumstances, the Committee are at a loss to understand how the Commission was filling up posts on "acting basis" from year to year with the result that the recruitment figures for 1980, 1981

and 1982 do not indicate a true picture. The Committee, therefore, conclude that the data given in the statement is not reliable and a clear picture regarding the recruitments made in each group is not available even with the Khadi and Village Industries Commission. The conclusion of the Committee gets necessary support from the footnote given in the statement relating to the recruitment for the years 1980 to 1982. The footnote states that "some information may still be missing and some vacancies might have been filled on acting basis. The element of reservation filled therein is not available." These words are revealing and indicate the actual state of affairs of the working of the Khadi and Village Industries Commission. The Committee feel surprised that this organisation which has a large number of regional offices and is catering to the needs of the handloom sector in almost all states should be so mismanaged that authentic data regarding their own employees is not available with the headquarter of the Commission.

The committee would like to be apprised as to how far the remedial measures proposed to be taken by the Khadi and Village Industries Commission have succeeded in clearing the backlog in all categories of posts.

Reply of Government

The Committee has desired that it may be apprised as to how far the remedial measures proposed to be taken by the Khadi & Village Industries Commission have succeeded in clearing the backlog in all categories of posts. The following remedial measures have been taken :

- (a) The Commission vide its circular dated 2.9.1977 raised the percentage of reservation for SC & ST to 25% i.e. more than the percentage prescribed. It was, however, brought in line with the one prescribed by the Govt. vide circular dated 26.12.1980.
- (b) The Commission introduced stipendary training in respect of candidates belonging to SC & ST who do not fulfil qualification relating to prescribed experience even for posts in Group 'A'. Two officers in Group 'A' under this criterion have been appointed. At lower levels also, a number of persons have been appointed under the relaxed conditions relating to experience and by providing for their stipendary training.

As stated earlier, bulk of the recruitment was made during the years 1953 to 1964. As and when these persons retire, recruitment will take place which would provide avenues for inducting candidates from SC & ST also.

The backlog regarding representation of SC & ST in the staff of Khadi & Village Industries Commission will, however, be cleared only after the ban on filling up of vacant posts through direct recruitment is lifted by Government.

A statement showing the staff strength and the strength of SC & ST for the years 1982, 1983 and 1984 is enclosed. It will be seen therefrom that as far as group 'D' is concerned, the representation of SC is as per the prescribed percentage. The representation of ST is however, nominal. As for their representation in Groups other than 'D' because of the bulk recruitment made during 1953-64, the percentage of representation is less than the prescribed. However, the number of Scheduled Caste employees went up from 361 in 1982 to 381 in 1984 and that of ST from 70 in 1982 to 80 in 1984. It will thus be seen that subject to limitations regarding filling up of posts by direct recruitment there has been an increase in the number of posts occupied by candidates belonging to SC & ST.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83 KVI (II) dated 7th May, 1986]

Comments of the Committee

See Chapter I, Para 1.16.

**Statement showing total Staff Strength in KVIC during 1982, 1983 and 1984
and the Staff Strength of SC and ST amongst them**

Category of Posts	Year	Total No. of employees		No. of SCs		Percentage SCs		Shortfalls SCs		Percentage STs		Remarks
		2	3	4	5	6	7	8	9	10	11	
1												12
Group A	1982	104		4	3	3.84	3.00	14	6	11.16	4.50	
	1983	105		6	3	3.79	2.85	12	6	9.29	4.75	
	1984	115		4	3	3.47	2.60	16	7	11.53	4.90	
Group B	1982	523		18	3	3.44	0.57	63	36	11.56	6.93	
	1983	579		20	5	3.45	0.86	62	36	11.57	5.59	
	1984	575		23	11	4.00	1.91	58	30	11.00	6.49	
Group C	1982	3054		174	31	5.69	1.01	280	183	9.31	6.27	
	1983	2914		190	36	6.52	1.23	247	167	8.48	6.70	
	1984	2929		192	39	6.55	1.33	247	168	8.45	3.39	
Group D	1982	754		131	31	17.37	4.11	+18	22	+2.38	2.08	
	1983	535		103	29	19.25	5.42	+23	22	+4.26	3.71	
	1984	685		133	26	19.04	3.79	+31	22	+4.04	1.95	

*The declining in the staff strength is due to persons retiring and some Scheduled Castes/ Scheduled Tribes employees leaving the organisation for their better prospects elsewhere.

Sweepers/	1982	36	34	2	94.44	5.55	+29	1	+78.44	+0.83
Scavengers	1983	24	21	2	87.50	8.33	+17	+83	+72.50	-
	1984	30	29	1	96.66	3.33	+25	1	+81.66	-
Total of	1982	4471	361	70	8.07	1.56	309	265	6.93	5.94
A+B+C+D+	1983	*4157	*340	75	8.17	1.80	283	236	6.83	5.07
Sweepers	1984	4334	381	80	8.79	1.84	269	245	6.21	5.66

Recommendation (Sl. No. 16, Para No. 4.21)

The Committee recommend that the Commission should make serious efforts to remove the shortfalls in Group 'C' and 'D' posts for which there appears to be no dearth of Scheduled Caste and Scheduled Tribe candidates. In order to remove the shortfalls 50% of all fresh vacancies should be filled by Scheduled Caste and Scheduled Tribe candidates till such time the backlog is cleared. In case this procedure does not help to wipe out the shortfalls, the Commission might consider to make special recruitment to Group 'C' posts exclusively for Scheduled Castes and Scheduled Tribes.

Reply of Government

Action as per replies given against Sl. No. 13 Para No. 3.50, will be taken.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83-KVI (II) dated 7th May, 1986.]

Comments of the Committee

See Chapter, I Para 1.19.

Recommendation (Sl. No. 18, Para No. 5.19)

The Committee note that Government of India has accorded an important place to Khadi and Village Industries Programmes in the overall economic development of the country from the view point of employment generation in the rural areas. The activities of the Khadi and Village Industries Commission are carried out through two organisations *v/z.* State Khadi and Village Industries Boards and the Voluntary Organisations to whom the Commission provides financial assistance.

Khadi and Village Industries Commission extends financial assistance in the form of grant under Integrated Development Programme to the Societies and institutions mostly working in the weaker section areas engaged in introducing Khadi and Village Industries. The amount of grant is Rs. 40,000 during a continuous period of 7 years on a tapering scale per IDP block to an institution for bearing the initial cost of establishment of certain technical staff till the Khadi & Village Industries units become economically viable.

As regards the financial assistance to individual artisans, the Committee are informed that under "Liberalised Pattern of Assistance" individual artisans are given 75% grant and 25% loan for purchasing improved tools and equipments. Under this scheme there is, however, no fixed percentage for giving financial assistance to Scheduled Caste/Scheduled Tribe artisans.

*Reply of Government

In so far as KVIC is concerned, there is no direct financing to any individual for KVI. KVIC assist the State Khadi and V.I. Boards (who in turn assist registered institutions and coops. and also individuals) and directly aided institutions (who in very few cases assist the individuals).

The question as to how Commission can reserve some minimum allocation for SC/ST beneficiaries would be examined by the Commission.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83-KVI (II) dated 7th May, 1986.]

Comments of the Committee

See Chapter I, Para 1.22.

Recommendation (Sl. No. 20, Para No. 5.21)

The Committee were informed during evidence that "another programme for individual's benefit is the Integrated Rural Development Programme which will be implemented from next year". The Committee need hardly stress that Integrated Rural Development Programme is not a new programme. The various employment generating programmes which come within the sphere of activity of Khadi & Village Industries Commission should have proper linkages with IRDP. Unless this is done, it will be difficult to monitor whether the same person or group of persons are getting the benefits under more than one scheme.

On the question of reservation for Scheduled Castes and Scheduled Tribes in Village Industries Sector, the Committee were informed during evidence that village industries are being managed through the State Boards which implement the programmes through their own institutions including cooperative institutions. As far as these institutions are concerned, Khadi and Village Industries Commission cannot have a coercive powers to implement the reservation policy. The Committee feel that as the funds are provided by the Khadi and Village Industries Commission to the State Boards, there is no reason, why they should not assert in getting due share for Scheduled Castes/Scheduled Tribes in various programmes being undertaken by the State Boards.

On the role of the District Industries Centres for implementing the Khadi and Village Industries programmes, the Chairman, Khadi & Village

*The Committee recommend that some minimum percentage of financial assistance should be reserved for Scheduled Caste/Scheduled Tribe artisans.

Industries Commission informed the Committee during evidence that "we are trying to coordinate our programmes with various block authorities as well as Collectors. We will try to implement the programme in coordination with the District Authorities". The Committee feel that while it is necessary to coordinate these programmes with the District Authorities, it will be too much to expect that the Collectors can play a predominant role in making these programmes successful. The Committee, therefore, recommend that Khadi & Village Industries Commission should strengthen their own machinery for the implementation of Khadi & Village Industries Programmes in the rural areas. The Committee need hardly stress that too much dependence on District Authorities will not bring about the desired results. As the funds are provided by the Commission, to State Boards and other institutions, they must evolve a proper machinery to oversee the implementation of these programmes.

Reply of Government

The Government have constituted a High level Committee under the Chairmanship of Shri M. Ramakrishnaya, formerly Chairman of NABARD and Deputy Governor, Reserve Bank of India to review the role played by the Khadi and Village Industries Commission, its policies and programmes as also its systems and procedures. The question regarding strengthening the machinery for implementation of Khadi and Village Industries programmes in rural areas, is being looked into by the above mentioned high level Committee.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83-KVI (II) dated 7th May, 1986.]

Comments of the Committee

See Chapter I, Para 1.25.

Recommendation (Sl. No. 22, Para No. 5.30)

The Committee are surprised to note that Khadi and Village Industries Commission could not take any effective steps to stop the sale of 'spurious Khadi'. The casualness with which this problem was dealt with is reflected in the reply given during evidence by the representative of Khadi and Village Industries Commission that some attempts were made in the past to stop the sale of spurious khadi in the market. But so far these attempts have not assumed any positive or practical shape.

The representative of the Commission admitted that if spurious Khadi was removed from the market, the sale of khadi produced by their institutions would go up. The Committee need hardly emphasise that the purity of khadi is essential and must be maintained to enlist the faith of the

customers and weavers of khadi. As such, Government might consider if it is feasible to issue a trade mark 'Khadi' for the cloth produced by institutions controlled and aided by Khadi and Village Industries Commission.

The Committee further recommend that Khadi and Village Industries Commission Act may be amended, if necessary, for the purpose of stopping the sale of spurious khadi which has not been produced from hand spun yarn.

Reply of Government

'Khadi' means any cloth woven on handlooms in India from cotton, silk or woollen yarn handspun in India or from a mixture if any two or all of such yarns. In broad, khadi means includes silk, wool & cotton khadi.

In pursuance of Regulation 24 of the Khadi & V.I. Commission Regulations, 1958, Khadi & V.I. Commission has appointed a committee called certification Committee and action may be taken by the Chairman of the Certification Committee against Spurious Khadi as under :

Certification Rule 13 (A)

The Chairman of the Committee may suspend certificate of an institution initially for a period not exceeding six months, if he is satisfied that it is necessary to do so for reasons of serious violation of certification rules. The period of suspension can further be extended for a period not exceeding six months.

Certification Rule 13 (B)

The Chairman of Committee may cancel the certificate of an institution :

- (i) If the institution is found guilty for the breach of any certification rules or for gross negligence of the directives of the committee or of the Commission which includes non-payment of wages as per rates prescribed by the Committee, irregular, bogus or impure production, possession of impure khadi in the custody of institution or if the institution is found guilty of malpractice, misappropriation of funds or mis-feasance or on any other ground which in the opinion of the Chairman/Committee necessitate the cancellation of the certificate.
- (ii) A show cause notice shall normally be issued by the Chairman to the institution before the certificate is cancelled enumerating the charges therein with a view to affording a reasonable opportunity

and time to the institution to explain as to why the action of cancelling the certificate should not be taken.

- (iii) If upon enquiry an institution is found guilty of all or any of the allegations or if the institution fails to send reply to show cause notice within specified period the committee may cancel the certificate with effect from the date of suspension or from any subsequent date.

As regards the issue of a trade Mark 'Khadi' is concerned, it may be stated here that the Commission had proposed to obtain trade mark registration for the word 'Polyvastra'. This could not be done. The legal opinion of the attorneys in this case was as under :

"In view of the fact that 'Poly Vastra' has been defined as 'any cloth woven on handloom in India from yarn handspun in India from a mixture of manmade fibre with other cotton, silk or wool or with any two or all of them or from a mixture of manmade fibre yarn handspun in India with either cotton, silk or woollen yarn handspun in India or with any two or all of such yarns', the cloth manufactured by any person will be known as 'Poly Vastra' provided the said cloth conforms to the definition contained in the Act. As you are aware, trade mark registration is a right confined on a person to use a trade mark on and/or in relation to a particular specification of goods on an exclusive basis. Obviously, in the instant case, you cannot claim any monopoly rights to use the mark 'POLYVASTRA' because any person who manufactures cloth in conformity with the combination as defined in the Act is entitled to call his cloth as 'Poly Vastra'.

It appears that the same argument would apply in case it is proposed to obtain trade mark registration for the word 'Khadi'.

Ministry of Law will, however, be consulted in the matter.

So far as the recommendation regarding amendment for the purpose of stopping the sale of spurious Khadi is concerned, it is felt that the provisions contained in the Khaddar (Name Protection Act 1934) (Act No. VIII of 1934) may meet the requirement for stopping sale of spurious Khadi. As per Section 2 of the words 'Khaddar' and 'Khadi' when applied to a woven material shall be deemed to be trade description within the meaning of the Indian Merchandise Act 1889, indicating that such material is cloth woven on hand-looms in India from cotton yarn hand spun in India.

False application of khadi description of goods is punishable with

imprisonment and/or fine. The quantum of penalty will be stated separately after verification of the latest amendments.

The Commission had proposed amendments to the KVIC Act for making suitable provision so that cloth produced without following the Rules and Regulations of the Commission may not be sold as 'Khadi'. The matter is under examination in consultation with the Ministry of Law and Justice.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83-KVI (II) dated 7th May, 1986.]

Comments of the Committee

See Chapter I, Para 1.28.

Recommendation (Sl. No. 26, Para No. 5.57)

The Committee feel surprised that no survey or assessment has been made by Khadi and Village Industries Commission regarding economic conditions of Scheduled Tribes and the extent to which improvement has been made in their skills in crafts as also in getting employment opportunities in tribal areas.

The Committee recommend that Khadi and Village Industries Commission should carry out a survey in the Hill & Tribal Areas of the country to assess the impact of their programmes on the socio-economic conditions of the Tribal people. The Committee strongly feel that in the absence of such a survey Khadi and Village Industries Commission cannot devise suitable programmes for implementation during the Seventh Plan period.

Reply of Government

The Commission has asked all the State KVI Boards and State Directors to furnish data regarding share of SCs & STs in the Annual Report performance for 1985-86, in respect of different industries. The Commission insists during the budget discussions with the directly aided institutions that they should increase the coverage of SC & ST beneficiaries. The State Directors have also been asked to obtain an undertaking from the directly aided institutions to make reservations for SC & ST in posts and services under their control on the lines indicated by the Government of India. The State Khadi & Village Industries Boards have also been requested to furnish information about the position of the ministerial and

technical staff of the State Boards as on 31.3.1986 with the number of persons falling under the category of SC & ST. It will thus be seen that the Khadi and Village Industries Commission has taken necessary steps to monitor the system to look after the interests of SC & ST artisans/workers.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No./A-35021/15/85-KVI (II) dated 7th May, 1986.]

Comments of the Committee

See Chapter 1, Para 1.31.

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH FINAL REPLIES OF GOVERNMENT HAVE NOT BEEN RECEIVED

Recommendation (Sl. No. 15, Para No. 4.20)

The Committee recommend that the Khadi and Village Industries Commission should go into the question of unattractive pay scales of their employees vis-a-vis other organisations and try to improve the pay scales wherever they consider it necessary to do so.

Reply of Government

The question of revising the pay scales of the Commission's employees will be taken up in the light of the recommendations that may be made by the 4th Pay Commission.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/
15/83-KVI (II) dated 7th May, 1986.]

Comments of the Committee

A copy of the revised pay scales made applicable to the employees of KVIC in pursuance of the recommendations made by the 4th Pay Commission may be furnished to the Committee for information in due course.

Recommendation (Sl. No. 19, Para No. 5.20)

The Committee feel surprised that no monitoring system has been evolved so far by the Khadi and Village Industries Commission to safeguard the interests of Scheduled Caste/Scheduled Tribe artisans. The Committee recommend that the Commission should introduce a monitoring system to look after the interests of Scheduled Caste/Scheduled Tribe artisans both for Khadi and Village Industries.

Reply of Government

KVIC in normal course collects information from various assisted institutions about the number of SC/ST persons assisted under the KVIC

programme every year. KVIC is considering a proposal for strengthening its entire monitoring system. While doing so the recommendations would be kept in view.

[Ministry of Industry (Deptt. of Industrial Development) O.M. No. A-35021/15/83-KVI (II) dated 7th May, 1986.]

Comments of the Committee

The details regarding the scheme for strengthening of the monitoring system when introduced by the KVIC to look after the interests of Scheduled Caste/Scheduled Tribe artisans both for Khadi and Village Industries should be furnished to the Committee.

NEW DELHI ;

August 21, 1986
Sravana 30, 1908 (Saka)

K. D. SULTANPURI,
Chairman,

*Committee on the Welfare of Scheduled
Castes and Scheduled Tribes.*

APPENDIX

Analysis of the Action Taken by Government on the Recommendations contained in the Fifty-eighth Report of the Committee.

(Vide Para 4 of the Introduction)

	PAGE NO.
I. Total number of Recommendations	... 26
II. Recommendations which have been accepted by Government (vide Recommendations Sl. Nos. 1, 3, 8, 9, 10, 12, 13, 23, 24 & 25).	
Number.....	... 10
Percentage to the total.....	... 38.46
III. Recommendations which the Committee do not desire to pursue in view of Government's replies (vide Recommendations Sl. Nos. 2, 11, 17 & 21).	
Number.....	... 4
Percentage to the total.....	... 15.39
IV. Recommendations in respect of which reply of Government has not been accepted and which require reiteration (vide Recommendations Sl. Nos. 4, 5, 6, 7, 14, 16, 18, 20, 22 & 26).	
Number.....	... 10
Percentage to the total.....	... 38.46
V. Recommendations in respect of which final replies of Government have not been received (vide Recommendations at Sl. Nos. 15 & 19).	
Number.....	... 2
Percentage to the total.....	... 7.69