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Lesson No.

- 2.1 : Public Enterprises-Concept and Objectives
- 2.2 : Forms of Public Enterprises
- 2.3 : Parliamentary Control Over Public Enterprises
- 2.4 : India - A Welfare and Socialist State
- 2.5 : Central Social Welfare Board
- 2.6 : Policies and Programmes Relating to Scheduled Castes, Scheduled Tribes and other Backward Classes
- 2.7 : National Commission for Women

Department website : www.pbidde.org

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PUBLIC ENTERPRISES: CONCEPT, MEANING AND OBJECTIVES

2.1.0 Objectives

2.1.1 Introduction

2.1.2 Meaning and Features

2.1.3 Origin and Growth

2.1.4 Conclusion

2.1.0 OBJECTIVES

- After studying this lesson, you shall be able to. :
- Define the concept of public enterprise as well as able to outline its features
- Describe its origin and growth with the passage of *time*;

2.1.1 INTRODUCTION

At the time of Independence, India committed itself to establishment of socialistic pattern of society. This aim required governmental intervention to great extent in particular, in the economy and, in general, socio-political and other fields. To give big push to the economy, establishment of various basic, strategically important and public utility services were essential to be in the public sector. Firstly because private entrepreneurs did not have huge finances and if they had, they lacked willingness and courage to invest in these sectors which otherwise were very important for the nation's progress. The main reason of their disinterest was negligible profit margin and high risk involvement in these investments. Heavy and basic industries like machine tools, petroleum refinery, chemical engineering etc. requires huge-capital at the initial stages with no profits and their gestation periods are often very long say 15 to 20years. In defense equipment manufacturing industries, no private entrepreneur is allowed to run business. It must be under the monopoly of the government as it involves nation's security, unity and integrity. These reasons as well as adoption of mixed economy type where both public private exist side by side led to greater role of the government in the economic and social sectors and this role was fulfilled through establishment of public sector undertakings.

2.1.2 MEANING AND FEATURES

Public enterprises mean those undertakings in the economic field, which are wholly or partially owned by the government like public corporations, government companies etc. In the words of Marshall E. Dimock, " A public corporation is one that has been created and is wholly or partially owned and operated by the government. To

Pfiffner, "A corporation is a body formed for the purpose of enabling a number of persons to act as single person. The essential characteristic of corporations is said to be this feature of several individuals who act as one. Thus, corporation is viewed as an artificial person which. is authorized by law to carry out the particular activities and functions. According to **M.P. Sharma**, "A Government corporation is a distinct legal body, having a Board of Directors for policy purpose and a manager appointed by the Board." **M.C. Shukla** defines it as a corporate body created by legislature, with defined power and financially independent, having clear-cut jurisdiction over a specified area or over a particular type of commercial activity.

Not only in India rather *almost* in every country, we find that public sector has come to play a significant role in the economy of the country. M.E. Dimock points out that Japan has so many of them in such bewildering array, and they are so diverse in degree of government ownership, in their management, and in their purpose that they constitute a distinctive feature of her government. Similar is the position in Britain and U.S.A. In certain countries like U.S.S.R., China, Yugoslavia etc. there' is no private sector at all. The entire production and distribution is in the hands of public sector. This is primarily because there is nationalization of each and every activity.

Public enterprises have under taken a lot of activities which are even difficult to enumerate .. In the words of **S.S. Khara**, " These range from transport system\$~ Railways, Road, Air and shipping enterprises and waterways, the generation of power and its distribution, irrigation works with vast networks; the supply of water, for industry and for domestic consumption; the mining and processing of coal, iron and other minerals, banking and insurance to industrial' establishments of all kinds, such as integrated steel plants, machine tools, fertilizers and chemicals, the manufacture of air craft, of locomotives and of transport equipment, indeed almost every conceivable sort of industrial and commercial activity, productive of goods or services."

The concept of Public sector in the Indian economy was not ~. mere idealistic philosophy, the product of the brain of late Pt. Jawahar Lal Nehru, Prime Minister of India, rather it was the need of hour. Already in many countries of the world, public sector had been playing a significant role. When Pt. Nehru insisted that public sector should be established on sound footing and it should attain the commanding heights of the Indian economy, he was actually pointing out to the inevitable future of the country which was to be made by the public sector. In the beginning there was a great criticism but of no avail. The assaults from both outside and inside the Government were repulsed and the public sector established on sound footing. Since then the concept of public sector has become a part and parcel of the economy of the country and a symbol of progress.

Public enterprise as a concept has been differently defined by various nations. There is no unanimity regarding its nomenclature or its meaning. Generally it means, an activity of business character, managed and owned wholly or majority of shares, by the government-central, state or local, providing goods/services for a price. The term 'Public Enterprise', comprises two main words-public and enterprise. Here 'Public' means that decisions will be taken for the masses of the country and not in favour of any particular individual, section or group of people. It also means that its revenue and expenditure is basically public money thus it is accountable to the public for its each and every activity. Thus organization pattern, structure and functioning must be transparent aiming at public confidence, having faith in these institutions.

After discussing 'public' aspect, now enterprise aspect will be discussed at length. Business enterprise means where some capital has been invested, goods and services are provided for a price and some return is also expected. In case of PE's profit maximization is never the aim as it is committed to serve the society or people. Nevertheless, it should be able to recover the money invested i.e. should be capable of keeping itself in the running position. This enterprise or business aspect mainly emphasises on its financial viability. In short run, PE's may incur losses but in long run, they should be able to recover the costs. Thus normally, in PE's emphasis is laid on balancing its two major feature i.e. public and enterprise. It can be explained that too much emphasis on public will damage its business type character which is equally important and can't be ignored. But at the same time, profit maximizing will be against its public service character, so public enterprises are required to be run on sound and clearly defined business principles and practices aiming at achievement of social objective.

Public enterprises as opposite to private institutions are known by various names-public sector undertaking, state owned enterprises. In UK, they are known as nationalized industry. In many African and Latin American countries, they are known as 'parastatal' i.e. group of industries empowered by the state without being apart of the state. Government controlled enterprises, national company etc. are their other names.

FEATURES OF PUBLIC ENTERPRISES

1. The public undertakings are wholly or partially owned by the state. .
2. These are created by a special law enacted by the Parliament or State Legislature concerned, enumerating its powers, duties and form of the management.
3. Employees of Public undertaking are recruited by them on the terms and conditions fixed by themselves.
4. A public enterprise is a corporate body. It enjoys all the rights of a corporate body, can buy and sell property lights of a corporate body. It can buy and sell

- property in its own name. It can sue and be sued. It can also enter into contracts. It is also an independent body for legal purposes.
5. As regards budgeting, accounting etc., it is not to follow the rules that apply to a non-corporate body.
 - 6.. As regards spending of public funds, it is to follow different rules as compared to a non-corporate body.
 7. It gets its funds by borrowing from Government or the public.
 8. It enjoys greater autonomy than a department of the Government.

DIFFERENCE BETWEEN A PUBLIC ENTERPRISE AND A GOVERNMENT DEPARTMENT

There is certainly a great difference between a public corporation and a govt. Department. A public corporation is a business concern that is established for the purpose of earning revenue. It is operated on self- supporting basis. However, public benefit is always kept in view while establishing a public corporation. It may be established under federal or state or local government law, it is created by some statute of legislature. On the other hand, a government department is established for the purpose of administration. It is not self- supporting and is generally a money spending unit. Secondly, a government department is characterized by rigid government control and red tapism whereas a public corporation is an autonomous body and enjoys independence in matters of finance, personnel and framing of rules to enable it to take quick decisions.

2.1.3 Origin and growth

During British rule in India, economy was confined to agricultural and extractive industries only. In 1880, Indian Famine Commission. recommended for industrialization but first such step was taken only in 1905 when department of commerce and Industry was established. First Oil Mill was started at kanpur under European agency's management. Then Government of Madras took some measures towards industrialization but was highly opposed by the local European community. First world war exposed the Indian Industrial weakness which British government tried to rectify and one such step was appointment of Indian Industrial Commission in 1916. It surveyed the country's industrial scenario and recommended for (i) establishment of key industries in the nation's interest (ii) direct financial aid by the government under Govt. of Indian Act 1919 led to transfer of 'industries' subject to provincial list. Provinces did nothing except creating department of industries as they lacked expertise and finances. in 1937, a conference of industry ministers of provinces where congress was in power was convened under the chairmanship of Sh. Subhash Chander Bose. The conference aimed at economic development through industrialization. National Planning Committee headed by Pt. Nehru, to draw a detailed and comprehensive national plan. was established. This committee classified

industries into public utility, defence, key, basic, etc., and recommended for state ownership and control i.e. these industries to be established in public sector. But 2nd world war proved major hindrance in its implementation British government issued policy statement in 1945 which aimed at equitable distribution of surplus generated by industrial development as also deconcentration of assets from the hands of few persons or of special community in favour of common citizens in the society. In pre-independence period., states were divided into two- provinces and princely states. Efforts of provinces towards country's industrialization have already been discussed. Princely states were equally committed to economic development. State of Mysore took first step towards establishment of state owned enterprise Mysore Government Saving Bank in 1870 and Railways (1887). State of Hyderabad, Baroda, Gwalior, Indore further strengthened this concept of public sector undertakings.

Ideology of public enterprises is the brain-child of Nehru. He was highly influenced by Soviet. Union and its philosophy of socialism (1927 visit to Russia) and advocated nationalization of key and service industries in Karachi session of 1931. He professed that his socialism was not vague humanitarianism like Gandhian socialism but was scientific in nature and very crucial to bring about socio-economic change. Nehru emphasized on presence of both sectors i.e. public and private but visualized public sector as dominating one.

After attaining independence, measures were taken to achieve the above said goals. Industrial Policy Resolution, 1948 divided industries into three categories- strategic, defence, railway etc. Heavy and basic industries coal, iron, steel etc. and rest of the industries in the private sector. Constitution of India envisaged directive principles aimed at achieving just and equitable distribution of resources and deconcentration of economic wealth and means of production, this was possible only through establishment of public sector thus giving impetus to their growth in the country. As Indian policy was aimed at establishing socialistic pattern of society thus first plan viewed state as the main agency responsible for fulfilling the aspirations of the community through rapid expansion of public sector. Industrial policy Resolution, 1956 further emphasized on important and ever increasing role of the state in the economic scenario mainly through public enterprises. Resolution also emphasized on running these enterprises on professional and sound business principles.

2nd Five Year Plan described public and private sector as inter-dependent and aimed at increasing investments in public sector such as irrigation, power, transport which would have increased the production potential of the private sector. Public sector was to serve an ever increasing important role of determining the character and functioning of the economy as a whole and was to prevent economic power concentration as well as monopolistic tendencies. Along with the development of basic industries, construction and supply industry was also brought under public sector

under the **3rd plan**, **4th plan** emphasized on the already envisaged role of public sector as dominating the one and private sector maintaining its separate identity but complying with national policies and public purpose. **5th and 6th plan** viewed PE's as prominent means of distributing essential commodities and infrastructure facilities for low income people. In 7th plan the performance of the public sector turned out to be biggest poser, there was nothing left except to reduce the losses and improve their efficiency. 9th plan focused on removal of government interference to make them more efficient in competitive market.

Industry Policy Statement of 1980 aimed at restructuring of PE's in order to revive their efficiency. This was to be done through infusion of dynamic and competent management which most of the PE's as it observed that the stress, "should be on consolidation, improvement and modernization rather than on large expansion of capacity except when it is imperative." Though some of the reserved fields of PE's were being thrown open for private entrepreneurs but till 1991 there was no normal policy as such. But 1991 's Industrial Policy Resolution drastically brought down the reserved fields of PE's from 29 to 8. Government adopted a new approach towards PE's which is:-

There must be a greater commitment to the support of public enterprises which are essential for the operation of the industrial economy. Measures must be taken to make these enterprises more growth oriented and technically dynamic. Units which, may be faltering at present but are potentially viable must be restructured and given a, "new lease of life. The priority areas 'for growth of public enterprises in the future will be the followings:

"Essential infrastructure goods and services.

" Exploration and exploitation of oil and mineral resources .

"Technology development and building of manufacturing capabilities in areas which are crucial in the long term development of the economy and 'where private sector investment is inadequate .

"Manufacture of products where strategic consideration predominate such as defence equipment.

"At the same time the public sector will not be barred from entering areas not specifically reserved for it."

"In the view of these considerations, Government will review the existing portfolio of public investment with greater realism. This review will be in respect of industries based on low technology, small scale and non- strategic areas, inefficient and unproductive areas, areas with low or nil social consideration or public purpose, and areas where the private sector has developed sufficient expertise and resources. "Government will strengthen those public enterprises which fall in the reserve areas of operation or are in high priority areas or are generating good or reasonable profits.

Such enterprises will be provided a much greater degree of management autonomy through the system of Memorandum of Understanding. Competition will also be induced in these areas by inviting private sector participation. In the case of selected enterprises, part of Government holdings in the equity share capital of these enterprises will be disinvested in (order to provide further market discipline to the performance of public enterprises. There are a large number of chronically sick public enterprises incurring heavy losses, operating in a competitive market and serve little or no public purpose. These need to be attended to. The country must be proud of the public sector that it owns and it must operate in the public sector."

2.1.4 Conclusion

Based on the above general statement of policy, the Industrial policy statement listed out the following six decisions to improve the situation:

(i) "Portfolio of public sector investment will be reviewed with a view to focus the public sector on strategic, high-tech and essential infrastructure. Whereas some reservation for the ,public sector is being retained there would be no bar for areas of exclusivity to be opened up to the private sector selectively. Similarly, the public sector will also be allowed entry in areas not reserved for it."

(ii) " Public enterprises which are chronically sick and which are unlikely to be turned around will, for. the formulation of revival/rehabilitation schemes, be referred to the Board for Industrial and Financial Reconstruction (BIFR); or the similar high level institutions created for the purpose. A social security mechanism will be created to protect the interests of workers likely to be affected by such rehabilitation packages."

(iii) " In order to raise resources and encourage wider public participation a part of the government's share. holding in the public sector would be offered to mutual funds, financial institutions; general public and workers."

(iv) "Boards of public sector companies would be made more professional and given greater powers."

(v) " There will be greater thrust on performance improvement through the Memorandum of understanding (MOU) system through which managements would be granted greater autonomy and will be held accountable. Technical expertise on the part of the government would be upgraded to make the MOU negotiations and implementation more effective."

(vi) " To facilitate a fuller discussion on performance, the MOU signed between Government and the public enterprise would be placed in parliament. While focusing on major management issues, this would also help place matters on day to day operations of public enterprises in their correct perspective."

This Investment in PE's in 1951 was Rs. 29 crore in 5 PE's which rose to 1,78,628 crore rupees in 243 PE's in 1996. In 1971, 107 lakhs workers were employed

in PE's which grew to 191 lakhs in 1991. In case of capital formation, PE's share was $1/3^{\text{rd}}$ during 1st plan but gradually rose to $1/2$ th during 6 plan. It rose substantially in subsequent plans but gradually rose to $1/2$ th during 6 plan. It rose substantially in subsequent plans but declined during 1991-92.

Regarding gross domestic savings, up to 6th plan savings of public sector were on increase but now the gap between savings investment in PE's is continuously increasing. I after studying their origin and gradual growth and shift in the "governmental policy and their decline through disinvestments their various prevalent forms in the country will be discussed in detail in the next chapter.

LESSON NO : 2.2

FORMS OF PUBLIC ENTERPRISES**Introduction**

The functioning of a public enterprise depends on its sound and efficient organization and the form of an 'organization has an important bearing on the success and the form of an organization has an important bearing on success and continuity of the enterprise. The right choice of the form of an enterprise leads to sound management and efficient production while wrong choice stands in the way of good administration "which would result into economic production inefficient service and unscientific management."¹ The forms of public enterprises vary from country to country and even with in the same country. The public enterprises may differ in regard to their form of organization, legal status. operational authority, financial independence, degree of control and the extent of public accountability.² This difference in form arises because every country has to adopt an organization compatible with the constitutional system, its governmental form, political, system, socio-economic background and the aspiration of the people.³ Many efforts have been made to find out the best form of organization of public sector enterprises out of various kinds of enterprises keeping in view of their respective merits. Nationalization is no guaranteed pattern of each of undertaking. The developing countries may take the benefit of the experience of advanced countries but the adoption of the same pattern in complete form would be dangerous and can cause irresponsible loss. Therefore, there is an absolute need of selection of most efficient and convenient pattern of organization for public sector undertakings. The major types of organizations adopted for organizing enterprises in India are:

I. Departmental Undertakings

This is the oldest form of public enterprise and is created under executive direction. It is difficult to make distinction between this kind of public enterprises and traditional government departments for the working of both is quite similar. They are generally organized, financed and controlled in the same way as other central

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1. K.R. Gupta: Issues in Public Enterprises, New Delhi, S. Chand & Co., 1975 p. 16
 2. Ibid.
 3. S.K. Sharma: Development Administration in India, Jullundur, International Book Co, 1971 p. 97.

government department or bureau are done because they require the direct and immediate supervision of the government and are often established under the direct control of the government. The area of public enterprise is rather limited. They are generally established when the main purpose of the enterprise is to provide revenue. The Indian Railways and Post and Telegraphs fall under this category of public enterprises. This form is also adopted to administer defence industries which require strict secrecy with regard to production capacity, production matter etc.”⁴

Features:

The main characteristics of this form of organization are

1. This kind of public undertakings are established under the executive direction.
2. The finances of these undertakings form apart of annual appropriations and major share of their revenue proceeds are paid into the national treasury.
3. Such undertaking are under day-to-day direction and control of the minister who are responsible to the Parliament on behalf of the undertakings.
4. The enterprises are subject to the budgetary accounting and audit control just like the government departments.
5. The staff of these enterprises are manned by civil servants, and the methods of their recruitment, promotion and the condition of service under which they are required to work, are ordinarily the same as those of other civil servants.
6. This type of undertakings is generally organized as major part of the central department of the government and is subject to the direct control of the head of the department.
7. Such enterprises have no legal personality of their own and therefore, cannot be used without the consent of the government.

Advantages:

As such types of undertakings work under the direct control and supervision of the ministers, they are highly disciplined and controlled and involve no risk of public money and provide an effective check against extravagance, misuse or misappropriation of public funds. They are most efficient and involve less cost of maintenance and operation while their rate of production and service are high. These ensure greater responsibility and are accountable to the Parliament through the ministers. The members of Parliament can by raising questions seek information regarding the working of these enterprises without any procedural difficulty. Some of the most important department undertakings at the central level are Railway, Post and Telegraph, Defence Ordnance factories, Chittaranjan locomotive works, Gold mines etc. Some state governments to have set up departmental public undertakings. For example, in Punjab, Punjab Roadways has been established as a departmental

4. M.C. Shukla: Administrative Problem Chand & Co. 1959, p. 54.

undertaking under the department of transport. Similar steps have been taken in other, states in this direction.

Disadvantages :

Though departmental undertakings have their own advantages but they suffer from far-reaching shortcomings. Firstly, they work under too much control of the government and suffer from bureaucratic control, inflexibility of operation. They sometimes becomes synonymous with red tape, delays, inadequate service and insensitivity to consumer need.⁵ It involves “too much centralization and inadequate delegation of powers. Their initiative and flexibility which are the basic traits of an industrial or commercial enterprise are curbed due to excessive control. This type of organization does not adhere to the basic principles of business administration and is based on authoritarian principles but from the entrepreneur view point, it should not be forgotten that business must be run on business lines irrespective of the fact whether it is run by the government or private agents. In the words of R.K. Jain. “The system initiates against initiative and flexibility which are fundamental and basic for the successful operation of business concern. The bureaucrats overemphasis on caution; conservative temper and through proper channel mentally do not leave any room for refreshingly, bold approaches, adventure and risk.”⁶

Secondly, these organizations are generally manned by civil servants who possess entirely different temperament and they lack training and experience to run commercial and industrial undertaking.” This affects the- efficiency of the public undertakings because the civil servants neither have the commercial initiative nor the drive to face commercial hazards not the sense of owning the enterprise.

Thirdly, departmentals undertakings have to operate under rigid financial and budgetary control and they do not enjoy financial and administrative autonomy like public corporations. Thus they cannot operate oneself sustaining basis.

Fourthly frequent transfers of officers and promotions and the annual nature of financial outlook of government departments run counter to the continuous and long term policy on the part of the business enterprises.⁷ Moreover, the frequent changes of ministers further involve in the change of policy and obstruct its continuity.

Keeping in view the above mentioned disadvantages of public undertakings A.D. Gorwala in his Report on the Efficient Conduct of State Enterprises (1957) held, Departmental undertaking must be rare exception not the general rule, In many

5. United Nations: Some Problem in the Organisation and Administration of Public Enterprises in the industrial Field, New York, 1954-1955.

6. R.K. Jain: Management of State Enterprises in India, Bombay, 1967, p. 44.

7. M.C. Shukl8: Administrative Problem of Public Enterprises in India, Delhi, S. Chand & Co, 1959, pp. 55-56.

ways it is the direct negation of the requirement of autonomy. It militates against initiative flexibility.⁸ Due to these reasons many departmental undertakings have been converted into public corporation. For example, Oil and Natural Gas Commission has ceased to be a departmental affair as it has been converted into a public corporation. No doubt departmental undertakings are subject to scathing criticism still they have played a vital role in public sector in India. Railway, All India Radio, post and Telegraph etc. are running successfully. But it must be kept in mind that the pattern of departmental organization is not suitable for all sorts of public enterprises and there is a need of selecting some other organization pattern to meet the demand of public sector.

Public Corporation

With the rapid expansion in the number of governmentally owned and operated enterprises, it became essential that a new type of organization which combined the advantages of private enterprise and governmental control and escaped the complicated process of bureaucracy by embracing the flexibility of commercial operation, “ while the organization should be free in the day to day administration, it should faithfully carry out the policies laid down by the parliament and should be answerable to the people in contrast to private enterprise which is answerable only to “its ‘shareholder.’⁹ This new type of organization is called public corporation which fulfills all these requirements. In the words of Morrison in Public Corporation. ‘we are seeking combination of public ownership, public accountability and business management for public ends We can combine progressive modern business management with a proper degree of public accountability.’¹⁰ Thus corporation is clothed with the power of the government and possessed of the initiative and flexibility of private enterprise.

“Public corporation’ remarks **Marshall, E, Dimock,**” is a publically owned enterprise that has been chartered under federal, state or local law for a particular business or financial purpose.¹¹

In the words of Pfiffner, “ A corporation is a body formed for the purpose of enabling a number of persons to act as a single person. This corporation is (viewed as an artificial person, which is authorized by law to carry on particular activities and functions.” **According to Earnest Davies,** “ Public corporation is a corporate body created by public authority with in defined powers and functions and financially independent.”¹² Keeping in view all the above mentioned views it can be said that,

8. A.D. Gorwala, Report on Efficient Conduct of State -Enterprises, pp. 13-14.

9. K.R. Gupta op.cit. pp. 24-25.

10. Lord Herbert Morrison, Socialism and Transport, London, 1933, p. 149.

11. Marshal E. Dimock; American Government in Action, p.565.

12. Earnest Davies: National Enterprises London 1946p.24.

public corporation is a corporate body created by Legislature: with defined powers and functions, and financially independent having a clear cut jurisdiction over a specified area or over particular type of industrial or commercial activity.”¹³ Public corporations are created with following objectives :-

- i) To provide loan or credit facilities.
- ii) To administer or manage some industrial or commercial activities.
- iii) To develop a particular area or locality.

Keeping in view the above objects several public corporations have been created. For example, Industrial Finance Corporation has been created to give loan to industries: Life Insurance Corporation has been created to regularize insurance balance and Damodar Valley Corporation has been set up to make multi- purpose development in the valley surrounding Damodar river. Besides there are many public corporations like India Air Lines Corporation, Air India International, Reserve Bank of India's Employee's State Insurance Corporation, Rehabilitation Finance Corporation, State Finance Corporation etc.

Characteristics of Public Corporation: On the basis of above mentioned definitions, it can be said that public corporation is unique institution created by some public authority possessing for some commercial and development purpose. Such an institution has its own characteristics on the basis of which it differs from other public under takings. The main characteristics of public corporation can be described as follows:-

1. A Public corporation is combination of public ownership, public accountability and business management for public ends. It is wholly owned by state and there is no share holders in the ordinary sense of the term.
2. It is established under a special act passed by the parliament or state legislature and its purpose, functions, powers, duties, form of management and its relationship with departments and ministers are defined by the same act.
3. It is a body corporate and has a legal entity. Being a legal person it can sue and be sued into contract and acquire, transfer and own property in its own name.
4. A public corporation is financially autonomous, Its capital authorized by the act creating it. Besides it can raise Its own capital earn income, borrow money and conduct its financial transaction and operation in the manner it deems fit.
5. It is quite autonomous in its personnel system. It can decide its own recruitment policy and its recruitment system not subject to civil services

13. M.C. Shukla: Business Organisation and Management p. 359

- rules. It has its own recruiting agency. Promotion is generally based on merits and can be earned speedily on the basis of performance. It follows its own disciplinary procedure and can take action against its own employees.
6. Ordinarily it is not subject to budget, accounting and audit laws of the land. It prepares its own budget. Its accounts are not maintained like the accounts of government departments. The system of commercial accounts are subject to commercial audit.
 7. Public corporations are autonomous in their day- to-day administration and the control of the government is usually confined to giving direction in matters of general policy and right to obtain information and reports.

Merits:

The public corporation being clothed with the power of government but possessed with all the flexibility of a private enterprise has numerous advantages. It is very useful institution of economic and social control and has been accepted all over the world. Being autonomous it can take quick decisions and can implement them speedily with greater efficiency. On account of its autonomous personnel system it can attract people with best talent and can escape the shortcomings of bureaucratic setup in the government. It affords considerable opportunity for administrative or regional decentralization and local autonomy. In the words of prof. M.C. Shukla, "In a traditional set up all lines of authority must run to the minister's office in New Delhi but a corporate entity can have in its main office, its area of operations and its center of gravity within the region it serves."

Demerits:

It may however, be noted that whereas public corporation has numerous advantages it also suffers from various maladies .. No-uniform pattern of organization for public corporation have been developed and the organization, structure, powers, functions, administrative and financial autonomy vary from corporation to corporation. The nature of every public corporation is determined in each particular case by the legislature, which endows it with characteristics appropriate to the functions, it is designed to perform. Despite this that the corporations vary in their structure and functions, their features to greater extent are uniform, public Corporation form of public undertaking has proved to be an effective contrivance for social control of economic life of country. It is considered to be the most important creation of modern age. In England, most of the nationalized industries have been given form of public corporations and same is the case of French nationalized industries. Even in USA and Canada public corporations dominate the public sector. The Tennessee Valley Authority is most illuminating public corporation in the USA. In India, too this form of public undertaking is given priority and the public undertaking which play an effective role in the economic aspect of national economy have been given this form

and several acts have been passed for their creation. Indian Airlines Corporation, Air India International (1955), Industrial Finance Corporation (1948), Life Insurance Corporation (1956), Employees State Insurance Corporation (1958), Rehabilitation Finance Corporation (1948), Damodar Valley Corporation (1949) are some of the most important public corporations which have a bearing on the national economic development. The public corporations have become widely accepted public undertakings and are considered most useful devices for operating public sector, Commercial and industrial Enterprises. In the words of W.A. Robinson, "They are acceptable to all parties rightist as well as leftist, as being appropriate instrument for operating nationally owned undertaking requiring management of commercial and industrial character. The public Corporations have to greater extent replaced the private sector and have ensured that national wealth will be utilized for development purpose." According to Dr. Gyan chand, « They have come in to favour because in them is the implicit promise of fulfillment of a social purpose without the handicap of bureaucratic rigidity."¹⁴

II. Joint Stock Company

Another form of corporate type of organization is the Joint Stock Company formed with an object to undertake some commercial or industrial activity on behalf of the state. Such enterprise is registered "as Private Limited Company under the Companies Act (1956) and is known as Government Company. According to section 617 of the Indian Companies Act « Government Company is a company in which not less than 51 percent of the state share capital is held by the Central Government and partly by one or more State Government. According to provisions of this Act a Government company can be formed either with total capital furnished by the Government and public or some private enterprises. The later type of company is sometimes called mixed economic enterprise for it is shared between the government and private interests. The private interest may be national or foreign. They may represent the shares of individual firms participating in the venture of the subscription of the public at large .."¹⁵ Foreign capital can be subscribed with the permission of the government. Unlike Public Corporations they do not require a special legislation for their incorporation and are set up under the Companies Act. The main characteristics of a joint stock company are:

1. A joint stock company is not created by a special statute but through an executive resolution and is registered under the Companies Act.

14. Suresh Kumar Sharma: Development Administration III India. Jullundur, International Book Co., 1974 p. 102.

15. M.C. Shukla: Administrative Problem of Public Enterprises, Delhi, S.Chand & Co. 1959, p.653

2. The company may be wholly owned by the central or state government or it may be jointly owned by the central government and private interest. But even in case, capital of the company is jointly owned by the Govt. or private interest, the government share should not be less than 51.
3. It is corporate body and has a legal status of its own and in this capacity, it can sue and be sued. It can own, transfer, acquire or dispose of property.
4. The companies can be registered in various states and there is no central registration office for registering the joint stock companies. For example, Hindustan Air craft is registered at Mysore while Ashoka Hotel Ltd. at Delhi.
5. The accounts of the companies are audited by the auditors appointed by central Government on the advice of the Comptroller and Auditor General of India and their audit reports are placed before both the houses of the parliament together with their annual reports.
6. Such type of public undertakings are useful in developing countries for obtaining foreign capital the Government companies can be of three types:

1. **Industrial Companies**

Those companies whose primary function is to produce some industrial goods are termed as industrial company.

2. **Commercial Companies**

Such companies, which confine their activities to commercial purpose, are known as commercial companies, such as trading, distribution of electricity or rounding of transport services.

3. **Development Companies**

Such companies which are set up with a purpose to undertake development of industrial or commercial enterprises are called development companies. Like public corporation, joint-stock companies, too, have earned great popularity in public sector in Indian economy. It is considered to be very convenient and useful device to serve and attract foreign Capital. Government of India has set up many such private companies like Sindri Fertilizers and Chemicals Pvt. Ltd. Nangal Fertilizers Private Ltd., Hindustan Steel Pvt Ltd. etc.

Though this type of public enterprises are quite popular but their setting up is subject to criticism :

The Company device evades the constitutional responsibilities which a public enterprise has towards parliament. The company being the creation of the Government resolution enjoy no autonomy and work as a department of the govt. According to 9th Report of the parliament, these companies are another extension of departments. According to Auditor and Comptroller General of India, State owned private companies are a "fraud on the Companies Act of the constitution. "Despite this company type organization is quite popular in India.

4. Control Board

Another form of public enterprise is Control Board. Such enterprises are usually suitable for irrigation and power projects. Such institutions are entrusted with executing the projects and they enable the government to maintain direct control and supervision in the execution of the project. In India such Boards have been set up for a number of irrigation and power projects. For example Bhakra Nangal Control Board, Hira Kund Dam Board, Chombal Valley Control Board. Such Boards are created by the Government (Centre and States), by passing a resolution which lays down the organization, functions and powers of the Board. The membership of the Boards is exclusively confined to Govt. officials belonging to the concerned departments. In the case of Boards constituted by the State Government, some nominations can be made by the Central Govt.

5. Operating Contracts

Operating contract is another device used in the public Sector, Under this system the Government enters in contract with private company or firm of great repute for the management of Public enterprise. The Company is paid by the Government for expenses which the Company incurs on the management of this public enterprise. In addition, the government also pays some fee to company. But the Company is given lot of autonomy in the administration of the enterprise. The Company has complete control over the personnel policies and finances of the enterprise but it cannot go against the terms of the contract. Such types of organization are available in USA. The most classic example of operational contract in USA is the Atomic Energy Commission. It has signed contracts with private companies ministers and other organizations interested in atomic energy.

Such system is advantageous in the sense that it enables the government to get the services of highly technical, skilled and expert persons employed in the private, companies. The contractor can leave the work in mid-between by terminating the contract or it may influence the policies of the government and in an indirect way interfere in the government functioning. Moreover, the private company in order to gain more profits may sacrifice the national interests.

Thus, there are several forms of public enterprises and each form has its own merits and demerits. It is difficult to suggest anyone form for all purpose for the nature and functioning vary from enterprise to enterprise. The choice of a particular pattern depends on the object and nature of the functions and that enterprises is expected to achieve.

Conclusion

Public enterprises in India varies in their size, form, functions etc. So each enterprise's objectives and concept require to be defined clearly. Though PE's are committed to social cause but should be run on business principles, techniques and

methods. This freedom normally is very restrictive. Even though its there on paper but actually there is no governmental interference directly, as well as indirectly. Boards of directors often work under ministerial pressure thus has been business like and more bureaucratic character which is detrimental to the enterprising aspect of PE's principal agent for socio-economic development of the country. PE's contribute towards infrastructure, regional development, employment generation, enable weaker, backward sections to afford and benefit form the same. Most of the PE's suffer form several problems, their autonomy is not real, financially they are not viable, excessive and ambiguously defined social obligations are imposed on them. Their respective Acts, Memorandum of Association and Articles of Association fail to clearly provide for their aims, objectives, functions or expectations from them. Too much political and bureaucratic interference has made their functioning negative and more or less, nowadays they are being termed as burden on the exchequer. That's why government has now adopted the policy of disinvestments and privatization.

But it is shocking to know that this policy is adopted not for doing away with sick PSU's but profit earning PE's have also become victim. In India disinvestments policy has been adopted only to lessen fiscal deficit. Though it has professed by the concerned governmental authorities that money earned out of these will be further reinvested into strengthening and restructuring on PSU's and for development activities but actually it's used only to meet expenses incurred on maintenance and running of government i.e. unplanned expenditure.

PE's are unable to withstand the problems posed by liberalization unless government's approach towards them changes in positive direction. In present scenario, politician-bureaucratic nexus playing the roost proving detrimental to survival, and growth of PE's. Liberalisation and globalisation does not and should not mean death knell of PE's and absolute privatization but PE's should be liberalized from the strong hold of the government and politicians. .

Check Your progress Exercise I

Note: Compare you answers with the answers given at the end of this lesson.

Q.1 Describe anyone of the followings :-

- (i) Departmental Undertakings
- (ii) Public Corporation
- (iii) Joint Stock Company

Suggested Readings

Jagdish Prakash	:	Administration of Public Enterprises in India.
Laxmi Narain	:	Principles and Practices of Public Enterprises Management
Hoshier Singh	:	Indian Administration
W.A. Robson	:	Public Enterprises

Ashok chanda	:	Indian Administration
Sahib Singh & Swinder Singh	:	Development Administration
MP. Sharma	:	Public Administration in Theory and Practice
A.H. Hanson	:	Public Enterprises and Economic Development

Answers to check your progress Exercise**Self- Check Exercise**

Meaning, Merits, demerits and features of departmental type or corporations or Joint stock company

Conclusion should be given at the end of the answer.

Note. Answer to any question as far as possible should be divided into three broad Parts- Introduction, subject matter and conclusion.

LESSON NO : 2.3

PARLIAMENTARY CONTROL OVER PUBLIC ENTERPRISES

The control over public enterprises is essential not merely because of the fact that they are financed from public funds but also on account of the purpose for which these undertaking came into existence i.e. economic, political and administrative reason. The “more basic or extensive the public enterprises sector, the greater its macro economic implications; hence it attracts government control.¹ In India as the public enterprises have been specifically set up as an instrument of government policy, the control over these enterprises is essential. Moreover, in the case of institutions like life Insurance and Banking where nationalization has been done on certain specific ground such as mismanagement, labour unrest or national interest, the government and the parliament should influence its operation so as to achieve the purpose of nationalization. There-fore, every public enterprise is accountable to the public, as consumers, tax- payers, and citizens, through the parliament.

An undertaking under departmental management is having rigid rules and inflexible procedure,² wherever ready adaptability and innovation to the circumstances are an impossibility, and it comes directly under Parliamentary scrutiny even in minute details and in this context the emasculated initiative and timidity of the persons at the helm of affairs had been aptly described by Mr. Hugh Gaitskeil “ any body who has worked in a Civil Service Department would agree with me that if there is one major thing which leads civil servants to be excessivel cautions, timid and careful and to keep records which outside the Civil service would be regarded as unnecessary, it is the fear of , Parliamentary questions.³

The management of public enterprises under a department may not have adequate freedom of actions in matters like technological improvements, capital expansion, finance and accounting, purchase and personnel management. In case of ‘Govt. Company’ there is freedom from day to day ministerial and parliamentary

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1. United Nations, Organisation, Management and Supervision of Public Enterprises in Development Countries. N.Y. United Nations Department of Economic and Social Affairs, 1974, p. 80.
 2. Gyanchand, Public Corporations in Agarwal A.N. (ed.) Public Corporation.
 3. Quoted by N.V. Gadril : Accountability of Administration in Indian Journal of Political Quarterly, Jan. March, 1955, p. 195.

interference and sufficient degree of managerial independence is guaranteed so that Board of Directors may become enterprising and efficient. This form of organization is immune from Constitutional responsibility which the state-owned undertakings has in a democratic set up.

In the case of commercial enterprises a greater degree of flexibility is needed and the accountability should be confined to policy issues, thus a corporation is in an advantageous position because of its administrative flexibility and operation freedom.

Thus, Whatsoever, may be the form of organization, it must be subject some control and its, accountability is not at all, questionable. The various methods used in parliament for exercising parliamentary control over public undertaking can be discussed under the following heads :-

Parliamentary Questions

The members of Parliament have an unfettered right to ask questions from the minister concerned to elicit some information or to invite attention of the minister and the house to a particular situation; the first hour of every day's session is reserved for questions and answers and it is the most important part of the business in the Parliament. The questions, which relates to a matter of policy or refers to an act of omission on the part of a minister or raises a matter of public interest are ordinarily admitted for oral answer and are indicated by an asterisk mark. A member is permitted to ask not more than three questions for oral answers on a particular day. A question which calls for information of statistical or descriptive: nature is generally admitted as un stirred and is given a written reply. A member is entitled to ask any number of questions regarding written replies. If the question concerns a matter of urgent :public importance, it can be put as « short notice question”. Questions which clearly relate to day -to-day administration are normally disallowed.

If well directed and intelligent questions are put, much information can be obtained on the basis of which a greater control can be exercised on the enterprises. Some times, the members ask questions either related to day-to-day administration or trifling matters. At other times, they are not interested to elicit information but for catching the eyes of the press to show their constituencies that they are performing their duties with greater responsibilities or they can seek such information from the Chief Executive of the enterprise or other sources such as reports and bulletins. Such practices should be avoided. Otherwise, it will seriously impair the initiative of the managers and compel them to function in a routine manner. The admissibility of questions depends on the speaker but it is the discretion of the minister not to make a reply on the ground that the information is not available or that it is not in the public interest to disclose the information.

A distinction, is to be made between the matters related to policy matters and day-to-day administration as well as the members should distinguish between a

departmentally managed enterprise and an enterprise under autonomous management. In case of a departmentally managed enterprise, the Minister has all responsibilities including day--to-day administration and, therefore he is answerable to parliament for all 'purpose. But in case of public corporation, he has no responsibility for day-to-day administration and as such cannot be held answerable regarding this aspect of the management. A minister is responsible to Parliament for action which he has taken in relation to a Board or action coming within his statutory powers which he has not taken.

The main purpose of the question is, to obtain information and the members of the parliament can be asked to elect information "directly from the enterprises. by writing to Board Members. This practice would provide an opportunity to Public enterprises to explain their point of view and to remove the doubts of the Members of the Parliament.

Debates and Discussions

There are several occasions when the Parliament gets an opportunity to examine, discuss and review the working of public enterprises and can call the Board to account for. The following are the main occasions when the matter comes up before parliamentary inquest.

1. Half an hour discussion
2. Adjournment motion
3. Call- attention motions.
4. Short duration discussions.
5. Discussion on President's address.
6. Discussion on the report of the Enquiry Committee, If any.
7. Debates on Annual reports.
8. Amendment of the Statute under which the enterprise has been set up.
9. Budgetary Debates.

Half-an-hour discussion

When a member feels dissatisfied with the reply made by the Minister, he is entitled to pursue the matter further by making a request for half-an-hour discussion. If permitted by Speaker, discussion for half -an- hour can take place in the House, on a matter of sufficient public importance, which has been the subject of question. This way more information can be sought on a matter of fact. In this case, no formal motions or voting take place.

For raising this discussion, three days notice, stating the reason thereof and point or point to be raised is required to be given by the member. The notice must be supported by the signatures of at least two other members.

Adjournment Motions

A motion for an adjournment of the business of the house, for the purpose of

discussing definite matter of urgent public importance, is admitted for discussion if so permitted by the Speaker. This opportunity arises only when the members feel that the affairs of the public enterprises have taken a serious turn and it is in the larger interest of the workers and State to discuss the working of that enterprise on a priority basis e.g. labour trouble in an enterprise.

Call-Attention Motion

With the previous permission of the Speaker a member has the privilege to call the attention of a Minister on a matter of urgent public importance. The Minister may make a statement instantaneously or ask some time to do so on some other day. There shall be no voting or debates on such a statement. By this method some clarifications are sought, doubts are removed and information is elicited.

Short duration Discussion

If a member wants to raise discussion for a short duration on a matter of urgent public importance, he has to give notice in writing to the Secretary of the Lok Sabha stating clearly and precisely the purpose of raising such a matter. If admitted by the Speaker, the member can discuss the matter for a maximum time of two and a half hours. This notice should also get the support by the signature of at least two other members. In this case, there shall be no voting on any formal motions. This provides an opportunity to discuss the matter thoroughly.

Discussion on President's Address

The Parliament has been provided with many occasions for debates and discussions but, the most important amongst those is the inaugural address of the House by the president. In the Presidential address are contained the general policy of the government concerning various aspects of administration and the working of public undertakings. While discussing the address on a Motion of Thanks, the members may comment, criticize or praise any aspect of the working of a public undertaking.

Discussion on the Enquiry Report

All public Sector undertaking in India are under obligation to submit annual reports to the Ministry concerned which are placed before both the House of Parliament for debates and discussion. Section 619 of the Indian Companies Act requires that all government companies must submit annual reports in addition to their, 'balance sheets and profits and loss accounts. This provides an opportunity to the legislature for reviewing the operations of the government companies. So in the case with the statutory corporations, for example, the two Air Corporations are required to submit to the government a report in such forms as may be prescribed giving an account of its activities during 'the previous financial year. Similarly, other corporations, such as Damodar Valley Corporation, Industrial Finance Corporation, Life Insurance Corporation etc. are required to submit their annual reports to the Central government

which in turn has to place these reports on the table of the House. Thus by discussing these reports in the Parliament, it is one of the most important means of making the public enterprises accountable.

It has been observed that the reports are in the nature of the glorification of achievement, profits are heralded but losses, are pushed aside unprominently; statistics are static in nature and are heterogeneous in character. The report should be informative, educative and 'comprehensive. A public enterprise has the Constitutional and moral responsibility to make honest reports about the working of the enterprises, and should on no account conceal mistakes and facts. The enterprises, should not feel shy of making the correct affairs of the public through the reports, This will help, towards an illuminating parliamentary debate on the reports.

Amendment of the Statute under which the public enterprise has been set up.

The members of the parliament get an opportunity to discuss, review or criticize the working of the enterprise, when. the statute, under which it has been established, is amended.

Budgetary Debates

This is the 'important occasion for invoking debates on ,the working of departmentally managed organization, demands of which are included in the general budget. The budget of the joint stock companies and the corporations do not come before the Parliament for sanction and, therefore, do not provide and. occasion for debate on their working. The corporations are provided with an initial capital approved by the Parliament. "The finances are generally insufficient and it can only be increased through money voted by the Parliament. Thus entire financial power lies with the parliament. The Financial debates in the Parliament are quite revealing and they show a keen interest evinced by the members of the Parliament in the working of nationalized enterprises.

Thus debates and discussions are the most important methods to exercise parliamentary control over the public enterprises. To achieve best result all the members of the Parliament could be well equipped with, analytical study of the working of various enterprises. Therefore, members have to depend upon published accounts and audit reports or the information, supplemented by the Boards. It is, therefore necessary that the reports are informative, educative and comprehensive. But in the reports achievements are highlighted and shortcomings or wrongs are concealed. Moreover, there is no fixed time allocated for such debates. It is suggested that in view of expanding Public Sector and investment of huge public funds, it is desirable as ,well essential that some days are fixed. On the time- table of the Parliament to discuss the working of these enterprises, In order to make the Parliamentary control more real and affective Prof. M.C. Sukla has suggested that, " to make debates an effective instrument of Parliamentary control, a procedure analogous with one that

is followed in the case of Legislation where one clause is dealt with the one that is followed in the case of Legislation where one clause is dealt with at a time and conclusion is arrived at and then the House passes on to the next subject, should be followed.” The discussion in the Parliament should relate to policy matters and overall working the enterprise and matter related to day-today administration should be avoided. On the whole, these debates have proved very useful and have ensured Parliamentary scrutiny of the working of these enterprises.

Parliamentary Committees

In the Parliamentary system of Govt. the institution of Parliamentary Committees has proved very successful for maintaining control over the executive when the “Members feel dissatisfied with the methods discussed above, to obtain more detailed information, it becomes desirable to establish more suitable measures to make the Parliamentary control over the public enterprises more real and effective. This led to the extension of the scope and sphere of parliamentary committees. The activities of public enterprises in India are examined with great thoroughness by the Estimates Committee, the Public Accounts Committee and Committee on Public Undertakings. The members of these Committees are elected by the legislators concerned by a system of proportional representation through single transferable vote. This method ensures the representation of the political parties and groups in the legislature in proportion to their strength and effect the reflection of their points of view in the deliberations of committee. This ensure the absence of political opposition to government’s policies in general. The chairman of these Committees are appointed by the Speaker of the respective legislatures and the members of these committees are elected every year.

Functions

The functions of these Committees have been laid down in the Rules of Procedure and Conduct of Business in the Parliament.

The functions of the Estimates Committee are:

- (i) To report what economies, improvements in organization, efficiency or administrative reform, consistent with the policy underlying the estimates, may be effected.
- (ii) To suggest alternative policies in order to bring about efficiency and economy in administration.
- (iii) To examine whether the money is well laid out with in the limits or the policy implied in the estimates:
- (iv) To suggest the form in which the estimates shall be presented to Parliament.

Public Accounts Committee has to satisfy itself:

- (i) that the money shown in the accounts as having been disbursed were

legally available for and applicable to service or purpose to which they have been applied or charged;

- (ii) that the expenditure conforms to the authority which governs it; and
- (iii) that every expropriation has been made in accordance with the provisions made in this behalf under rules framed by competent authority.

From 10th May 1964 a new Committee, Committee on Public Undertakings had been constituted. This committee is required:

- (a) To examine the reports and accounts of the public undertaking.
- (b) To examine the reports, if any, of the Comptroller and Auditor General on Public undertakings.
- (c) To examine in the context of the autonomy and efficiency of the public undertaking whether the affairs of the public undertaking are being managed in accordance with sound business principles and prudent commercial practices; and
- (d) To do such other functions vested in the Public Accounts Committee and the Estimates Committee in relation to public Undertaking by or under the Rules of Procedure and Conduct of Business of the Lok Sabha as are not covered by (a) and (b) and (c) above and may be allotted to the Committee by the Speaker from time to time.
- (e) Composition - it has 22 members - 15 members from Lok Sabha and 7 Members of Rajya Sabha.

These Committees have pointed out many irregularities on the part of the enterprises e.g. The P.A.C. in the 10th report remarked that Indian Telephone Industries Ltd. a Government company, had spent Rs. 95 lakhs of public money indiscriminately on stock which was not put into use; similarly in its 14th Report P.A.C. recorded displeasure over the purchase of pleasure boats by the D.V.C. During 1950-75, the Estimate Committee has produced 566 reports and so is the case with the Committee on Public Undertakings.

The principal lacuna in the functioning of these Committees is the absence of expert available to the committees from the legislature secretariat or from outside. Moreover, Government, in India are free to decline the availability of confidential documents to the Committees Minutes of dissent do not figure in the reports of the Indian Committee. As unanimity in reports is desired, the prevalence of dissenting views is mentioned in the reports without citing the names of the members concerned. Further, the tenure of the members of the Committee is very short say one year. Any how these committees have proved very successful in India and almost all the recommendations of these Committees are acceptable to the Govt. (Detailed discussion on Committees will be made in the next lesson.

Adhoc Committees: Apart from these Committees, Parliament has the right to set up adhoc committees on specific public enterprises either for general purposes or specific purpose on public demand. For example, the D.V.C Enquiry Committee, the I.F.C. Enquiry Committee and L.I.C. Enquiry Committee etc. were appointed with an objective to enquire into the working of respective Public enterprises. These Committees act on terms of reference. But prerogative of these Committees is not extended to the fishing into details. Such Committees are also advised not to comment the mistakes committed by an official in course of discharge of duty in good faith.

Thus the Parliament as the trustee of the nation has an unfettered right to assure itself that in broad terms the financial and managerial policies of the public enterprises are followed in such manner that the basic objectives are achieved, for that the enterprise was established. At the same time, the parliament should confine itself to questions of major policy and avoid interferences related to day-to-day administration. An unnecessary interference causes delays, lack of confidence, impair initiative and leads to inefficiency of the enterprise. It therefore, calls for caution, restraint, wisdom and pragmatic approach of the Parliamentarians and leaders to maintain the objectivity of the public enterprises without, however, sacrificing their rights and privileges.

Book Suggested

1. Robson, W.A. (ed) Problems of Nationalized Industries.
2. Henson A.H. Public Enterprises - A study of its organization and management.
3. Laxmi Marian, Principle and practice of the Management Public enterprises.
4. Ernest Davies, Ministerial Control and Parliamentary Responsibility in Robson W.A.

INDIA - A WELFARE AND SOCIALIST STATE**Structure**

- 0 Objectives
- 1 Introduction
- 2 Meaning of socialist and welfare state
- 3 Constitutional Provisions
 - 3.1 Preamble
 - 3.2 Directive Principles of State Policy
 - 3.3 Fundamental Rights
- 4 Planning for welfare
- 5 Conclusion
- 6 Key Words
- 7 References and Suggested Readings
- 8 Answers to check your progress exercise

0 Objectives

After studying this lesson, you shall be able to;

- * define the concept of socialist and welfare state;
- * explain various constitutional provisions committed towards fulfilment of this aim;
- * analyse planned efforts of the government.

1 Introduction

The end of the individualism was witnessed towards the close of the nineteenth century when under the challenge of socialist ideas, individualism based on the principle of non-intervention on the part of the state in the economic activities staged a retreat in most of the countries of the west. Through the establishment of the community's control over the economy and integrated national planning socialism seeks to unite man with his work, free him from the control of blind forces of the freedom from material cares and anxieties and thus enables him to develop his mental and spiritual development.

The Indian experiment with socialistic welfare state was considered an ideal system of state policy because it is a proved way of ending poverty, un-employment, economic inequality and social degradation and of minimising the undesirable effects of the property system. The socialist welfare state concept was adopted as an end to be achieved after the independence of the country for the welfare and prosperity of the people.

2 Meaning of the Socialist and Welfare States

British rule in India was aimed at economic exploitation, and not the welfare of the Indian people. When India got its independence, she was facing various grave problems which required immediate attention. Poverty, illiteracy, widespread unemployment, deteriorating health conditions etc. were the problems faced by the nation and to tackle these problems various provisions have been made in the Constitution itself and Parliament and State legislatures from time to time make such Acts. Before discussing these provisions and Acts in detail first of all the meaning of the terms-socialist and social welfare state will be discussed.

'Socialist' word has been incorporated in the Indian Constitution's preamble by 42nd amendment, 1976. It means that people of India have committed themselves to the ideals of welfare state. It aims at providing social equality and justice to all irrespective of their caste creed, race, religion, language etc. According to Encyclopaedia Britannica, "Welfare state is a system of laws and institutions which a Government attempts to protect and promote the economic and social welfare of its citizens usually based on various forms of social insurance against unemployment, accident, illness and old age."

Encyclopaedia of Social Services defines Welfare state as the institutional outcome of the assumption by a society of legal and therefore formal and explicit responsibility for the basic well-being of all its members." United Nations has also advocated the concept of social welfare through its declaration of human rights.

Various authors have also attempted to define it. Fried Lander defines it as the organized system of social services and institutions designed to aid individuals and groups to attain satisfying standard of life and health and personal and social relationship which permit them to develop their full capacities and to promote their well being in harmony with the needs of their families and the community.

Planning commission has also observed that the term 'social welfare services denoted services catering for the special needs of persons and groups who suffer from some handicap social, economic, physical or mental and so are unable to avail themselves, of or traditionally denied, the amenities or the services by the community. In India, it mainly aims at upliftment of weaker, backward and deprived sections of the community.

3 Constitutional Provisions

The state in India under British rule was functioning purely from the point of view of an alien Government. It had no stake in the country. It discharged mainly police functions. Their aim in India was not the welfare of the people but their economic exploitation.

3.1 Preamble

The framers of the Indian Constitution embodied the welfare state ideal in the

new constitution. The aims have been accepted in the Indian Constitution by way of a 'Preamble.' It indicates the source (we, the people of India) from which the constitution springs and from which it claims its sanction. The preamble sets forth the liberal idea of individual liberty and the socialist objectives of economic and social, justice, equality of status and opportunities and the aims to be realised through the constitution. It is significant to note that among the objectives, 'Socialism, Welfare' or 'General welfare' is not mentioned. Socialism has been inserted after 42nd Constitutional amendment. It seemed that framers of the constitution assumed that if the above mentioned objectives were achieved they would secure general welfare.

According to Shri P.B. Gajendragdkar, "The Indian Constitution makers were fully aware of the problems posed by the ideals of welfare state so the Constitution has guaranteed to its citizens justice-social, economic and political."

3.2 Directive Principles of State Policy :

The objects of the Preamble are set in greater details in the Directive Principles of the State Policy (Part IV of the constitution dealing from Articles 36-51). These principles are mostly those which the framers of the constitution convened as the basic principles of a new social and economic order but to which they could not give legal effect in the fundamental law of the country.

The Directive Principles of state Policy are not enforceable by any court, yet they are fundamental in the Governance of the country. This means that all the agencies of the state responsible for governing the country should be guided by these principles. The directives are not mere expression of pious hopes they are in fact a programme of action drawn up for active fulfilment of a welfare state. The following socio-economic provisions of the Constitution enumerated in part IV are as :-

- i) Article 38 defined the general duty of the state : "The state shall strive to promote the welfare of the people by securing and protecting as effectively as, it may, a social order in which justice-social, economic and political shall include all the institutions of the national life." This means that the state is to secure the welfare of the citizens.
- ii) The state shall make provision for securing just and humane conditions of work and for maternity relief (Article 42).
- iii) Under Art 43, the state shall try to secure by suitable legislation for labourers working in agricultural sector, industrial sector or doing only other work, a living wage, condition of work ensuring decent standard of life and full enjoyment of leisure and social and cultural opportunities, with the passage of 42nd amendment a new provision 43-A has been inserted which states that the state shall make provision for worker's participation in the Management, with a view to improving their Act.
- iv) The state shall promote with special care the educational and economic interests

of weaker sections of the people, and in particular of scheduled castes and the scheduled tribes and shall protect them from social injustice and all forms of exploitation. (Article 46).

- v) The state shall direct its policy to secure that the ownership and control of the material resources of the community are so distributed as best to serve the common good (article 39 (c); that there is equal pay for equal work for both men and women :

That the operation of the economic system does not result in the concentration of wealth and means of production to the common detriment (Article 39 d).

- vi) To provide, the citizens both men and women the right to an adequate means of livelihood (Article 39).

- vii) The state shall within the limits of its economic capacity and development make effective provisions for the right to work, to education and to public assistance in case of unemployment, old age, sickness and disablement, and in other cases of undeserved want (Article 41).

All these provisions of the constitution are signs of a welfare state and as a sign for the establishment of a socialistic state. Besides these, there are several other provisions which are for the welfare of the people such as prohibition of the consumption of liquid and intoxicants other than the medicines, which are injurious to health and to raise the level of nutrition (Article 47).

According to Shri N. Srinivasan, "the general aim of these declarations may be stated to anchor the human rights of the welfare state in the constitution." The declaration states the ideal of the welfare state and outline a programme for its attainment. This enumerate certain new rights described as social rights which impose positive obligations on the state as already mentioned. The mention of the Directive Principles in the constitution, invests them with a particular solemn sanction and status and constitutes a pledge that the policies of the state would be consistently directed towards the achievement of the objective of the welfare state. It emphasises the fact that state exists for the welfare of the citizens and for the enrichment of their personality. Forty-second (42nd) Amendment of the Constitution has increased the importance of these principles manifold and according to it if in accordance to the principles the acts of the state will remain valid. However, an attempt was made to revert the original position by 44th amendment, but this clause was rejected by Rajya Sabha.

3.3 Fundamental Rights :-

Similarly, Democracy is a government by consent. Therefore, the means for the formation of public opinion must be secured to the citizens. To attain these objects, certain rights, which are generally recognised as vital and essential for effective political, social and economic life and which are considered inherent in the concept of social justice, are recognised and guaranteed by our constitution. They are enumerated in

part III of the constitution (Article 11-35). The most important of the fundamental rights which establishes a welfare state are as follows :-

- i) Under the right to equality (Article 11-18) the equality is equality before the law (Art 11), social equality (Art 11) and equality of opportunity in public employment (Art 15) It means the equal subjection of all the classes to the ordinary law of the land administered by the ordinary law courts. The state will not discriminate against any citizen on grounds of race, religion, or place of birth for social or economic purposes. But it is significant to note that for the welfare of women, children and weaker sections like scheduled castes, backward classes, the state may any special provision such as may reserve some posts if in the opinion of the state, they are not adequately represented in the services under the state.
- ii) One of the major evils of Hindu society has been “untouchability”, it has been abolished under Art 17. It is an offence punishable in accordance with the law. Any offender can be imprisoned for 6 months or imposed a fine of Rs. 500 or boths.
- iii) In 1948, some sort of traffic in human beings and beggar and other similar forms of forced labour did exist in some parts of India. Under Article 23 they are not prohibited and any contravention of this provision is an offence punishable in accordance with law.
- iv) To protect the health of future citizens as well as on the grounds of humanity, the employment of children below the age of fourteen in any factory or mine, or the engagement of them in any other hazardous employment, is prohibited under Article 24.
- v) Under Article 29 and 30, the cultural and educational rights of minorities are constitutionally protected.
- vi) The classic guarantees of liberties such as freedom of speech and expression; assembly, association, movement residence, accusation and disposition in property and the right to practise any profession or to carry occupation, trade or business are embodied in Article 19.
- vii) Right to property (Article 31) and right to religion (Article 25-28) have also been provided. According to 44th constitution amendment act the right to property (Article 19-31) has been taken away from the chapter on Fundamental Rights.
- viii) Moreover under Article 32 for the enforcement of fundamental rights, one can move directly the Supreme Court, as a matter of right. G. Austine has rightly remarked that “it is very doubtful, however, if in any other constitution, the expression of positive or negative rights has provided so much impetus towards changing and rebuilding society for the common good.”

A welfare state claims a synthesis between individual freedom of liberalism and

egalitarianism and of socialism while eliminating the vices of both, namely social insecurity under liberalism and regimentation under socialism, our constitution makes it possible for bread and freedom to live together.

4 Planning for Welfare

Five year plans in India view social welfare service as services for such weaker and vulnerable section of the community who cannot take advantage of existing social and other services because of certain handicaps-Physical, mental and social or whose needs require the organisation of special services for their development and wellbeing. **First Five Year Plan 1951-56** aimed at attainment of social health i.e. providing adequate living standards, assurance of social justice, opportunities for cultural developments through individual and group expressions and readjustment of human relations leading to social harmony. It also aimed at programmes and policies for the welfare of women, children, youth, the family, underprivileged groups, social defence, and welfare of the handicapped. Major achievement of first plan was the establishment of central Social Welfare Board in 1953 and State Social Welfare Advising Boards in various states in 1955. Otherwise Plan failed to achieve its goals satisfactory due to half hearted implementation at the administrative level and parity of finances.

2nd Five Year Plan 1956-61 aimed at well-being of the entire community and not only of particular sections of population which may be handicapped one way or the other. Various programmes aiming at Women's socio-economic upliftment were initiated and wages and social legislations were enacted.

3rd Five Year Plan 1961-65 emphasised on welfare services for women and children in particular - social and normal hygiene, after-care programmes, per vocational training centres, integrated services for child welfare, Balsevikas training centres, grants to voluntary organisation etc. Major achievement was establishment of Department of Social Welfare at centre in 1964.

Under 4th Plan (1969-74) various programmes of this plan were continued with particular attention to the needs to destitute children, family planning programmes and technical training, supplementary nutrition feeding, research, training and rehabilitation service etc.

5th Plan Poverty and self-reliance were the main aims of 5th plan. It emphasised on growth and development of physically and socially handicapped and integrated socio-economic welfare programmes such as minimum needs programme, overall strategy for removal of poverty and many programmes for children like integrated child development services, creches for children, services for children in need of care and protection, adoption of National policy on children and establishment of National Children's Board.

6th Plan (1980-85) aimed at poverty alleviation, improvement in life conditions

of economically and socially handicapped people, strengthening public distribution system to decrease or mitigate income and wealth inequalities, population control policies. Various social service like education particularly adults education, health and family welfare, housing and urban development, labour welfare, water facilities etc. were emphasised upon.

7th Plan (1985-90) aimed at employment generation, poverty reduction and human resources development, (IRDPI) Integrated Rural Development Programme aiming at asset development of the poor was initiated.

National Rural Employment Programme (NREP) rural landless employment guarantee programme (RLEGP); Self-employment programme for urban poor (SEPUP), Jawahar Rozgar Yojna for rural poor and Nehru Rozgar Yojna for urban poor to provide them ample employment opportunities. Weaker, Backward and less privileged sections and minorities were specially taken care of 11 point and 20 point programme were chalked out. Research and development encouraged in order to solve the socio-economic problems in better and realistic manner.

8th Plan (1992-97) aimed at further reduction in poverty, more employment, generation, universalisation of elementary education, clean drinking water for all by 1995, health for all by 2000 A.D. by containing communicable diseases etc.

9th plan (1997-2002) aims at rural development reducing poverty, generation of self-employment opportunities, Employment Assurance Scheme (EAS), safe drinking water, primary health and education, housing to poor, nutritional support to children, strengthening of public distribution system (PDS), roads construction, energy, transport i.e.... Infrastructure and human resources development.

10th Five Year Plan : The 10th Five Year Plan (2002-2007) targeted at a GDP growth rate of 8% per annum. Taking note of the inabilities of the earlier five years plans, especially that of the 9th five year plan, the tenth five year plan decided to take up a resolution for immediate implementation of all the policies formulated in the past. The primary aim of the 10th five year plan was to renovate the nation extensively, making it competent enough with some of the fastest growing economies across the globe. It also intended to initiate an economic growth of 10% on an annual basis. This decision was taken only after the nation recorded a consistent 7% GDP growth, throughout the past decade. Like all other five year plans, the 10th five year plan is also devised, executed and supervised by the planning commission of India.

Chief Objectives of the 10th Five Year Plan :

- (i) The Tenth Five Year plan proposed schooling to be compulsory for children by the year 2003.
- (ii) Reduction in the mortality rate of children to 45 per 1000 livings births and 28 per 1000 livies births by 2007 and 2012 respectively.
- (iii) Cleaning up all main rivers between 2007 and 2012.
- (iv) Reducing the poverty ratio by at least five percentage points by 2007.

- (v) Making provision for useful and lucrative employments to the population, which ate of the best qualities.
- (vi) According to the plan, it is mandatory that all infants complete at least five years in schools by 2007.
- (vii) By 2007, decrease in gender discriminations in the spheres of wage rate and literay, by a minimum 50%.
- (viii) Taking up of extensive afforestation measures, planting more trees and enhance the forest and tree areas to 25% by 2007 and 33% by 2012.
- (ix) Persistent availability of pure drinking water in the areas of India, even in the remote parts.
- (x) Checking the alarming rate at which the Indian population is growing and fixing to 16.2%, between a time frame of 2001 and 2011.
- (xi) Increasing the rate of literacy by at least 75%, within the tenure of the tenth five year plan.
- (xii) Decrease in the Maternal Mortality Ratio (MMR) to 2 per 1000 live births by 2007.
- (xiii) The plan also intended to bring down the Maternal Mortality Ratio to 1per 1000 live birth by the year 2012.

The 10th Five Year Plan of India in a nutshell :

- (i) Increasing the mobility of all the available financial resources of India, and optimizing them as well.
- (ii) Setting up of a state-of-the-art infrastructure for all the existing industries in India.
- (iii) Encourage the initiative of capacity building within the Indian industrial sector.
- (iv) Creating a friendly, amiable and pleasant investment environment in India.
- (v) Encouraging sufficient transparency in the corporate sectors of India.
- (vi) Introduction of reforms in the industrial sectors, which are more investor-friendly in nature.

11th Five Year Plan :

Aiming at poverty reduction, spreading education, providing right to education to all, health for all, development of women and children, intrastructural development & improvement and preservation of environment through plantations.

Setting up of Ministry of Welfare at Union level in 1985 :-

SC/ST., minorities and backward classes subjects transferred to it from Ministry of Home affairs. Welfare of disabled and social defence programmes from earlier Ministry of social and women's welfare. It's mainly responsible for formulating policies, programmes and getting the same implemented. Now its known as Ministry of Social justice and Empowerment.

Various Department/Directorates at State Level

Punjab has Punjab scheduled castes land development and finance Corporation; Punjab Backward Classes Land development and Finance Corporation.

Central social Welfare Board as well as advisory boards in the states are also working in this direction.

Various social legislations have been enacted such as SC/ST Prevention of Atrocities Act, 1989; Hindu Marriage Act, 1955; Child marriage Restraint Amendment Act, 1978; Dowry Prohibition Act, 1961, Child Labour Prohibition and Regulation Act, 1986; Employees States Insurance Act 1948; The Employees Provident Fund and Miscellaneous Provisions Act 1952 etc.

These Acts half heartedly implemented failed to bring desired change in the societal conditions. Though there is no single national policy covering all social; economic welfare activities but above mentioned various efforts show the concern of the Govt. towards social welfare.

Numerous training and research programmes and projects have been initiated to achieve desired goals, conferences and seminars being held on various social aspects etc. International Assistance has been sought and provided for various welfare activities and active participation of voluntary organisations is also encourage.

Self-Check Exercise I

Note : Compare your answers with the answers given at the end of the lesson.

- Q.1 Define Social welfare state and describe various measures taken by Government of India towards fulfilment of its commitment in this regard.
- Q.2 Write a detailed note on planned measures for socio-economic development of the nation.

5 Conclusion

A socialistic and welfare state is neither the product of a brain wave nor has it dropped from heaven like a dew. It is born out of the wisdom of experience. We arrived at the idea of the welfare state after independence barely 30 years ago whereas western countries had conceived not much earlier. This is not to say that our achievements cannot be compared favourably with the western nations; infact, during short span of time under the existing socio-economic conditions, our achievements are remarkable. Average per capita income has increased, national gross productivity has improved, untouchability has been abolished though it flourishes covertly as the arm of the law does not reach the culprits, communalism, casteism, regionalism and such other narrow interests are required to be subordinated to the higher ideal i.e., distinction of language, religion, cast and community should not be an obstacle in the way of national integration and stable policy. To make India a welfare state, much has yet to be done

in the fields of education health, housing, social security etc.

It can be concluded that free education, free health services, a moderately furnished house with modern amenities, adequate means of subsistence and social security against old age and disablement are the minimum for which a man aspires and if the state is able to cater to these for all persons it deserves the title of the socialist 'welfare state', which India has yet to go a long way to achieve.

6 Key Word :-

Weaker Sections and vulnerable sections	-	Women and children of the society; Scheduled Castes, Scheduled Tribes Backward classes on basis of economic and Social Status
Mitigate	-	to reduce eliminate
Paucity	-	inadequate or less than required amount available for performing some specific functions.
Centralized Planning	-	means Central Planning Commission and National Development Council being all powerful as they formulate and review the plan for the nation as a whole.

7 Suggested Readings

T.W. Kent	-	The Welfare State
Sahib Singh	-	Development Administration
Swinder Singh		
Puri, Brara	-	Development Administration
R.K. Arora	-	Indian Administration
P.D. Gupta	-	The concept of the welfare state
D.D. Gupta	-	The Constitution of India

8 Answers to Check your progress exercise

Self Check Exercise I

Q.1 Your answer should include :-

- * Any one definition on social welfare.
- * Make an attempt on writing your view on social welfare.
- * Under various measures you should mention constitutional provisions and planned efforts towards social welfare. Conclude your answer.

Q.2 Your answer must start with definition of 'social welfare'.

Various planned efforts under five year plans should be discussed in orderly manner. Give Conclusion.

CENTRAL SOCIAL WELFARE BOARD**STRUCTURE**

- 0 Objectives
- 1 Introduction
- 2 Composition
- 3 Functions
- 4 Organizational Structure
- 5 Working of the Board
- 6 Voluntary Organisations
- 7 Conclusion
- 8 Suggested Reading
- 9 Answers to check your progress exercise

0 OBJECTIVES

After studying this lesson, you shall be able to :

- comprehend the composition, functions and organizational set up of the Board;
- analyse the working of the Board towards welfare of the society.

1 INTRODUCTION

In order to make social welfare programme a success and to obtain optimum results by utilising the national resources social welfare work, too, like all other human activities requires efficient and well co-ordinated set up. Without an efficient administrative machinery, no programme of social welfare can be earnestly implemented nor any desired result can be achieved. It is, therefore, necessary that at the central, state and local level there should be an integrated social welfare administrative machinery to execute the programmes of social welfare and to ensure enforcement of social legislation. Without proper co-ordination at various levels, it would not be possible to secure the very fundamentals of social welfare programme and the whole concept will wither away. With this aim, social Government machinery has been provided.

As it has always been the policy of Government of India to entrust the major responsibility in the implementation of social welfare programme to voluntary organisations, it was felt that there should be some specialised agencies which could coordinate the working of voluntary organisations with that of Government and provide them financial and technical assistance in order to rightly implement the national social welfare policy. The Government of India through a resolution,

set up a board, known as Central Social Welfare Board on 12th August, 1953 to provide grants-in-aid to voluntary social service organisations for strengthening, improving and extending activities in the field of social welfare and developing new programmes and carrying out pilot projects. The Board was later on registered as company under the Companies Act on 1st April, 1969.

2 COMPOSITION OF CENTRAL SOCIAL WELFARE BOARD

The Central Social Welfare Board was initially constituted for a period of one year consisting of seven non-official members, including five women social workers, one representative of lok sabha and one representative of Rajya Sabha. In addition to these members there were other four member who were ex-officio representatives of Central Ministries of Education, Health, Labour and Finance. After a few years the membership of the Board was raised to 12. The details of the composition at the time were as under :

(A) Non-Official Members

(i)	Chairman nominated by Government	1
(ii)	Eminent social workers (Nominated by Government)	5
(iii)	Representatives of Parliament (One from Rajya Sabha & one from Lok Sabha)	2

(B) Official Members

(One member each representing the Ministers of Education, Finance, Health, Community Development and Planning Commission)	5
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Total 12

The number of the members of the Board changed from time to time. On the recommendation of Ranade Committee, Strength of General Body has been increased to 51.

- 12 chairpersons of State and Union Territory Boards
= 30 approximately
- 5 professional - one each from the field of law, medicine, nutrition, social work education, social development
- 3 experts in social work with vast experience
- 1 each from Ministry of Welfare, Rural Development, Health, Education, Labour, Finance and Planning Commission
- 2 Lok Sabha Members
- 1 Rajya Sabha Member
- Chairman - Full time
- Executive director - Member Secretary

All the members are nominated by ministry. At present the strength of the Board is 56.

There is an Executive Committee comprising 12-12 members nominated by the Ministry from among the above members. It is responsible for administering the affairs of the board.

3 FUNCTIONS OF CENTRAL SOCIAL WELFARE BOARD

The Board is a quasi-autonomous body with fairly wide administrative and financial powers. As specified in the original Resolution of Government of India, in August 1953, the Board is expected to perform various functions. The main functions of the Board are as under :-

- (i) To survey the need and requirement of social welfare organisations.
- (ii) To assist the evaluation of the programmes and projects of the aided agencies.
- (iii) To co-ordinate the assistance extended to the welfare agencies by the various ministries and departments of the Government of India and State Governments.
- (iv) To promote the setting up of social welfare organisations on a voluntary basis in place where no such organisation exist.
- (v) To give grant-in-aid to voluntary institutions providing welfare services to women, children, delinquents, the handicapped, the aged and the infirm, and other needy groups.
- (vi) To subsidise hostels for working women and the blind etc.
- (vii) To provide assistance in cases of un-employment, under-employment, sickness, disablement and other cases of undeserved want.

Impact of the Central Social Welfare Board

The creation of Central Social Welfare Board has an immense impact on the different spheres of social welfare and social uplift.

1. Direct association of Voluntary social workers in the execution of Welfare Programme : The creation of Central Social Welfare Board has provided an opportunity to voluntary social workers to participate actively in administering the various programmes. This is a healthy tradition and will have to be preserved in any future set up provided for stimulating the growth of voluntary effort.

2. Organisational set up : The creation of Central Social Welfare Board has provided an organisational machinery right from the Centre to the district and village levels for the execution of social welfare programmes. Through the Welfare Extension projects, the Central Social Welfare Board has extended the welfare services to the rural areas which were hitherto left uncovered.

3. Social Welfare programme regularised : Through the Board the work of welfare programmes in the voluntary sector and in the sponsored non-official set up has been brought with in a certain framework of method and procedure mainly through the enforcement of specific conditions attached to the grants-in-aid programme.

4. Development of grants-in aid has strengthened the voluntary organisations : With the development of grants-in-aid system by the Central Social

Welfare Board the financial position of voluntary organisations working in the field of social welfare work has been strengthened. It has made the voluntary organisations to work with zeal and devotion. It has been rightly remarked, "The Central Social Welfare Board's special contribution lies not so much in the quantum of grants sanctioned or the number of institutions aided, but in the formulation of grant-in-aid programme which can provide the basis for further systematic development."

4 ORGANIZATIONAL STRUCTURE

Board functions through various divisions which collectively form secretariat of the Board. Each division is headed by a Joint Director who is responsible to the Executive Director.

- 1) Socio-Economic Programme Division :** It's further divided into two-state and general subjects and headed by two officers, it mainly deals with
 - (i) Reviewing the applications of these organisations which are fit to get the grant.
 - (ii) To consolidate the audited accounts and to give its approval to the same.
 - (iii) To review the reports received from welfare officers and planning officers.
 - (iv) To prepare annual budget and chalk out various objectives to be achieved through annual and five year plans.
 - (v) To pay due attention to all the related questions being asked in the Parliament.
 - (vi) To maintain links with Social Welfare Department, Ministry of Industry, Khadi Commission and State Governments.
- 2) Project Division :** It aims at family, women and child welfare programmes. It formulates, implements and approves grants to NGO's, voluntary organisations and state boards.
- 3) Condensed Courses Division :** It aims at adult education particularly for women folk.
- 4) Grant Division :** Various grants to be provided to various NGO's voluntary organisations, Women bodies.
- 5) Finance and Accounts Division :** It is responsible for ensuring proper maintenance of accounts of the Board. Making budgets, releasing of funds to the establishment, obtaining expenditure statements from the state Boards with regard to programmes and projects and exercising supervision and control over various financial transactions of the Board. It is headed by Financial Advisor-cum-Chief Accounts Officer who is assisted by pay and Accounts Officer, two Accounts Officer and staff.
- 6) Field Counselling and Inspectorate Division :** It receives reports from Welfare officers and send the same to the respective Ministries for their implementation. To prepare guidelines etc. for Welfare officers.
- 7) Publication Division :** It publishes and distributes a magazine in Hindi and English both.
- 8) Administrative Divisions :** It is responsible for recruitment, transfers, promotion

of the employees. It also maintains records, files, transportation etc.

- 9) **Hindi Unit** : It's mainly responsible for translating letters etc.
- 10) **Research, Evaluation and Statistical Division** : It's mainly responsible for collection presentation and analysis of data. It publishes directory for such institutions who are engaged in social welfare.
- 11) **Planning, Monitoring and Co-ordination Division** : It is concerned with over all planning of social welfare programmes which aim at achieving Board's objectives and governmental policies, monitoring the working of various organisations, programmes and projects, providing counselling and advice assessing the needs on the regional basis and suggesting the programmes to meet the needs, assisting the over-all co-ordination of welfare activities of different agencies, departments and ministries.

Project Implementing Committees : To implement its plans, it has worked upon a noble idea of having committees each headed by a woman and assisted by some non-governmental as well as government employees. It's mainly aimed at recruiting women through formal procedure under the employment generation scheme. It's organizational set up reveals that it's mainly functioning as any government department which is riddled with all drawbacks or limitations. It should be accorded more autonomy and flexibility in its functioning as so enable it to perform with vigour and zeal thus achieving its mission.

5 WORKING AND ACHIEVEMENTS OF CENTRAL SOCIAL WELFARE BOARD

Ever since the creation of Central Social Welfare Board it has been able to contribute substantially to the various social welfare programmes. Rather the success of various social welfare programmes has been to a larger extent because of the help and assistance rendered by the Board, the main achievements of the Board can be studied as under :-

1. Grants-in-aid to voluntary organisations : As already stated the primary object of the Board is to rationalise the system of rendering financial assistance to voluntary organisations so that those organisations may be able to implement the social welfare programmes more effectively and efficiently. The board has done a great deal in this direction. There are at present about 6000 voluntary organisations as compared to 2186 in 1953. The Board spent a sum of Rs. 29.93 crores on these organisations during 1953-1957. It is estimated that about 12 lakh women and children have been benefitted from various activities aided by the Board during 1974-75. The grants-in-aid is extended to registered voluntary institutions working for the welfare of women, children, the handicapped, the aged and the infirm. It is also extended for medical and social services and welfare services for non-student youth. Services for the cure of leprosy and T.B. patients and services for correctional and non-correctional institutions also get this aid. During 1974-75 grants amounting Rs. 54.95 lakh were

sanctioned for 3,942 welfare institutions which was increased to 180.99 lakhs during 1977-78. During 2008-09 grants of Rs. 38547462 had been released to assist almost 3500 institutes.

2. Welfare of Women : The Board has vigorously assisted the women welfare programmes. The Board started a scheme of condemned course of education for adult women in 1958 for opening new vistas of employment to deserving and needy women and for creating a band of competent trained workers such as primary school teaches, bal servikas, nurses, health visitors, dais and family planning workers. Under the scheme, women in the age group of 18-30, who had some schooling, are prepared for middle school, matriculation or equivalent examination within two years. Now this programme has been extended to the families of jawans killed or permanently disabled in action.

As women welfare programme is run by Mahila Mandals in the rural areas the Central Social Welfare Board gives them grant up of 75% of their expenditure. In 2011-12 budget Mondals were given grants amounting Rs 70 lakhs.

To provide accommodation at reasonable rates to working girls in urban areas the Central Social Welfare Board has sponsored the setting up of working women's hostels. The Board gives grants to voluntary Institutions running hostels for working women of lower and middle income groups.

3. Child Welfare : The Central Welfare Board has been contributing a lot towards welfare programmes regarding children. In collaboration with the Indian Council of Child Welfare, Bhartiya Adimjati Sevak Sangh and Harijan Sevak Sangh it participated in the implementation of Special Nutrition Programme, Balwadis. The Central Social Welfare Board extends financial assistance to voluntary institutions for organising holiday camps for children.

To provide care for children affected by desertion, divorce, long illness or imprisonment or death of either parents, three Foster Care Homes, one in Madras and two in Bombay, are being run by voluntary institutions.

Border Area Projects

The Central Social Welfare with the help of governments has also been able to provide welfare services in Border Areas. Welfare services in the border areas of the country have been strengthened with setting up of welfare centres in the border areas of Arunachal Pradesh, Leh in Jammu and Kashmir, Lahaul and Kinnaur in Himachal Pradesh; Chamoli, Uttar Kashi and Pithoragarh in Uttar Pradesh; Kutch and Banaskantha in Gujarat and Srikanpur and Jaisalmer in Rajasthan. These centres provide maternity services, infact care craft training and social education to women. The expenditure on them is shared in the ratio of 2:1 by the Central Social Welfare Board and the respective state governments. There are about 128 centres in border areas.

Night Shelters

The Central Social Welfare Board has also introduced a scheme of setting up night shelters. The scheme consists of setting up night shelters for homeless and low wage earners in various big cities. In these shelters they are also provided with adequate bathing, recreational and educational facilities.

Social and Moral Hygiene

The main object of social and moral hygiene is to eradicate the evils of commercialised prostitution and women traffic in society. To make an assessment of the issue the Central Social Welfare Board appointed an advisory committee in 1955. On the recommendations of this committee the Board established Rescue Homes and District Shelters in various places. The rescue homes provide service for care and after care of its inmates. The District shelters are meant exclusively for women rescued from moral danger. About 46 after-care homes have been established in different parts of the country.

Socio-economic programme

The Central Social Welfare Board in order to improve the socio-economic condition of the women and the weaker section has also been working to provide employment and create employment opportunities for them. For this purpose during the 2nd, 3rd and 4th five year plans, many schemes were initiated by the Board which include (I) units ancillary to small industries (II) handloom training production units (III) handicraft training centres, production units, procurement units and (IV) Ambar Parishramalayas.

Thus it can be said that Central Social Welfare Board has been doing a lot to improve the condition of women, children, the handicapped, the sick and the like. The Central Social Welfare Board is an autonomous body. In order to assist the Central Social Welfare Board, Social Welfare Advisory Boards have been set up in all the states and union territories, except Lakshadweep and Chandigarh, to act as the counterparts of the Central Welfare Board at the state level. They serve as the media for exchange of information between the field and the centre and co-ordinate the welfare activities of the state government and Central Social Welfare Board to avoid duplication. A major portion of the financial assistance from the Central Social Welfare Board is extended to voluntary institutions through the State Board.

Role of N.G.O.'s or Social Welfare Voluntary Agencies : The concept of service and social welfare has always been an integral part of the Indian tradition and social life. In the past the people in distress used to get help and assistance by the rulers, the rich and also by individual members of the community. Social institutions like joint family, the caste organisation or Baradari, and village Panchayat catered to the needs of the aged, the ill and the handicapped. The tradition began to be influenced by the new strains caused by the invasions of foreigners and the social voluntary institutions crumbled under the suppression of rule. Particularly during the 19th century the social

1. N.G.O's means Non-Governmental Organisations.

institutions like Baradari, caste organisations under the impact of industrialisation and urbanisation began to show signs of stress and disorganisation. The forces of individualisms and disintegrating tendencies began to suppress the social institution.

At the same time the Christian Missionaries began their religious and welfare work in the different parts of the country. They tried to eradicate social evils like child marriage, polygamy, female infanticide, sati, restriction on widow marriage etc. As a counterpart to their services, the Indian religious and social reformers felt the need of social reforms and with this aim established a number of welfare institution and voluntary associations.

Raja Ram Mohan Roy, known as the Father of India Renaissance was the first to make a significant contribution towards breaking down the barriers of caste and the removal of untouchability, equally important was the role of Maharishi Swami Dayanand who stood for revival and glorification of India culture, eradication of social evils prevalent in the Hindu society and reform of women, the distressed and the destitute. Other pioneers in this field would also include great reformers like Dawarkanath Tagore, Devadranath Tagore, K.C. Sen, justice M.G. Ranade, Mrs. Annie Besant and organisations like Brahmo samaj, Arya Samaj, the Paramhans Sabha, Anjuman-e-Himayat-e-Islam, the Ramakrishna Mission etc. After this at the end of the 19th century and beginning of the 20th century a new wave of social reform based on secular basis came into being. Great men like Gopal Krishan Gokhale, Sir Feroze Shah Mehta etc. came forward and tried to infuse the spirit of social reform in the masses, with this motive Gopal Krishan Gokhale founded the Servants of Indian Society, which was the first secular organisation dedicated to social service in the country. Some important women's organisations and other voluntary organisations were also established in the country and their activities covered the entire range of social reform. The women's Association of India, the All-India Women's Conference and the National Council of Women were the first such voluntary organisations which were set to ameliorate the lot of Indian women.

Gandhiji after coming from Africa not only took the reins of national movement in his hands but also revitalised the work begun by the early social reformers. He started a movement with the object to raise the economic standard of the people and improve the tenor of social life. He set up national welfare voluntary agencies like Harijan Sevak Sangh, the Adivasi Seva Mandal and the Kasturba Gandhi National Memorial Trust to solve social problems. One of the most significant causes that he championed was the emancipation of Indian womenhood. Under his leadership for the first time Indian women in large numbers came into public life and joined the national struggle for independence.

Under the Government of India Act, 1935 when popular Ministries were set up in a number of provinces they upheld the voluntary agencies working in the field of

social reform. They paid special attention to the problems of Harijans, Criminal tribes and other backward classes.

After independence the Constitution has laid responsibility on the state to work for the welfare of the people and the Directive principles of State policy have been included in the Constitution to serve as a guideline for the government. In the five year plans special funds have always been earmarked for the social welfare programme and special grants are given to voluntary organisations working for the social reform of the people.

Thus efforts have always been made for social reforms and the voluntary agencies have contributed a lot for the uplift of the downtrodden, the suppressed and the destitute. Government gives grants to registered voluntary organisations or institutions working for the welfare of women, children, the handicapped, the aged and the infirm. There are certain voluntary organisations or institutions working for the welfare of women, children, the handicapped, the aged and the infirm. There are certain voluntary organisations which are working for the cure of leprosy and T.B. patients and prevention of fatal diseases.

6 NEED AND ROLE OF VOLUNTARY ORGANISATIONS

The need and importance of the role of voluntary organisations in the field of social welfare can be assessed on several basis. Firstly voluntary organisations provide an opportunity for people's participation in the welfare programmes. It is generally felt that unless and until the people participate actively there cannot be any success in the development programme of whatever nature it may be. That is why an important place to people's participation in the planning and execution of a national plan has been assigned. It is rightly held that for the success of development plans not only approval of the people is necessary but their active participation in the process of planning and implementation is equally desired. People participate more willingly in the voluntary organisations than their counterpart, the governmental organisations.

Secondly, another justification for assigning an important role to voluntary organisations in the field of social welfare is the past experience. In the long history of social work in India, voluntary organisations have always played a pioneering role, rather voluntary organisations were the only means of social reform and social welfare during the imperialist foreign rule in India. It has been rightly observed, "Whether it was a case of an individual in distress or an emergency caused by a famine or flood it was a voluntary welfare organisation which was the first to come forward to render service. The role of the state has varied in the past from indifference to an occasional benevolent interest depending upon the outlook of the rulers of the day. Community support rather than state aid was the mainstay of voluntary organisations throughout the centuries. It was only when India attained political independence that the attitude of the state changed to a marked degree." Therefore in recognition of the past services

rendered by voluntary organisations in the field of social welfare and reform, the Government of India again reposed confidence in their doings and have expressed categorically in favour of voluntary organisations sharing the main responsibility in the development and implementation of welfare programmes.

Thirdly, it is believed, and also correct to some extent that the administrative machinery of a government, even of a welfare state, is generally by its nature impersonal in character. It cannot have human touch which a voluntary organisation can provide. Because this personal or human approach is more essential in social welfare, the voluntary organisations are considered better means to achieve the desired object and that is why government. Despite its departmental and administrative agencies, have encouraged the voluntary agencies also to work in this field.

Fourthly, since the Government is to spend major portion of resources in administrative and economic programme, it cannot spare sufficient resources for social welfare. The voluntary agencies by mobilising private sources through donations contributions etc. can better afford to spend for social welfare programmes. These agencies thus lessen the burden of government by utilising community resources. Therefore the best course of doing is to leave it to voluntary welfare agencies to mobilise community support on the basis of the service they render. In raising resources voluntary agencies have a distinct advantage over the government, as the latter appears as a distant impersonal body to an average citizen. Further since the benefits of such contributions are direct and immediate, the people contribute more willingly to these agencies.

Fifthly, social welfare programme requires flexibility and change to keep in pace with the circumstances and requirements of the problem. But the policies of the government are generally rigid and less flexible. Therefore it cannot cope with the needs of the time and the current problems. Thus "a good deal of flexibility in procedures and methods of work, a measure of freedom for experimentation and the capacity to act promptly are some of other advantages which the voluntary organisations enjoy over governmental agencies.

7 CONCLUSION

Board through its unique composition and form and through voluntary organisations is performing multitudinal welfare activities. To assist it in its job, state social welfare advisory boards have been created which provide realism to its working.

Voluntary agencies also play a phenomenal role in the welfare programmes and social reforms of the community. That is why the Government is in favour of assigning a more active role to voluntary agencies in the planning and implementation of welfare programmes and rightly views them as a means of participatory democracy. Board's organisational and administrative structure needs to be further strengthened and well laid out. An attempt should be made to make it a statutory and autonomous body with more powers and less governmental control and political interference.

8 SUGGESTED BOOKS AND READINGS

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Self Check Exercise

Note : Check your answer with answer given at the end of this lesson.

Answer the following question :

1. Discuss the organisation and functions of Central Social Welfare Board.

9 Answer to Self Check Exercise

1. Your answer should include :

Introduction, Composition, Functions, Organizational Structure and Working as well as Conclusion.

**POLICIES AND PROGRAMMES FOR SCHEDULED CASTES, SCHEDULED TRIBES
AND OTHER BACKWARD CLASSES**

Structure

- 0 Objectives
- 1 Introduction
- 2 Meaning of SC/ST/OBC
 - 2.1 Definition of Scheduled Castes
 - 2.2 Scheduled Tribes and Denotified Tribes
 - 2.3 Other Backward Classes
- 3 Constitutional Provisions to safeguard the interests and to promote their welfare
- 4 Governments Policies and Programmes
- 5 Commissioner for SC's/ST's
- 6 Achievements of the programmes during Five Year Plans
- 7 Conclusion
- 8 Key Points
- 9 Suggested Readings
- 10 Answers to 'Check your Progress' Exercise

0 Objectives

After studying this lesson, you shall be able to :-

- * understand the meaning of scheduled castes/tribes and other backward classes;
- * describe various constitutional provisions in this respect;
- * analyse governmental measures through legislations and also through five year plans.

1 Introduction

India is a vast country and persons belonging to numerous religious races and castes live in it. Caste has been described as the 'foundation of the Indian social fabrics which has been prevalent in India since time immemorial. Due to caste system and social discrimination a section has been created in our society, which is the lowest of all and a backward one. This section includes scheduled castes, scheduled tribes and backward classes. This section of our society has remained socially and economically backward and it has been always exploited by the other sections of the society. They have been leading a depressed and backward life, due-to educational, social and economic handicaps. But in free India, several efforts have been made for

the welfare of the people belonging to this backward sections. Opportunities and facilities for progress and development have been provided to the people of this section, so that they can lead a better, respectful and a happy life in societies.

2 Meaning of Scheduled Caste/Tribe and Other backward classes

According to First Five Year plan, "The term 'backward class' is difficult to define. Backwardness is expressed as lack of adequate opportunity for group and individual self development, especially in economic life and in matters of health, housing and education. It is measured in terms of low levels of income, the extent of illiteracy, and the low standard of life demonstrated by living conditions." Therefore we can say that scheduled castes and backward classes are those classes, which are socially and economically backward. They do not have the facilities and opportunities and sources for development as the other sections of society have. The backward classes can be divided into following four categories : (i) Scheduled castes (ii) Scheduled Tribes (iii) That Group which used to be called as Criminal Tribes and now known as Denotified Tribes, (iv) Socially and economically backward such other classes which are declared by the Union or State Government as backward.

2.1 Scheduled Castes

According to Article 341 (1), "The President may with respect to any state or Union Territory, and where it is a State, after consultation with the Governor thereof, by public notification specify the castes, races or tribes or parts of or groups within castes, races or tribes which shall for the purpose of this constitution be deemed to be Scheduled Castes in relation to the state or Union Territory, as the case may be. "The Parliament can also make amendments in the list of Scheduled Castes issued by the President. In this way parliament can increase or decrease the number of castes included in this list. The President had issued one list of Scheduled castes in 1950, which was amended by the parliament in 1956, for this purpose the Scheduled Castes and Scheduled tribes orders (Amendment) Act, 1956, was passed. According to the census of 2001, the population of the Scheduled castes in the country was 166,635,700.

2.2 Scheduled Tribes

Those tribes of India which used to lead a primitive life in the forests and hills far away from the civilisation are known as nomadic tribes. They are also known as tribal people. They still live in forests and hilly regions. Their main sources of livelihood are the hunting of animals and fruits. At some places they also till the land on small scale. They are more backward than the Scheduled Castes. According to Article, 342 (1), "The President may with respect to any state or union territory, and where it is a state after consultation with the Governor thereof, by public notification, specify, the tribes or tribal communities or parts of groups within tribes or tribal communities which shall for the purposes of this constitution be deemed to be scheduled tribes in

relation to that State or Union Territory, as the case may be. "In 1950, the President issued a list of Scheduled Tribes, which was amended by the Parliament by the Scheduled Castes and Scheduled Tribes Orders (Amendment) Act, 1956. According to the census of 2001, the population of scheduled tribes in India was 84,326,240.

Denotified Tribes

Denotified Tribes consists of several groups which can be divided mainly into two parts-nomadic tribes and settled tribes. Among the nomadic groups are the pastoral communities, which do not reside at one place permanently. They earn their livelihood by doing petty jobs, and to attain this end they move from place to place. Their main profession is to make small implements and household goods of iron. Settled and unsettled groups include non-regulated criminal people, who were uprooted from their original homes long ago due to the aggression or political changes. They got the evils of bootlegging, poverty, lack of means for better economic condition and other psychological ills from their ancestors as a legacy. All these were responsible for their taking to the criminal acts. Under the Criminal Tribes Act, 1924 they were divided into 137 criminal groups. These tribes used to be kept in the colonies. After independence the Government of India, in 1949 appointed a Criminal Tribe Enquiry Committee. On the recommendations of this committee, the Government repealed the Criminal Tribes Act on August 31, 1952 and many restrictions on these people were withdrawn. These tribes were accordingly given a new name of denotified tribes. On the recommendations of this committee the government started arrangements for giving education, training and employment to the people of these tribes. SC's and ST's comprise 24.4% of country's population at present.

2.3 Other Backward Classes

Besides the above mentioned castes and tribes are some other classes in our society, which are socially and economically backward. After the report of the Commission for Backward Classes in 1961, the Government of India decided that no new list for backward classes should be made besides the list of scheduled castes and scheduled tribes, which have already been framed. But it has given authority to the State government that they could frame list of backward classes, on the basis of criteria fixed by them under Art 340. Therefore, the state government have framed the lists for backward classes in their respective areas on different basis. Some of the criteria fixed by certain State Government for this purpose are as follows : In Punjab, those persons whose annual income is less than one thousand rupees have been included in the list of other backward classes. In Tamil Nadu those families whose annual income is less than fifteen hundred rupees are included in the list of other backward classes. Like the scheduled castes the persons belonging to those classes have also been provided special concessions in field of education and employment. In U.P. the government has made a list of other backward classes in which 58 castes

have been included. The State government is not in favour of fixing any other criteria than the annual income for this purpose. OBC's comprise 52% of the total population of our country.

3 Constitutional Provisions to safeguard the interests and to promote Welfare of the Scheduled Castes, Scheduled Tribes and Backward Classes

After the attainment of independence, the government wanted to raise this backward and depressed section of the society. Therefore, several such provisions were made in the constitution, the need for which was felt since long to safeguard the interest and to promote the welfare of Scheduled Castes, Scheduled Tribes and other backward classes. The Indian constitution has described in detail the welfare measures for Scheduled Castes, Scheduled Tribes and backward classes so that their development in economic and educational fields can be attained and their social handicaps can be removed. The main constitutional provisions in this regard may be described in the following lines :

1. Untouchability is abolished and its practice in any form is forbidden by law. (Art. 17)
2. Promotion of educational and economic interests of Scheduled Castes, Scheduled Tribes and other weaker sections and to protect them from social injustice and all forms of exploitation. (Article 46).
3. Throwing open of Hindu religious institutions of a public character to all classes and sections of Hindus. (Article 25).
4. Removal of disability, liability, restrictions or conditions with regard to access to shops, public restaurants, hotels and places of public entertainment, the use of wells, tanks, bathing ghats, roads and places of public resort maintained wholly or partly out of the state funds or dedicated to the use of the general public. (Article 13).
5. The state has the power to make law imposing reasonable restrictions on the exercise of the rights of all citizens to move freely throughout the territory of India to reside and settle in any part of the territory of India and to acquire and dispose of property for the protection of any Scheduled Tribes (Article 19(5)).
6. Removal of restriction for admission into any educational institution maintained by the state or receiving aid out of state funds (Article 29).
7. It is the responsibility of the government to make reservations for the persons belonging to backward classes, while making appointments in the public services. The constitution also imposes an obligation on the state to consider the claim of the scheduled castes and scheduled tribes, consistently with the maintenance of efficiency of administration, in the making of appointments of public services (Article 15 and 335).
8. To give special representation to scheduled castes and tribes in Parliament and

- Legislators upto 25th January, 1980 (Article 330, 332 and 334).
9. To establish advisory councils and separate departments and to appoint a special officer at the centre of the development for their welfare activities and to safeguard their interests (5th Scheduled, and 338).
 10. To make special arrangements for the administration and control of scheduled and tribal areas (5th and 6th scheduled and Article 244).

4 Government's Policy and programmes for the Welfare of Scheduled Castes, Tribes and other Backward classes

We can see the essence of government's policy regarding the welfare of scheduled castes, scheduled tribes and other backward classes in the above mentioned constitutional provisions. On the basis of these constitutional provisions the government has framed and implemented its policies for the welfare of this backward section.

To make the social, political and economic development of the persons belonging to scheduled castes, scheduled tribes and other backward classes, to raise their status equal to that of the sections of the society, their educational development, to provide them better opportunities and facilities for employment, to make their standard for living better, to provide them social and legal security etc. are some of the important objectives of the government's policy.

The Untouchability (offences) Act, 1955

To eradicate untouchability from the country, the government has enacted and implemented the Untouchability (offences) Act, 1955. By this law the government has declare untouchability as a crime. If any person prevents another person from entering into and to use the public places, religious places, places of drinking water and bathing walls, taps, ponds and canals etc. shops hotels, dharmshalas, waiting rooms and prevents him to use those utensils which are being used by other persons without any restriction, then that person can be awarded imprisonment for six months and five hundred rupees fine as a punishment under the law. In this way now no person can treat another person as an untouchable and all the public places have been thrown open for the use of everybody. So with this scheduled Act the Government of India has elevated the scheduled castes, scheduled tribes and other backward classes equal to that of the other sections of the society.

Representation in the Lok Sabha and State Legislative Assemblies

To provide representation in Lok Sabha and State Legislative Assemblies to the persons belonging to scheduled castes and scheduled tribes, some seats have been reserved for them in proportion to their population. In the beginning this facility was provided only for ten years from the commencement of the constitution. But with the amendments later on made in the constitution now this facility will be available to the persons belonging to those castes and tribes up to 2010. No reservation of seats has been made for the persons belonging to these castes and tribes in Rajya Sabha and

State Legislative Councils. To provide representation to those people some seats have been reserved in the Metropolitan Councils, Municipal Corporations, Municipalities, Panchayats and other institutions of the Panchayati Raj from them. In the Lok Sabha at present there are 77 representatives of scheduled castes and 40 representatives of scheduled tribes. In the State Legislative Assemblies of the Union Territories there are 515 representatives belonging to scheduled castes and 321 representative of scheduled tribes.

Reservation in Civil Services

Arrangements have been made for reservation of seats in All India Services Central Services, State Services, Public Corporations and Local Institutions services to give representation to the persons belonging to scheduled castes, scheduled tribes and other backward classes. 13% posts have been reserved for scheduled casts A in the recruitment of those posts which are being filled by open competition on All India basis.

$16\frac{2}{3}\%$ posts are kept reserved for scheduled castes in those services whose recruitment is being made by other methods. $71\frac{1}{2}\%$ seats are kept reserved for scheduled tribes in both the above mentioned forms of recruitment. At present 27 percent seat, are reserved for scheduled castes in higher education. Seats are also reserved for the persons belonging to these castes and tribes in the state civil services and the civil services of the Union territories. Their percentage of reservation varies from state to state. State governments have been increasing the number of reservations for them from time to time by framing new rules. Besides recruitment, some seats are kept reserved at the time of promotions also for the persons belonging to these castes and tribes. Punjabi University, Patiala has set up a training centre where the candidates of these castes are imparted preparatory training for competitive examination free of cost. By 1991, SC's % age in Central Government services was 9.09 as compared to 1971 when it was 2.68% for Class 1 services. ST's representation in 1991 was 2.53 from 2.41 in 1971 at Class 1. In PSU's 1991 data shows 9.68% as compared to 1971 when it was 8.17 (all categories).

Facilities for Education

Government has provided special facilities to impart education to the scheduled castes, scheduled tribes and backward classes. Free education, scholarships, financial aid for books, notebooks and other necessary material are being given by the government to the children of these castes and classes. They have been exempted from payments of the admission fee for the public examinations, scholarships for higher education, and research abroad and travel cost to foreign lands are also being provided to them. The number of such scholarships awarded every year for scheduled castes are 13 to 21, for scheduled tribes they are 6, for denotified tribes it is one and for other backward classes it is three. Arrangements have been made for providing milk and mid-day meals in the schools to the students belonging to these casts and tribes. Special

concessions are given to them in the hostels also. At the time of admission to the General educational institutions, technical and professional educational institutions, seats are kept reserved for the children belonging to these castes and classes. Civil services coaching facilities provided free of cost at about 103 coaching centres through out country.

Economic Development

Besides reserving seats in the civil services of the country to the persons belonging to scheduled castes, scheduled tribes and other backward classes, numerous facilities are being provided to them for their economic development. Those persons of these classes who neither have any source of income nor any land or property, are being provided with free land by the government so that by agriculture they may become self-dependent. They are also being provided with bulls, agricultural implements, seeds and fertilisers etc. They are being encouraged to establish cottage and small scale industries, so that they may earn their livelihood. Government also gives them grant and loan for this purpose. They are being given incentives for running poultry farms, piggeries and sheep and goat keeping. For this purpose they are given required training and financial aid. They have been freed from the bonded labour and the clutches of the moneylenders. In the way the government is making efforts for their economic development.

Health Services

Government has made arrangements for looking after the health of the persons belonging to scheduled castes, scheduled tribes and other backward classes. Free medical aid and medicines are being provided to them. Arrangements have been made for providing them knowledge aid maternity and family planning.

Housing and other facilities

Government is making efforts for providing better housing to the persons belonging to Schedule Castes, Scheduled tribes and other backward classes. Arrangements have been made for providing free plots to those persons of these classes who do not have any house to live in. Grants and Loans are also being given by the government to them for construction their houses. At several places the government has constructed residential colonies for them and houses have been allotted to them on cheaper prices and instalments. Facilities of clean drinking water supply, supply of electricity and entertainment have also been provided to them.

5 Commissioner for Scheduled Castes and Scheduled Tribes

Under article 338 of the constitution, the President appointed in 1951 a Commissioner for scheduled caste/Tribes. This officer has been entrusted with the responsibility for safeguarding the interests of the persons belonging to these castes/tribes. He is also to review various policies, programmes for union and state government and make suggestions in this respect. In 1978 Cabinet's resolution at Union level constituted a Commissioner for SC's/ST's. In 1987, National Commission for SC's/ST's with a chairman and four member replaced commissioner for SC's/ST's. Then office

of the commissioner ceased to exist from March 1992. At central level, National SC's/ST's. Finance and Development Corporation was created in 1989 to support State Scheduled Castes Development Corporations. Its main functions are to support activities for their overall development and welfare. At state level in Punjab, Punjab State SC's/ST's Land Development and Finance Corporation, Tribe Finance Development Corporation are also created where tribe population is found.

6 Achievements under the programme for the welfare of scheduled castes and backward classes during Five Year Plans

Government has paid special attention to the welfare of scheduled castes, scheduled tribes and other backward classes during this five year plans. The achievements in this field may be briefly described in the following lines :-

First Five Year Plan (1951-56)

Rs. 26 crores were spent on the welfare of the scheduled castes, scheduled tribes and other backward classes, during first five year plan. Besides the state government, the centre government had awarded 37,077 post-matric scholarships to the children of the scheduled castes, 291 schools were opened for the children of denotified tribes and 42,065 scholarships were awarded to them. Efforts had been made for providing to the persons belonging to scheduled castes, scheduled tribes and other backward classes the facilities of education, medical aid, supply of drinking water, agriculture and irrigation, establishment of cottage industries and construction of roads in the tribal areas. Seventeen colonies had been established for rehabilitation of the denotified tribes.

Second Five Year Plan (1956-61)

Rs. 78 crores had been spent on the welfare of scheduled castes, scheduled tribes and other backward classes and denotified tribes during the second five year plan. Up to the end of second five year plan, about nine lakh children of scheduled castes were getting government scholarships. The persons belonging to these castes were given 93,300 houses and plots. The eighty co-operative societies had been organised. With the aid of the central government 156 training and production centres were established. For multipurpose development 43 tribal blocks were started. Land for agriculture and other necessary material was given to scheduled tribes. 25,592 post-matric scholarships were awarded to their children. Maturity and child welfare centres were also established in the tribal areas. 13,246 families of denotified tribes were rehabilitated. The Government of India appointed the Scheduled Area and Scheduled Tribes Commission in 1960, the Commission submitted its report in 1961.

Therefore, steps were taken during the third plan period to implement the recommendations of this commission.

Third Five Year Plan (1961-65)

Rs. 102 crores had been spent on the welfare of the scheduled castes, scheduled tribes, Denotified tribes and other backward classes during Third Five Year Plan.

Social and economic development of the people of this section was kept continuing. Spread of education among them was accelerated. More representation in Public services was given to them. More facilities were provided for housing, drinking water, medical and maternity aid, and welfare of their children. The campaign for the complete eradication of untouchability was accelerated. By the end of the Third Plan progressive activities were continuing for the Welfare of Scheduled tribes in 413 tribes for Tribal development. They had been provided with the aid for agricultural and cottage industries.

Three Annual Plans (1966-69)

About Rs. 69 crores were spent on the welfare of these classes during three annual plans. 3.27 lakh post-matric scholarships were awarded to the children of scheduled castes. 65,676 post-matric scholarships were awarded to the children of the scheduled tribes. The number of tribal development blocks in the country was increased from 413 to 480. More representation in public services was provided to the persons belonging to these classes. For their aid and guidance training-cum-guidance centres were established in Delhi, Jabalpur, Kanpur and Madras.

Fourth Five Year Plan (1969-74)

For the welfare and development of scheduled castes, scheduled tribes, denotified and other backward classes Rs. 13238 crores were spent during the fourth five year plan. On 1st January, 1972 the number of scheduled castes and Scheduled tribes officers in the country's major civil services was as follows :-

Indian Administrative Services	-	280
Indian Police Service	-	133
Indian Foreign Service	-	49

The tempo of spread of education among these classes had continued unabated. By the end of this plan, pre-matric scholarships were being awarded to 30 lakh scheduled castes and one lakh scholarships to scheduled tribes children. Post-matric scholarships were being awarded to 1,90,000 scheduled castes and 35,000 scheduled tribes students. The number of guidance and training centres of these people were also increased. For this purpose, ten pre-examination coaching centres for All India and Central Services examination and four training-cum-guidance centres were established.

By the end of this plan progressive activities were being conducted in the 480 tribes development blocks and 20 sub-blocks. Rs. 4.5 crores were spend to rehabilitate scheduled tribes.

Fifth Five Year Plan (1974-79)

The target of Rs. 255 crores has been fixed which is to be spent on the welfare of scheduled castes and other backward classes during fifth five year plan. Two main objectives have been fixed for their welfare :- i) to raise the standard of living of the persons belonging to scheduled castes and tribes and backward classes. ii) To decrease the differences between the backward classes and the general public. For the attainment

of these objectives development centres are reinforced in the country, efforts are being made for increasing facilities regarding transport, education, health and supply of electricity. Legal and institutional structure is being strengthened. The amount of scholarships which is being awarded to the children of these classes has been increased. Free books are being supplied to them through banks. Loans and grants are being given for the construction of houses. At some places, the state is providing them constructed houses on easy instalments. They have been relieved from bonded labour and the clutches of money lenders. In this way government is making various efforts for raising the standard of life of these people and making them self dependent.

Sixth Plan aimed at upliftment of the living standard of these classes, removal of poverty and unemployment through growth of labour intensive village and small industries. To bring about institutional reforms in public policies in favour of the poorest sections, to alleviate rural poverty, Integrated Rural Development Programme (IRDP) was launched mainly for the benefit of the poorest sections like families of landless labourers, scheduled castes/tribes and socially and economically backward classes. Special component plans of states and central ministries and special central assistance to states has been given for the implementation of these plans.

Seventh Plan (1985-90)

In 1987, tribal cooperative marketing development federation was set up as a apex body for state tribal development co-operative corporations, poverty removal on sustainable basis through poverty alleviation programmes and increasing employment opportunities through National Rural Employment Programme (NREP) and Rural Landless Employment Guarantee Programme (RLEGP). Social service programmes mainly for SC's/ST's and OBC's were allocated Rs. 31,545 crore - 17.5% of total plan outlay. Still lot more need to be done for these sections of the society. 30% of total beneficiaries were to be from SC's/ST's though actually it was 32.05% in case of SC's and 13.04% in case of ST's.

Eighth Plan

Aimed at providing adequate food supply, control of inflation, effective functioning of public distribution system (PDS) and development programmes generating employment for betterment of weaker sections of the society. In rural areas, 1987-88 shows reduction in SC population below poverty line from 64.6 to 44.7 and in case of ST's from 72.4% to 52.6%.

Ninth Plan (1997-2002)

Had its objective of empowering socially disadvantaged groups such as SC's/ST's and OBC's as agents of socio-economic change and development. It tends to achieve growth with equity.

Tenth Plan (2002-07)

Under this plan Rs 6976.93 crores was the outlay and Rs 6642.33 crores was the expenditure Rs. 5048.58 crores was spent for the Scheduled Caste Development and Rs.

429.99 was spent for Backward Classes Development.

Eleventh Plan (2007-12)

Under this ongoing plan, Rs. 13043.00 crores is the outlay and already Rs. 2172.79 crores have been spent. Out of this Rs. 1714.20 crores has been spent for scheduled castes development and Rs. 205.74 crores for the development of Backward Classes.

Five years plans in India have chalked out various programmes and projects for their upliftment but still incidence of poverty is very high. SC's/ST's still are mainly landless, unorganised workers suffering from long periods of unemployment and underemployment. Inequality and exploitation is still prevalent particularly in case of rural SC's. They often fail to derive full benefit of development programmes as majority of them are illiterate and ignorant of their rights. Half hearted attempts regarding implementation of various such programmes have further aggravated their problems.

7 Administrative Set Up

Hitherto, welfare of the weaker sections was entrusted to a number of ministers/departments. With a view to providing an integrated thrust to the development of these sections of the population, a new Ministry of Welfare was constituted on the 25th September, 1985, by integrating subjects concerning.

- (i) welfare of the SC and ST and socially and economically Backward Classes, Other Backward Classes, (OBC), religious and linguistic minorities earlier dealt with within the Home Ministry;
- (ii) the work relating to the welfare of the disabled and the handicapped and programmes on social defence connected with the victim of alcoholism, drug addition, juvenile maladjustments, welfare of the aged, all dealt with earlier by the erstwhile Ministry of Social and Women's Welfare; and
- (iii) matters relating to the administration of Wakf, earlier within the jurisdiction of the Ministry of Law.

With effect from April 26, 1990, this Department was shifted to the new Ministry, the Ministry of Welfare is today reorganised into the Department of Welfare and the Department of Women and Child Development. Activities of the welfare Ministry are carried out through five bureaus, viz., handicapped, social defence ministries, tribal development and SC and STs. The Ministry is the nodal agency for overall policy planning and coordination of programmes and each central ministry and department is the nodal agency concerning its sector. The Ministry also maintains liaison with the other central ministries and state governments.

State government and Union Territory administrations have separate departments of their own for this purpose. Administrative set up, however, varies from state to state. In Bihar, Madhya Pradesh and Orissa, separate ministers have been appointed to look after tribal welfare (Article 154). Some other states have set up committees of members

of the State Legislatures on the pattern of the Central Parliamentary Committee. All the states having scheduled areas including Tamil Nadu and West Bengal have constituted Tribal Advisory Council as per the provision in the fifth schedule to advise on matters pertaining to the welfare and advancement of STs. It should be noted that responsibility for implementation of welfare schemes is being shared between the centre and states. The centre is responsible for formulating welfare policies and programmes besides coordinating, guiding and promoting implementation of welfare services by states.

Welfare of Scheduled Castes and Scheduled Tribes

The Constitution has prescribed protection and safeguards for these castes and tribes and other weaker sections of society either specially or by way of insisting on their general rights as citizens with the object of protecting their educational and economic interest and removing social disabilities they are subjected to.

Besides, successive Five Year Plans have regarded their progress as a major objective of national policy. It should be kept in mind that these sections are in economic terms the most depressed and backward sections of society and all general measures to eradicate or lessen poverty in the country are bound to affect them most.

The Governments, both central and state, irrespective of their political aims and objectives, are committed and determined to uplift these sections. These sections are also socially most exploited and ill-treated. Still these communities continued to be vulnerable and atrocities are committed against them in one form or the other. In order to protect them against such atrocities, the Government has enacted the SC and ST (Prevention of Atrocities) Act, 1989, the Act came into force on 30th January, 1990.

NATIONAL COMMISSION FOR SC's & ST's

The Central Government had set up three Parliamentary Committees in 1906, 1971 and 1973 respectively to examine the implementation of programmes of development for these castes and tribes. The Committee of Parliament, the tenure of its members being one year.

By virtue of the Constitution (Sixty-Fifth amendment) Act, 1990, the special Officer's post under Article 338 has been substituted by the National Commission for Scs and Sts. The Commission consists of a Chairman, a Vice-Chairman and five other members appointed by the President under his hand and seal. The Commission has the power to regulate its own procedure. It submits reports to the President who causes them to be laid before each house of parliament along with a memorandum explaining the action to be taken on the commission's recommendations relating the Union and the reasons for the non-acceptance of such recommendations. Such reports are sent by the President to the Governor of the state concerned for submission to the state legislatures. The Commission has

the powers of a Civil Court trying a suit. The functions of the Commission may be summarised as follows :

- (1) to investigate and monitor all matters relating to the safeguards provided by law of and to evaluate the working of such safeguards.
- (2) to enquire into specific complaints with respect to the deprivation of rights and safeguards of the castes Tribes.
- (3) To participate in and advise on the planning process of socio-economic development of such communities and to evaluate the progress of their development.
- (4) to present to the President annually and otherwise reports upon the working of these safeguards along with its recommendations.
- (5) to discharge such other functions in relation to the protection, welfare, development and advancement of the SCs and ST's.
- (6) the union and every state government is to consult the Commission on all major policy matters affecting the SC and STs. A number of voluntary organizations also promote welfare of these sections of population. The Government provides grants-in aid to the non-official voluntary organizations.

8 Conclusion

No doubt that the government has taken significant steps for raising the standard of life of this backward section of the society, but still it has not attained full success in its targets. Still we find that there is a long distance between the other sections of society and these backward classes. Still they are the victim of illiteracy, disease, unemployment and poverty. Therefore, for their full development more efforts have to be made by the government particularly regarding implementation.

9 Key Points

Meaning of Backward Class

Backwardness is expressed as one where lack of adequate opportunities for group and individual self-development, especially in economic life and matters of housing and education. It is measured in terms of low levels of income, the extent of illiteracy, and the low standard of life demonstrated by living conditions.

Policy of the Government

The policy of the government is to raise the standard of living of this depressed section of the society and to make it self-sufficient for leading a better and happy life.

- 1) Appointment of a Commissioner, for scheduled castes and scheduled tribes.
- 2) Eradication of Untouchability by the passage of the untouchability (offences) Act, 1955.
- 3) Representation in the Lok Sabha, State Legislative Assemblies and local government institutions.
- 4) Reservation in Civil Services- at the time of recruitment and promotions.

- 5) Facilities for education-free education, scholarships, free books and reservation of seats in educational institutions.
- 6) Economic development for raising their standard of living and better social status-land for landless, cottage and small scale industries, raising the wages of agricultural worker, freedom from bonded labour and money-lenders, facilities of loans and grants.
- 7) Health Services, maternity and medical aid and facilities for family planning.
- 8) Housing and other facilities Free plots and built-up houses on easy instalments, supply of drinking water and electricity.
- 9) Tribal development blocks.

10 Suggested Readings

- | | | | |
|----|-------------------------------|---|--|
| 1. | Government of India | - | Ministry of Publication-Social Welfare in India. |
| 2. | Government of India | - | Reports of the Commissioner of scheduled castes and scheduled tribes. |
| 3. | Sachdeva and Dua | - | Studies in Indian Administration, Kitab Mahal, Allahabad. |
| 4. | Sachdeva, D.R. | - | Social and Economic Administration in India (Punjabi edition), Pepsu Book Depots, Patiala. |
| 5. | D.R. Sachdeva | - | Social Welfare Administration in India. |
| 6. | Hoshiar Singh | - | Indian Administration. |
| 7. | Sahib Singh,
Swinder Singh | - | Development Administration |
| 8. | Puri and Brar | - | Development Administration. |

NATIONAL COMMISSION FOR WOMEN

Structure

- 1 Introduction
- 2 Objectives
- 3 Short title, extent and commencement
- 4 Definitions
- 5 Constitution
- 6 Term of office and conditions of service of Chairperson and Members
- 7 Officers and other employees
- 8 Salaries and allowances to be paid out of grants
- 9 Committees
- 10 Meetings and procedure
- 11 Functions
- 12 Accounts and Audit
- 13 Annual Report
- 14 Annual report and audit report to be laid before Parliament
- 15 Miscellaneous
- 16 Conclusion
- 17 Key Words
- 18 Suggested Readings
- 19 Answers to Self-Check Exercise

1 Introduction

The preamble to the Constitution of India assures "to secure all its citizens:

- Justice- social, economic and political;
- Liberty of thought, expression, belief, faith and worship;
- Equality of status and opportunity; and
- to promote among them all fraternity assuring the dignity of the individual and the unity of nation."

To attain these national objectives, certain fundamental rights are guaranteed by the Constitution.

And Indian women are the beneficiaries of these rights in the same manner as the Indian men.

e.g. Article 14 ensures equality;

- Article 14 prohibits discrimination against any citizen on grounds of religion, caste, sex etc.;
- Article 14(3), however, empowers the state to make any special provision for women and children "even in violation of the fundamental obligation of non-discrimination among citizens particularly on sex." This leads to enable special provisions for women, particularly in labour legislation, like Factories Act 1948, the Mines Act and so forth.

Therefore, the Govt. of India provides certain privileges to women by enacting specific acts (law) on women; by some amended provisions in the existing acts; etc.

If there is any violation of Fundamental Rights, a woman can file a writ petition in the respective High Court or in the Supreme Court of India.

Various schemes/ commissions/ laws are provided by the Govt. of India to promote the welfare of Indian women, as such-

- Central Social Welfare Board (1953)
- The Women's Welfare and Development Bureau (1976);
- Report of the Committee on the status of women in India (CSWI - 5th 5 year plan);
- National Plan of Action (1976) (Under the guidelines based on United Nations' World Plan of Action for Women);
- The Report of the Working Group on Employment for Women (Sixth Plan);
- The Report of the Working Group in Development of Village Level Organisation of Rural Women 1978;
- Socio-economic programmes for women 1985-90;
- 20 Point Programmes for Women 1985-90;
- The National Commission on Self-employed Women 1987;
- Mahila Samakhya Programme for women;
- National Perspective Plan for Women 1988-2000
- National Institute of Public Co-operation and Child Development;
- National Resource Centre for Women
- State Women Development Corporation, etc.

In the continuing promotion of the status of Indian women, "The National Commission for Women" has been set up.

2. Objectives

After studying the lesson, you shall be able to understand constitution, functions and related matters dealing with the National Commission for women.

3 Short title, extent and commencement:-

Title [Section 1(1)]- This Act may be called the National Commission for Women Act, 1990.

Extent [Sec 1(2)]- It extends to the whole of India except the State of Jammu and Kashmir.

Commencement [Sec 1(3)]- It shall come into force on such date as the Central Govt. may by notification in the Official Gazette, appoint.

4 Definition (Section 2)-

Unless the context otherwise requires -

U/s 2(a) "Commission" means the National Commission for Women Constituted u/s 3;

U/s 2(b) "Member" means a Member of the Commission and includes the Member Secretary.

U/s(c) "Prescribed" means prescribed by rules made under this Act.

5 Constitution of the National Commission - (Section 3)

The Commission shall consist of-

- a) a Chairperson, committed to the cause of women, to be nominated by the Central Govt;
- b) 5 members (to be nominated by the Central Govt.) from amongst persons of ability, integrity and standing who have had experience in-
law or legislation; trade unionism; management of an industry or organisation committed to increasing the employment potential of women;
Women's voluntary organisations (including women activists);
administration; economic development; health; education or social welfare;
Moreover, there must be at least one member each from amongst persons belonging to the scheduled castes and scheduled tribes respectively;
- c) a member secretary (to be nominated by the Central Govt.) who shall be-
 - (i) an expert in the field of management, organisational structure or sociological movement; or
 - (ii) an officer who is member of a civil service of the Union or of an all India service or holds a civil post under the Union with appropriate experience.

6 Terms of office and conditions of service of chairperson and members- (Section 4)**Terms of office**

The Chairperson and every other member can serve upto a maximum of 3

years service, as may be specified by the Central Govt. in this behalf.

Resigning

The Chairperson or a member (except the Member Secretary who is a civil servant of the Union) may, by writing, resign from the office of Chairperson or, as the case may be, of the Member at any time, by addressing to the Central Govt.

Removal

The Central Govt. shall remove a person from the office of Chairman or member, as the case may be, if that person-

- (i) becomes an undischarged insolvent;
- (ii) gets convicted and sentenced to imprisonment for an offence which in the opinion of the Central Govt. involves moral turpitude;
- (iii) comes to be of unsound mind and stands so declared by a competent court;
- (iv) refuses to act or becomes incapable of acting;
- (v) absents him/herself from 3 consecutive meetings of the commission, without permission from the commission;
- (vi) has abused the position of chairperson or member, in the opinion of the Central Court, that his/her continuance in office is detrimental to the public interest.

Moreover, an opportunity of being heard must be given before removing a person.

And also, the vacancy so caused or otherwise shall be filled by fresh nomination.

Salaries & allowance and other terms & conditions:-

The salaries and allowances payable to and the other terms and conditions of service of, the Chairperson and members shall be such as may be prescribed.

7 Officers and other employees of the Commission- (Section 5)

For the efficient performance of the functions of the commission, such officers and employees, as may be necessary shall be provided by the Central Govt., and their salaries and other terms and conditions of service shall be such as may be prescribed.

8 Salaries and allowances to be paid out of grants:-

U/s 14 of the Act, grants such as sums of money are received by the Commission, after due appropriation made by Parliament by law in this behalf, to be spent to perform the functions under the act.

And U/s 6 salaries and allowances payable to the Chairperson and Members, and the administrative expenses, including salaries, allowances, pensions, payable to the officers and other employees, shall be paid out of the grants mentioned u/s 14.

9 Committees of the Commission- (Section 8)

- a) to deal with special issues taken by the commission, it may appoint necessary committees;
- (b) Commission has the power to co-opt members i.e. it may appoint necessary persons who are not members of the commission for any committee. These co-opted persons can attend the meetings of their respective committee and take part in its proceedings, but have no voting rights. Also, the co-opted person(s) shall be entitled to allowances as may be prescribed.

10 Meetings & Procedure (Section 9)

Meetings- The commission or its committee can meet as and when necessary and venue and time to be decided by the Chairperson.

Procedure- The Commission can regulate its own procedure of the Committees thereof.

Moreover, all orders and decisions of the Commission shall be authenticated by the Member Secretary or any other officer of the Commission duly authorised by the Member Secretary in this behalf.

Also, u/s 7 vacancies etc. cannot be an excuse to invalidate the proceedings of the Commission.

11 Functions of the Commission-

1. U/s 10, Chapter III of the Act, all or any of the following functions can be performed by the Commission-

- a) investigating and examining all matters relating to the safeguards provided for women under the Constitution and other laws;
- b) making reports on the working of those safeguards to the Central Govt., annually and other times as the commission may deem fit;
- c) making recommendations in such reports for the effective implementation of those safeguards for improving the conditions of women by the Union or any state;
- d) review, from time to time, the existing provisions of the Constitution and other laws affecting women and recommend amendments thereto so as to suggest remedial legislative measures to meet any lacuna, inadequacies or shortcomings in such legislations;
- e) take up the cases of violation of the provisions of the Constitution and of other laws relating to women with the appropriate authorities;
- f) look into complaints and take suo motu notice of matters relating to-
 - (i) deprivation of women's rights;
 - (ii) non-implementation of laws enacted to provide protection to women and also to achieve the objective of equality and development;

- (iii) noncompliance of policy decisions, guidelines or instructions aimed at mitigating hardships and ensuring welfare and providing relief to women, and take up the issues arising and out of such matters with appropriate authorities;
 - (g) call for special studies or investigations into specific problems or situations arising out of discrimination and atrocities against women and identify the constraints so as to recommend strategies for their removal;
 - (h) undertake promotional and educational research so as to suggest ways of ensuring due representation of women in all spheres and identify factors responsible for impeding their advancement, such as, lack of access to housing and basic services, inadequate support services and technologies for reducing drudgery and occupational health hazards and for increasing their productivity;
 - (i) participate and advise on the planning process of socio-economic development of women;
 - (j) evaluate the progress of the development of women under the union or any state;
 - (k) inspect or cause to be inspected a jail, remand home, women's institution or other place of custody where women are kept as prisoners or otherwise, and take up with the concerned authorities for remedial action, if found necessary;
 - (l) fund litigation involving issues affecting a large body of women;
 - (m) make periodical report to the Government on any matter pertaining to women and in particular various difficulties under which women toil;
 - (n) any other matter which may be referred to it by the Central Govt;
2. Moreover, the Central Govt. shall cause all the reports referred to in clause (b) of sub-section (1) to be laid before each House of Parliament alongwith a memorandum explaining the action taken or proposed to be taken on the recommendations relating to the union and the reasons for the non-acceptance, if any, of any of such recommendations.
3. Where any such report or any part thereof relates to any matter with which any state govt. is concerned, the Commission shall forward a copy of such report or part of such, to State Govt. who shall cause it to be laid before the legislature of the state alongwith a memorandum explaining the action taken or proposed to be taken on the recommendations relating to the State and the reasons for the non-acceptance, if any, of any such recommendations.
4. Sec 10(4) The commission shall while investigating any matter referred to in clause (a) or sub-clause(i) or clause (f) of sub-section(1), have all the powers of a civil court trying a suit and, in particular, in respect of the following matters, namely-
- a) summoning and enforcing the attendance of any person from any part of India and examining him on oath;

- b) requiring the discovery and production of any document;
- c) receiving evidence on affidavit;
- d) requisitioning any public record or copy thereof from any court or office;
- e) issuing commissions for the examination of witnesses and documents; and
- f) any other matter which may be prescribed.

12 Accounts and Audit (Section 14)

The Commission shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed by the Central Govt. in consultation with the Comptroller and Auditor General of India.

U/s 14(2) The Comptroller and Auditor General should audit the accounts of the Commission at its discretion and expenditure in regard to auditing shall be paid by the Commission.

Furthermore, the Comptroller and Auditor-General and any person appointed by him regarding audit of the Commission shall have same rights & privileges as it (C & AG) has in connection with Govt. auditing, including inspection of books, accounts, vouchers etc. to inspect the offices of the Commission.

13 Annual Report

U/s 14 of the Act, the Commission shall prepare, in such form and at such time, for each financial year, as may be prescribed, its annual report, giving a full account of its activities during the previous financial year and forward a copy thereof to the Central Govt.

14 Annual Report and Audit Report to be laid before Parliament (Section-14)

The Central Govt. shall cause the annual report together with a memorandum of action taken on the recommendations contained therein, in so far as they relate to the Central Govt., and the reasons for the non-acceptance, if any, of any of such recommendations and the audit report to be laid as soon as may be after the reports are received, before each House of Parliament.

15 Miscellaneous

U/s 14, the Chairperson, Members, officers and other employees of the Commission shall be deemed to be public servants within the meaning of Section 21 of Indian Penal Code (45 of 1860).

U/s 14 of the Central Govt. shall consult the Commission in all major policy matters affecting women.

U/s 17(1), the Central Govt. may by notification in the official gazetteer, make rules for carrying out the provisions of this Act.

U/s 17(2), in particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely-

- a) regarding salaries & allowances payable to, and other terms and conditions of service, of the Chairperson, members, officers and other employees;

- b) allowances of co-opted persons for attending meetings of the committee(s);
- c) other matters under clause (f) of sub-section (4) of section 10;
- d) regarding the form in which the annual statement of accounts shall be maintained;
- e) regarding the form in, and the time at, which the annual report shall be prepared;
- f) any other matter which is required to be, or may be prescribed.

U/s 17(3), every rule made under this Act, shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of 30 days which may be comprised in one session or in two or more succeeding sessions, and if, before the expiry of the session immediately following the session or the successive session aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule should thereafter have effect only in such modified form or be of no effect, as per the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

In-Text Questions

Q-1 True or False:-

- a) Alongwith the Chairperson, there are 4 members in the commission (to be nominated by Central Govt.)
- b) It is not mandatory to have SC & ST members in the commission.
- c) Only Chairperson of the Commission cannot be removed.
- d) Term of the office of Chairperson and members is 5 years.
- e) There is no audit of the commission.

Q-2 Explain the functions of the National Commission for women.

Q-3 Write the constitution (appointed persons) of the National Commission for women.

16 Conclusion

Therefore, the Govt. of India provides certain privileges to the members of the commission. Thus there has been established National Commission for Women in India so as to protect and safeguard the rights of the women of the country. This Commission takes up the cases of atrocities against women and try to provide relief to the aggrieved women.

17 Key Words

- 1. Commission - means the National Commission for Women constituted U/s. 3
- 2. Member - means a member of the Commission and includes the Member Secretary

3. Prescribed - means prescribed by rules made under this Act.

18 Suggested Readings

1. Bare Act of National Commission for Women Act, 1990 - Law Relating to Human Rights 5th Edition, Asia Law House, 1999
2. Women And Human Rights - Jyotsna Mishra, Kalpaz Publications, 2000
3. Women, Gender Equality - Sadhna Arya, Deep & Deep Publications and the State Pvt. Ltd., 2000

Self-Check Exercise

- Q1. Explain the functions of National Commission for Women.
- Q2. Write the constitution of the National Commission for Women.

19 Answers to Self-Check Exercise

Before answering the questions, you should read the study-material carefully and after understanding it, read the relevant portion again,, memorize it then try to attempt the above questions.

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