

FINAL REPORT

STUDY ON

Effects of recent recessions as well as liberalization of Indian Economy on the workforce engaged in small, cottage and handicrafts work, particularly on Muslim minority of India and identification of areas of these effects as well as remedies thereof

Submitted to



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STUDY TEAM

ADVISORS	Dr. S.K. Chakravorty Deputy Director General
	Shri V.K. Soni Officer on Special Duty (Rtd.)
TEAM LEADER	Dr. K. P. Sunny Group Head (ES & SS)
TEAM MEMBERS	Dr. Rajat Sharma Deputy Director (ES)
	Shri Deepak Gupta Asstt. Director (ES)
	Shri Mukesh Prakash Asstt. Director (ES)
	Shri Amit Kumar Research Assistant
	Shri Sanjay Singh Project Assistant
EXTERNAL EXPERT	Shri Pradeep Mohan

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EXECUTIVE SUMMARY

India is a leading producer of various Handicraft and Handloom products in the world. There exist varieties of cultures, languages and vivid geographical conditions that contribute immensely to the development of diverse local art and craft forms. Through the centuries these art and craft activities have been transmitted from one generation to the other and thus preserved from being getting extinct. Among the artisan communities a large segment of the artisans belongs to Muslim community. According to the census of Handicraft artisans conducted by O/o DC(Handicrafts), out of a total of 47.61 Lakh artisans 23% belong to Muslim community. Handloom census of India conducted in 2009-10 reports that out of 27.83 Lakhs handloom worker households, 15% belong to Muslim community. Economic liberalization of India and the recent global recession have negatively impacted the demand for art and craft products in both domestic and export markets. As a result of the adverse impact, living standards of the Muslim artisans deteriorated. In order to identify the effects of recent recessions as well as liberalization of Indian economy on the workforce engaged in small, cottage and handicraft activities, particularly on Muslim minority of India and identification of areas of these effects as well as remedies thereof, National Commission for Minorities engaged National Productivity Council (NPC) to undertake a detailed study on the subject and also to recommend support measures that may be taken up for implementation by Government to improve the living conditions of the Muslim artisans.

Present study draws its conclusions mainly from a detailed field survey conducted across Bihar, Rajasthan and Uttar Pradesh where Muslim artisans are predominantly involved in artisanal activities.

Socio-Economic Condition of Muslims

Muslims constitute the second largest religious group and thus the largest religious minority in India. The Muslim artisans especially in terms of socio-economic status and educational profile is low as compared to other religious communities. Muslims constitute 13.4% of the total Indian population as per 2001 Census. Uttar Pradesh constitutes 22.24% of the total Muslim population in the country while Bihar constitutes 9.92% and Rajasthan constitutes 3.46% of the total population of the Muslim of the country. Bihar, Rajasthan and Uttar Pradesh together constitute around 35.64% of the total Muslim population of the country. West Bengal account for 15.21% of the total Muslim population of the country while four southern states Andhra Pradesh, Kerala, Karnataka and Tamil Nadu together account for 19.6% of the total Muslim population.

Some of the important socio-economic parameters on Muslim population as per Sachar Committee Report have been summarized below:

- 35.7% of Muslims live in urban areas compared to 27.8% of the overall population.



- 38.4% Muslims in the urban areas live below the poverty line against 36.4% SCs / STs and the national average of 26% of people living below poverty line.
- 64% of Muslims are either self employed or artisans.
- Participation of Muslim women in the work force in urban areas is 18% and 70% of them work from their homes, typically engaged in sub contracted work with low levels of earnings.
- Access to institutional credit is severely restricted.
- 6% of Muslims take credit from banks.
- 1.1% from credit societies.
- 16.2% borrow from money lenders and about 30% depend on their relatives to tide over difficult times.
- Share in Priority Sector Accounts of commercial banks is 7.5%.
- Share in amount outstanding in these accounts is 2.8%

Impact of Economic Liberalization and Recent Economic Recession on Muslim Handicraft and Handloom Artisans

Since the liberalization of Indian economy in 1991, India economy has been gradually getting integrated with the world markets over the last two decades. The opening up of the economy led to intense competition from machine made cheap goods/products from various countries. Further, India is a signatory to most of the international treaties such as WTO, FTAs, etc. Handicraft and Handloom sector is a major source of rural employment and income generation and also a major source of foreign exchange. Traditional textiles from India are quite popular in both foreign and domestic market. Indian handicrafts and handloom sector have been facing intense competition from machines over the years. This has negatively affected the traditional artisans who have acquired the skills from their ancestors.

The study conducted by Asian Development Research Institute (ADRI) revealed that more than 85% of Bihar's Muslim population live in rural areas and are landless. Only 35.9% of Muslim households in rural Bihar possess any cultivable land; the corresponding figure for the general population is much higher at 58%. The percentage of Muslim households engaged in artisan-based activities is only 2.1 percent in rural and 4.4 percent in urban areas. Due to competition from the modern manufacturing sector, traditional artisan-based activities in many households have fast disappeared forcing artisans to become low paid wage earners. The average value of implements used by Muslim artisan households was found at a mere Rs 2,200 and the average annual income from artisan-based activities a little more than Rs. 16,000. Many rural Muslim artisan families have been reported to live below the poverty line.

In Varanasi (UP) 40% of the population have been estimated to be Muslims, of which 70% are in the trade of weaving. Economic Liberalization, Globalization, inflow of Chinese fabrics and technical advancement has left about two lakh Muslim weavers in Uttar Pradesh jobless. A large number of them resorted to other alternative means of living such

as rickshaw pulling by taking rickshaw on loan from bank etc. Their dwelling places are devoid of basic civic amenities. Handloom weaving is in danger of getting extinct due to intense domestic and international competition.

In the case of Rajasthan, about 40 per cent of the Muslim population is artisans and 28 per cent unorganized labour. Low productivity and falling demand of traditional occupations, lack of information about government schemes, indifferent attitude of banks in providing loans mindset of authorities have been identified as major obstacles confronting the livelihood sector of Muslims in Rajasthan.

Many Muslim artisans are engaged in export oriented units producing Handicraft and Handloom products. In the recent years many of these units are facing severe problems as a result of economic recession. Many units have been reported to be closed in the clusters from U.P., Bihar and Rajasthan. As a result of the closure of the units many artisans particularly the Muslim artisans lost their livelihood options in these clusters.

Economic recession began in the United States in December 2007 (and with much greater intensity since September 2008, according to the National Bureau of Economic Research). It has spread over much of the industrialized world and has caused a pronounced deceleration of economic activity. This global recession has been taking place in an economic environment characterized by various imbalances and was sparked by the outbreak of the financial crisis during 2007–2010 period.

The impact of this global recession on the Indian economy has been greater than expected as the overall industrial growth declined substantially. The more concern is the loss of jobs in export sectors like handicrafts and textiles where tens of thousands of artisans and skilled workers are affected. Various reports indicate that workers in export centres like Panipat and Moradabad have already been hit badly as export orders have crashed owing to the recessionary conditions abroad.

Field Survey Findings: Bihar, Rajasthan and Uttar Pradesh

Muslim artisans from the states of Bihar, Rajasthan and Uttar Pradesh have been interviewed with a pre designed and pilot tested questionnaire to find out the major problems that are being faced by them in the recent years and also the difficulties in availing various government schemes focused on artisans.

During the study period 2006-07 to 2009-10, income of the Muslim artisans in Bihar has increased at an annual rate of 2.79%, however expenditure had been more than that of the income except for the year 2006-07. During 2009-10, the Muslim Artisans of Bihar spent 100% of the income on procuring food items only. In the case of Rajasthan during 2006-07 to 2008-09 the income of the Muslim artisans had increased at an annual growth rate of 8.7% but their expenditure on food items increased at a rate of 11.6%. The income of Muslim artisans of Rajasthan has improved during 2009-10 as it increased by 17.7% over the year 2008-09. In Uttar Pradesh during the recession period the income of the self

employed/businessmen Muslim artisans has increased from Rs 65,410 in 2006-07 to Rs 82,127 in 2009-10, while the income of the wage earners Muslim artisans has declined from Rs 46,181 to Rs 40,108. The negative impact of economic recession was more in Uttar Pradesh state and it severely affected the wage earning Muslim artisans.

Many Muslim artisans are working in export oriented units producing Handicraft and Handloom products. The artisans/middlemen faced problems in procuring raw material at competitive prices during economic recession. Due to the decline in demand especially from foreign markets during economic recession the artisans/middlemen faced severe problems in selling their finished products. Moreover, the artisans/middlemen are not adequately exposed to the market networks so that they can explore various new markets by themselves. Because of lesser demand of handicraft/handloom products many Muslim artisans/middlemen faced problems in getting consistent job orders. Consequently Muslim artisans/middlemen faced the financial crunch and many of them shut down their units. As a result of the closure of the units many artisans particularly the Muslim artisans lost their jobs and migrated to urban cities in search of livelihood. Some of the artisans started rickshaw pulling and such other menial jobs, this affected them mentally as well as physically.

Muslim artisans are more vulnerable to the fluctuations of the market as many of them live below poverty line and most of them don't have any reserve income to bank upon during adverse economic situations. From the field survey, it has been estimated that around 21,000 Muslim artisans of Bihar, 93,000 Muslim artisans in Rajasthan and 44,000 Muslim artisans in Uttar Pradesh have been adversely affected due to the Economic recession.

During the last six months of the study period it has been reported that many of these artisans are returning to their home towns and started their old artisanal work as a result of easing of recessionary conditions at home and abroad. They are still in a dilemma and are highly insecure about their work as they are yet to come out of the adverse experience they faced during the economic recession. Motivation towards the expansion of their activities has been badly shaken and the youngsters from artisan families are reluctant to join the artisanal activities. As a result of less number of youngsters joining artisanal work, average age of the artisans engaged in the Handicrafts and Handloom activities across the three surveyed states have been reported at about 35 years.

Muslim Artisans are found living in quite unhygienic conditions with no proper housing, electricity, drinking water, toilets, drainage system etc. in the surveyed states. Most of artisans interviewed reported that during the economic recession they hardly have any savings after spending on the food items resulting in very low levels of spending on other non food requirements. Towards the end of 2009-10 their living condition has started improving as their earning from the sector has increased as the demand of their work in domestic as well as international markets improved.

The Muslim artisans want to provide education to their children but due to low earnings from the artisanal activities they are not in a position to send their children to schools and



colleges. Due to poor educational background, they are not aware of many government schemes available for the benefit of artisans in the area of education, health, financial assistance, housing, insurance etc. Other difficulties they faced emanated from the cumbersome procedures and lengthy paper work required to avail the government schemes. They are also critical of the prevalence of corruption among government employees.

Procedures followed to provide the schemes are quite cumbersome and time consuming and the Muslim artisans are generally less educated which compounds the problem to avail the benefit. Most of them are illiterate or primary school educated hence they hardly understand the documents and procedures followed in the concerned departments. Many a times middle men or agents take advantage of this precarious situation and offer help to Muslim artisans to prepare the required documents at a higher price. This way a certain portion of the support money is being utilized to prepare the papers in order to avail the scheme.

In the recent past due to economic recession, demand for the Handicrafts and the Handloom products have decreased in both domestic as well as in foreign market and on the other hand cost of living has gone up due to price inflation. It has been reported that during the last few years a large segment of the Muslim artisans could not afford to buy any mobile, TV, fridge and such consumable durable items. Inconsistency in getting job orders, decline in the availability of work and wages forced the artisans to search for work in other sectors for survival.

Muslim localities in urban India tend to be considerably marginalized and discriminated against in terms of the implementation of many government schemes. Artisans prefer to sell their products directly in the market in order to avoid paying taxes or commission to the intermediaries. It has been reported that many artisans fear to export their products as they have to pay tax to the Nagar Nigam as well as sales tax & income tax departments. Thus they generally sell their products in the local markets.

Target oriented approach, implementation and relative follow up of many government schemes for the artisans have been found to be less accurate and the needy people are often left out (i.e. targeting is essential to uplift the artisans, but due to improper and inaccurate implementation of the scheme the benefit reaped are generally lower than what it would have been achieved with accurate & proper targeting).

Small, cottage and handicraft items are generally marketed through the marketing channels having many market intermediaries which lead to sharing of mark up and disadvantageous pricing for the producer/worker. The Manufacturers often complain that the exporters sell their products with the tag 'Exporters & Manufacturers'. So the actual Manufacturers do not get the credit for the products which are indeed manufactured by them. Artisans have to pay taxes in order to convert raw materials into intermediate goods. Artisans demand subsidy on electricity, diesel, kerosene, nut coal etc., for producing products at competitive prices.



In order to overcome the negative impact of economic recession on Muslim artisans, a number of Government support measures are required. There is a need to create adequate number of raw material banks/outlets at cluster level for ensuring continuous raw materials at reasonable prices and quality and also for timely supply to artisans. There is a need to ensure continuous work for the artisans as it is the only livelihood for many of them. Special Cells at Cluster/state level needs to be created that would work as facilitating centers for providing assistance in marketing the artisanal products through Artisan Unions/NGOs/SIGs/State Handicraft/Handloom Corporations/Cottage Corporation of India and other concerned Government Departments. The study has come out with a number of specific actions and a way forward in order to improve the socio-economic conditions, their income generation, productivity levels and technological requirements needed by the Muslim artisans in the wake of recent economic recession.

CHAPTER I

ABOUT THE STUDY

1.1—Introduction

Economic liberalization is aimed at improving the competitive efficiency of the economy in the global marketplace and to sustain accelerated rates of economic growth and thereby continuously improve the economic well being of the people. India launched its market-oriented economic reforms in 1991. Post-1991 economic reforms have been evolutionary and incremental in nature. There have been delays and reverses in some areas due to the interplay of democratic politics, coalition governments and pressure groups.

Economic reforms launched since June 1991 may be categorized under two broad areas:

- Major macro-economic management reforms; and
- Structural and sector-specific micro economic reforms

Economic liberalization in the organized manufacturing sector (subject to rigid labor laws for retrenchment) has led to growth with very little additional employment. Market-based economic reforms also often lead to increasing disparities between the rich and the poor and between infrastructure wise backward and more developed states.

Recession is a decline in a country's Gross Domestic Product (GDP) growth for two or more consecutive quarters of a year. Recession is also preceded by several quarters of slowing down. An economy which grows over a period of time tends to slow down as a part of the normal economic cycle. In general, an economy typically expands for 6-10 years and tends to go into a recessionary phase for about six months to 2 years.

Recession normally takes place when consumers lose confidence in the growth of the economy and spend less. This leads to a decreased demand for goods and services, which in turn leads to decrease in production, lay-offs and a sharp rise in unemployment.



Investors spend less as they fear stock values will fall and thus stock markets fall on negative sentiment.

1.2 Background

Impact of the global recession on the Indian economy has been greater than expected as the overall industrial growth declined substantially. The major concern is the loss of jobs in the export sectors like handicrafts and textiles where tens of thousands of artisans and skilled workers are engaged. Reports indicate that workers in export centers like Panipat, Surat and Moradabad have been hit badly as export orders have crashed owing to the recessionary conditions abroad. The handloom sector is a major employer, next only to agriculture, with about 27.83 lakh weavers. The artisans, once the backbone of the Indian economy, are facing a tremendous survival crisis.

Various studies report that the artisan groups are facing tremendous crisis. The export orders are reducing. Foreign companies like Walmart, Target, Gap etc., which have their rudimentary units in India, are asking their Indian partners to pay less to the workers on account of the growing recession. Therefore, the incomes of skilled artisans have plunged. Exports have already been badly hit given that foreign trade and service comprises 40% of our GDP. Small textile firms are facing the heat of economic recession due to cancellation of export orders.

The impact of the global economic downturn has been felt across sectors. However, its impact on the lower income segments of the population in India seems to be the largest for those employed in export-oriented sectors like diamond polishing, garments, carpets and hosiery. It may be noted that a large segment of the artisans engaged in these artisanal activities belong to Muslim community. According to the census of Handicraft artisans conducted by O/o DC(Handicrafts), out of a total of 47.61 Lakh artisans 23% belong to Muslim community. Handloom census of India conducted in 2009-10 reports that out of 27.83 Lakhs handloom worker households, 15% belong to Muslim community.

1.3 Muslims in India

Muslims constitute the second largest religious group in India and thus the largest religious minority. The 2001 census enumerated India's Muslim population at over 138 million. India's Muslim population is amongst the largest in the world, exceeded only by Indonesia's and larger than Muslim populations of Pakistan and Bangladesh. Muslims, the largest minority community in the country, constitute 13.4 per cent of the population. Though the provisional population totals are available for 2011 census, religion wise details are yet to be made public.

Based on 2001 Census, of the total Muslim population, sex ratio works out to 936 females per 1000 males. Literacy rate among male is 59.10% and the female literacy rate is 50.10%. Out of the total Muslim population, 8,87,94,744 live in rural areas whereas 4,93,93,496 live in urban areas. Among the Muslims 4,32,96,093 persons are workers, 89,79,686 are cultivators and 95,45,976 are agricultural workers.

In 2001, of the 138 million Muslims in India, 31 million, or 22%, lived in one state, Uttar Pradesh. Of course, Uttar Pradesh is the most populous state of India with 13% of the total population. Three other states, West Bengal, Bihar, and Maharashtra also had over ten million Muslims each.

Bihar is one of the state having a high Muslim population concentration, and it has been shown in a comprehensive study conducted in 2004 by the Asian Development Research Institute (ADRI), Patna, with support from the Bihar State Minorities Commission that Muslims from Bihar suffer widespread poverty and inequality. According to the 2001 census, Muslim's population in Bihar is 13.72 million. They constitute 16.5% of the state's population and 9.9% of the country's total Muslim population. Out of 37 districts in the state, 14 districts have high Muslim populations of 3 lakh to over 7 lakh. All these districts are in north Bihar.

Rajasthan, in 2001, had 5 million Muslims constituting 8% of its population. The three states, Uttar Pradesh, Bihar and Rajasthan in all constitute 36% of total Muslim population in India.

In rural areas most of the Muslims are dependent on agriculture and allied activities for their livelihood. In urban areas, the major occupations of Muslims are business, petty trade, industry and government service, etc.

NSSO survey of 1993-94, data of Census – 2001 and Sachar Committee Report of 2006 very poignantly sketch the economic condition of Muslims living in cities across India:

- 35.7% of Muslims live in urban areas compared to 27.8% of the overall population.
- 38.4% Muslims in the urban areas live below the poverty line against 36.4% SCs / STs and the national average of 26%
- 64% of Muslims are either self employed or artisans
- Participation of Muslim women in the work force in urban areas is 18% and 70% of them work from their homes, typically engaged in sub contracted work with low levels of earnings.
- Access to institutional credit is severely restricted.
- 6% take credit from banks
- 1.1% from credit societies
- 16.2% borrow from money lenders and about 30% depend on their relatives to tide over difficult times.
- Share in Priority Sector Accounts of commercial banks is 7.5%.
- Share in amount outstanding in these accounts is 2.8%.

1.4 Handicrafts Artisans in India: An Overview

Handicraft is our national heritage and despite its substantial contribution to the Indian economy in terms of employment and income, there is lack of information on the artisans. Policy-makers lack adequate data for suitable planning and as even the size of the artisan



population is not available. Available data on artisans are based on the All India Census of Handicraft Artisans conducted in 1995-96.

Table: 1.1 Distribution of Artisans in Household and non-Household Sectors in 1995-96 in Major states (figures in number)

State/Union Territory	Handicraft Artisans by Sector		
	Household	Non-Household	Total
Andhra Pradesh	120457	1423	121880
Assam	97363	3119	100482
Bihar	212591	524	213115
Delhi	28875	16029	44904
Gujarat	126289	15681	141970
Haryana	67595	50338	117933
Himachal Pradesh	44614	4401	49015
Jammu & Kashmir	524351	17768	542119
Madhya Pradesh	49880	1243	51123
Maharashtra	93816	19000	112816
Manipur	378123	1865	739988
Meghalaya	52774	790	53564
Nagaland	79285	593	79878
Orissa	65974	3382	69356
Punjab	101425	482	101907
Rajasthan	399622	8078	407700
Tamil Nadu	117894	7448	125342
Tripura	243726	769	244495
Uttar Pradesh	1159668	16861	1176529
West Bengal	551003	3278	554281
Other States	68237	4552	72789
All India	4583562	177624	4761186

Source : <http://www.india-seminar.com/2003/523/523%20census.htm>

1.5 Muslim Artisans and their Socio- Economic Conditions

The distribution of handicraft artisans in India in terms of religion has been estimated at Hindus 70%, Muslims 23%, Sikhs 2%, Christians 4%, and others 1%. This indicates that



though Muslims constitute only 13.4% of the total population, their presence in artisan community is quite high at 23%.

Over 85% of Bihar's Muslim population live in rural areas and are reported to be landless. According to the Asian Development Research Institute (ADRI) study, only 35.9% of Muslim households in rural Bihar possess any cultivable land; the corresponding figure for the general population is much higher, at 58%. Many Muslims living in rural Bihar belong to the artisan community. However, the study found that barely 2.1% of the rural Muslim households are engaged in artisan-based activities. This shows that due to competition from the modern manufacturing sector, traditional artisan-based activities are gradually disappearing, forcing artisans to become landless labourers in villages, or manual labourers in cities. The average value of implements used by Muslim artisan households was found to be at Rs 2,200 and the average annual income from artisan-based activities a little more than Rs 16,000. Many rural Muslim artisan families live below the poverty line.

The percentage of Muslim households engaged in artisan-based activities is only 2.1 per cent in rural and 4.4 per cent in urban areas, indicating that in the face of increased competition from modern manufacturing sectors, the traditional artisan-based activities in many such households have fast disappeared, forcing them to become low paid wage earners.

In Varanasi there are 40% Muslims, 70% of them are engaged in the trade of weaving. Globalization, inflow of Chinese fabrics and technical advancement has left about two lakh Muslim weavers in Uttar Pradesh jobless. A good number of them resorted to rickshaw pulling by taking rickshaw on loan from bank. Many could not repay the loan and committed suicide. Their pockets are devoid of basic civic amenities. The trade of power loom and handloom is in danger of getting extinct.

About 40 per cent of the Muslim population in Rajasthan comprises of artisans and 28 per cent unorganized labourers. Low productivity and falling demand of traditional occupations, lack of information about government schemes, indifferent attitude of banks

in providing loans and communal mindset of authorities have been identified as major obstacles confronting the livelihood sector of Muslims in Rajasthan.

It has been reported in the Asian Development Research Institute (ADRI) study that many of the Muslim artisans are engaged in export oriented units producing Handicraft and Handloom products. In the recent years many of these units are facing severe problems as a result of economic recession. Many units have closed down in the clusters from U.P., Bihar and Rajasthan. As a result of the closure of the units many artisans particularly the Muslim artisans lost their livelihood options in these clusters. However, there is no reliable data or information exists regarding their economic condition.

In view of the above, National Commission for Minorities (NCM) engaged National Productivity Council (NPC) to carry out a detailed study on the "Effects of recent recessions as well as liberalization of Indian Economy on the workforce engaged in small, cottage and handicrafts work, particularly on Muslim minority of India and identification of areas of these effects as well as remedies thereof".

The scope of work includes the following:-

- Identification of Muslim artisans from Handloom and Handicraft clusters
- Evaluating social and economic condition of Muslim artisans
- Evaluating status of Muslim artisans below poverty line
- Identifying various Government policies/schemes implemented for improving the living/working conditions of these artisans and provision of economic support
- Identifying the measures taken by Government for protection of occupation and handicraft activity of these artisans during recent economic recession
- Extent of migration from rural to urban during recent economic recession
- Change of occupation due to conditions prevailing during this period

1.6. Objectives of the study

1. To delineate the Socio-Economic profile of Muslim artisans belonging to different socio-economic strata and to understand the impact of recent economic recession on their livelihood.
2. Identify the measures that can be undertaken by the Government to improve the living conditions of Muslim artisans.

1.7. Terms of Reference

- To assess socio-economic impact of economic liberalization and recent economic recession on Muslim artisans in the states of Uttar Pradesh, Bihar and Rajasthan.
- Identify and analyze the impact of various Government policies/schemes and measures to safeguard their livelihood.
- Extent of change/shift of occupation due to economic recession.
- To examine the extent of migration from rural to urban for sustenance of livelihood.
- To suggest suitable Government measures to cushion the impact during this period.
- To suggest appropriate measures to improve productivity and income generation for the artisans.

1.8 Methodology

The study has been conducted in three major phases.

First phase of the study is based on a detailed review of all available published and unpublished literature and data related to Muslim workforce/artisans engaged in small, cottage and handicraft works with a view to find out their livelihood patterns during the last five years and also to identify the impact of economic liberalization and recent economic recession particularly for the Muslim artisans in the states of U.P., Bihar and Rajasthan. Special emphasis has been given to analyze the impact of economic liberalization and recent economic recession on the economic condition of the Muslim

artisans in the recent years. The study has attempted to analyze the issues regarding socio-economic conditions of Muslim artisans. Relevant data published by Ministry of Minority Affairs, National Commission for Minorities and State Minority Commission etc., has also been utilized.

Second phase of the study includes detailed field survey and discussions with various stake holders such as Artisanal Associations/Societies/Union/Group etc. with a checklist (**Annexure 1**). To understand practical difficulties in collecting field related data a Pilot Field Survey was carried out among Muslim Brass artisans at Moradabad, Uttar Pradesh with a structured questionnaire which was later modified based on the feedback received. The modified questionnaire has been utilized for a detailed field survey across three states (**Annexure 2**). The field survey includes 302 Muslim artisans randomly selected from various Muslim dominated artisan clusters having high concentration of Muslim artisans from Uttar Pradesh, Bihar and Rajasthan. The questionnaire has been designed to elucidate information on the impact of economic liberalization and recent economic recession on the Muslim artisan communities.

The three states U.P., Bihar and Rajasthan selected for the study constitute 36% of total Muslim population in the country. Moreover, majority of the Muslim artisans are also based in these three states only. Artisans for the sample survey have been selected randomly from different handicraft and handloom clusters based on Muslim population concentration (**Annexures 3, 4 & 5**). After considering the concentration of Muslim population and the craft categories two clusters each from the selected states for conducting the field survey were selected (**Table 1.2**).

Third Phase of the study includes three diagnostic case studies of Muslim handicraft/handloom artisans from Bihar, Rajasthan and Uttar Pradesh. These case studies demonstrate the socio-economic conditions and other trade related problems faced by the Muslim artisans during the Economic recession.

Table: 1.2 Sample Clusters selected for Field Study

State	Clusters	Total Population	Muslim Population	Percentage of Muslim population
Bihar	Bhagalpur	2,423,172	423,246	17.5
	Nalanda	2,370,528	176,871	7.5
Rajasthan	Jaipur	5,251,071	515,124	9.8
	Jodhpur	2,886,505	310,114	10.7
Uttar Pradesh	Moradabad	3,810,983	1,735,381	45.5
	Varanasi	3,138,671	497,516	15.9
	Agra	3,620,436	323,634	8.9

Initially the handicraft and handloom clusters from Bhadohi and Mau were identified for field survey with respect to concentration of handloom/handicraft Muslim artisans. Due to field level constraints changes have been undertaken after consultations with respective State Minority Commission Officials. The final list of clusters included in the field survey is given in **Table 1.3**.

Table: 1.3 Sample Coverage and Districts Surveyed

S.No	State	Sample coverage	Districts/Clusters Surveyed
1	Uttar Pradesh	101	Moradabad, Varanasi and Agra
2	Bihar	101	Bhagalpur and Biharshariff
3	Rajasthan	100	Jaipur and Jodhpur

1.9 Structure of the Report

The Study Report has been presented in Eight Chapters. Second and Third Chapter provide an overview of the Economic Liberalization and Recent Economic Recession and their impact on traditional sectors. Fourth Chapter provides the socio-economic profile of Muslim Artisans. Fifth Chapter discusses the Government Support Measures and Schemes and its impact. Chapter Six analyses the field survey findings based on Muslim artisans from Bihar, Rajasthan and Uttar Pradesh. Chapter Seven provides diagnostic case studies of Muslim artisans selected from Bihar, Rajasthan and Uttar Pradesh and Chapter Eight provides major findings and suggestions/recommendations emanating from the study.

CHAPTER II

ECONOMIC LIBERALIZATION & RECENT ECONOMIC RECESSION IN INDIA: AN OVERVIEW

2.1 Introduction

Economic liberalization means the process of opening up the Indian economy to trade and investment with the rest of the world. Economic liberalization refers to both macroeconomic stabilization and micro-structural changes initiated to produce competitive effects. The central objective of transition through economic liberalization has been to improve the competitive efficiency of the economy in the global marketplace to sustain accelerated rates of economic growth and thereby continuously improve the security and well being of the people. In India, post-1991 economic reforms have been evolutionary and incremental in nature. There have been delays and reverses in some areas due to the interplay of democratic politics, coalition governments, and pressure groups with vested interests.

Till 1991 India was following protectionist policies wherein trade with the rest of the world was limited. Foreign investment was very difficult to come into India due to bureaucratic and controlled framework. Liberalization was expected to bring in large amounts of foreign direct investment. After the start of the economic liberalization, India started getting huge capital inflows and over the years emerged as the second fastest growing economy in the world next only to China.

This chapter discusses the economic liberalization and recent economic recession in India as well as in the world and its impact on the artisan workforce engaged in small, cottage and handicrafts activities.

2.2 Economic liberalization

Economic liberalization is a very broad term that usually refers to fewer government regulations and restrictions in the economy in exchange for greater participation of private



entities; the doctrine is associated with neo-liberalism. The arguments for economic liberalization include greater efficiency and effectiveness that would result in "bigger pie" for everybody.

2.2.1 Benefits of trade liberalization

The service sector is probably the most liberalized of the sectors. Liberalization offers the opportunity for the sector to compete internationally, contributing to GDP growth and generate foreign exchange. As such, service exports are an important part of many developing countries' growth strategies. India's IT services have become globally competitive as many companies have outsourced certain administrative functions to countries where costs are lower. Furthermore, if service providers in some developing economies are not competitive enough to succeed on world markets, overseas companies will be attracted to invest, bring in international best practices and better skills and technologies. The entry of Foreign Service providers is not necessarily a negative development and can lead to better services for domestic consumers, improve the performance and competitiveness of domestic service providers, as well as simply attract FDI/foreign capital into the country. In fact, some studies suggest a 50% cut in service trade barriers over 5 to 10 year period would create global gains in economic welfare of around \$250 billion per annum.

2.2.2 Economic liberalization in India

After Independence in 1947, India adhered to socialist policies. To begin with a few reforms were initiated in 1980s. In 1991, after the new reforms including opening up of Indian economy for international trade and investment, deregulation, initiation of privatization, tax reforms, and inflation-controlling measures etc started. The overall direction of liberalization has since remained the same, irrespective of the ruling party.

It has been estimated that till 2009, about 300 million people—equivalent to the entire population of the United States—had escaped extreme poverty. The fruits of liberalization

reached its peak in 2007, with India recording the highest GDP growth rate of 9%. With this, India became the second fastest growing major economy in the world, next only to China. Organization for Economic Co-operation and Development (OECD) report states that a steady average GDP growth rate 7.5% will double the average income of the Indians in a decade, and more reforms would speed up the pace.

Though India grows at slower pace than China, which has been liberalizing its economy since 1978-McKinsey report states that removing main obstacles to economic reforms "would free India's economy to grow as fast as China's, at 10 percent a year".

2.3 Impact of Economic liberalization on Muslim artisans

Despite the economic boom in India after economic liberalization, the Muslim artisans generally have had to bear the brunt of the so called "competitive" forces unleashed by Economic liberalization. Internal and external liberalization has created unemployment and displacement amongst Muslim artisans who have lost their traditional jobs to the imported products. Muslim artisans are generally engaged in the unorganized sector and are conservative in nature hence they did not enjoy protection of any kind and therefore, the adverse impact of liberalization had been more acute for them. The traditional occupations of Muslims in industries such as silk and sericulture, power looms, the leather industry, automobile repairing, garment making have borne the brunt of liberalization. The growth of the ready-made garment industry in India displaced a lot of tailors, mostly Muslims, out of business. In principle, these workers could have been part of the new production chains provided they had appropriate exposure to latest technology, equipment and skills. The shift in the job of the Muslim artisans as a result of Economic Liberalization had brought the economic backwardness and misery.

2.4 Economic Recession

The term recession is generally used to describe a situation in which a country's GDP, or gross domestic product, sustains a negative growth factor for at least two consecutive quarters. In general, recession affects a country's overall economic activities, including,



investment, employment rate, profits of companies etc. Recession is most of the times accompanied by sharp increase in prices of commodities. When recession continues for a long duration and with severe implications, it is termed as economic depression whereas complete breakdown of economy is referred as economic collapse.

National Bureau of Economic Research (NBER) they define recession as a "significant decline in economic activity lasting more than a few months". For this reason, the official designation of recession may not come until after we are in a recession for six months or even long.

It is caused by combination of several potential dangerous factors. It could be caused by cyclical movement of economy or by some external elements. Few major causes are; inflation, currency crisis, speculation national debt etc.

External reasons can be war and other factors which are beyond the control of a particular economy. Apart from these, other reasons can be high oil prices (as most countries depends upon oil import for industrial growth), weather conditions, some kind of national calamities among others. Several other economic factors also affect recession such as, lower interest rates which adversely affect savings of households and consequently banks. With very little savings, banks cannot provide loans and that causes severe bottleneck for major infrastructure projects which finally lead to slow economic growth and impending recession.

2.4.1 Recent Economic Recession

Recent economic recession began in the United States in December 2007 (and with much greater intensity since September 2008, according to the National Bureau of Economic Research). It has spread to much of the industrialized world, and has caused a pronounced deceleration of economic activities. This global recession has been taking place in an economic environment characterized by various imbalances and was sparked by the outbreak of the financial crisis during 2007–2010.

The financial crisis has been linked to reckless and unsustainable lending practices compounded by government intervention and the growing trend of securitization of real estate mortgages in the United States. The US mortgage-backed securities, which had risks that were hard to assess, were marketed around the world. A more broad based credit boom fed a global speculative bubble in real estate and equities, which served to reinforce the risky lending practices. The precarious financial situation was made more difficult by a sharp increase in oil and food prices. The emergence of Sub-prime loan losses in 2007 began the crisis and exposed other risky loans and over-inflated asset prices. With loan losses mounting and the fall of Lehman Brothers on September 15, 2008, a major panic broke out on the inter-bank loan market. As share and housing prices declined, many large and well established investment and commercial banks in the United States and Europe suffered huge losses and even faced bankruptcy, resulting in massive public financial crisis.

Global recession has resulted in a sharp drop in international trade, rising unemployment and slumping commodity prices. In December 2008, the National Bureau of Economic Research (NBER) declared that the United States had been in recession since December 2007. Several economists have predicted that recovery may not appear until 2011 and that the recession will be the worst since the great depression of the 1930s. The conditions leading up to the crisis, characterized by an exorbitant rise in asset prices and associated boom in economic demand, are considered as a result of the extended period of easily available credit, inadequate regulation and oversight, or increasing inequality.

Last two to three years, India also experienced reduced GDP Growth as a result of economic recession. It may be seen from **Table 2.1** that India's GDP growth rate declined from a high 9.6 % in the year 2006-07 to 6.8% in the year 2008-09. However, GDP growth remarkably recovered in the subsequent year 2009-10 to 8%.

Table: 2.1 GDP Growth in India

Year	GDP (at factor cost) (Rs crore)	Growth Rate (%)
2005-06	3254216	9.5
2006-07	3566011	9.6
2007-08	3898958	9.3
2008-09	4162509	6.8
2009-10	4493743	8.0

Source: *Economic Survey of India 2010-11*

2.4.2 Impact of US (Global) Recession on India

Indian companies have major outsourcing deals with the US. India's exports to the US have also grown substantially over the years. Indian companies with major operations in the US have observed their profit margins shrinking during Economic Recession. The worries for exporters have grown as rupee strengthened further against the dollar. However, the long-term prospects for India remain stable. A weak dollar could bring more foreign exchange and investment to Indian markets. Oil may get cheaper bringing down inflation. Table 2.2 reveals the trends in aggregate export from India to world during 2005-06 to 2008-09. It may be noted that the trends in export growth was lower in 2007-08 as compared to the previous year. During 2009-10 the growth in exports was recorded at 0.52%.

Table 2.2: Trends in Aggregate Exports – India

Year	Exports (Rs. Crore)	Annual Growth (%)
2005-06	456418	
2006-07	571779	25.27
2007-08	655864	14.70
2008-09	840755	28.19
2009-10	845125	0.52

Source: *RBI Handbook of Statistics on Indian Economy 2009-10*

The export of handicrafts has declined from Rs 6181 crores in 2006-07 to Rs 4471 crores in 2009-10 (Table 2.3).

Table 2.3 Trends in Exports of Handicraft Products

Year	Exports (Rs. Crore)	Annual Growth (%)
2006-07	6181	
2007-08	5844	-5.5
2008-09	4949	-15.3
2009-10	4471	-9.7

Source: Ministry of Textiles, Government of India

2.4.3 Overall Impact of Economic Recession

Unemployment

The full impact of a recession on employment may not be felt immediately. Research in Britain shows that low-skilled, low-educated workers and the young are most vulnerable to unemployment in a downturn. After recessions in Britain in the 1980s and 1990s, it took five years for unemployment to fall back to its original levels.

According to the latest government study conducted by the Labour Bureau of Ministry of Labour and Employment as part of a study on the effect of economic slowdown on employment in India, Five lakh people had been quoted jobless between October to December 2008 due to the recession. A sample size of 2581 units covering 20 centres across 11 states was taken up for the survey. Eight major sectors like textile and garment industry, metals and metal products, Information Technology and BPO, automobiles, gems & jewellery, transportation, construction and mining industries were included in the survey. The total employment in all these sectors had come down from 16.2 million in September 2008 to 15.7 million by December 2008. Exporting units had observed a higher decline in employment with gems & jewellery sector shedding 8.43% of its work force. This was followed by metals and textile sector which laid off 2.6% and 1.29% of their work force respectively. Among the domestic sector units, gems & jewellery sector again witnessed the maximum decline in employment with 11.9% of their work force losing jobs. This was followed by automobiles and transport sectors that shed 4.79% and 4.03% of their work force. During the period 2007-08 to 2009-10 unemployment rate in India

increased from 8.92% to 9.38%. The result of NSSO 66th round shows that the labour force participation rate has declined from 43% in 2004-05 to 40% in 2009-10 (Table 2.5).

Table 2.4 Unemployment Rates during the period 2007-08 to 2010-11

S.No	Year	Unemployment Rate
1	2007-08	8.92
2	2008-09	9.15
3	2009-10	9.38

Source: Estimations based on NSSO Rounds

Table 2.5 Labour Force Participation Rate (in %)

Year	Male		Female		Overall Labour Force Participation Rate
	Urban	Rural	Urban	Rural	
2004-05	57.0	55.5	17.8	33.3	43
2009-10	55.9	55.6	14.6	26.5	40

Source: NSSO 66th Rounds

Business

Productivity tends to fall in the early stages of a recession, and then rises again as weaker firms close. The variation in profitability between firms rises sharply. Recession also provided opportunities for anti-competitive mergers, with a negative impact on the wider economy.

Last two to three years, India also experienced reduced GDP Growth as a result of economic recession. India's GDP growth rate declined from a high 9.6 % in the year 2006-07 to 6.8% in the year 2008-09.

Social effects

The living standards of people dependent on wages and salaries are more affected by recessions than those who rely on fixed incomes or welfare benefits. The loss of a job is known to have a negative impact on the stability of families, and individuals' health and well-being.

2.5 Impact of Economic Recession on Artisans

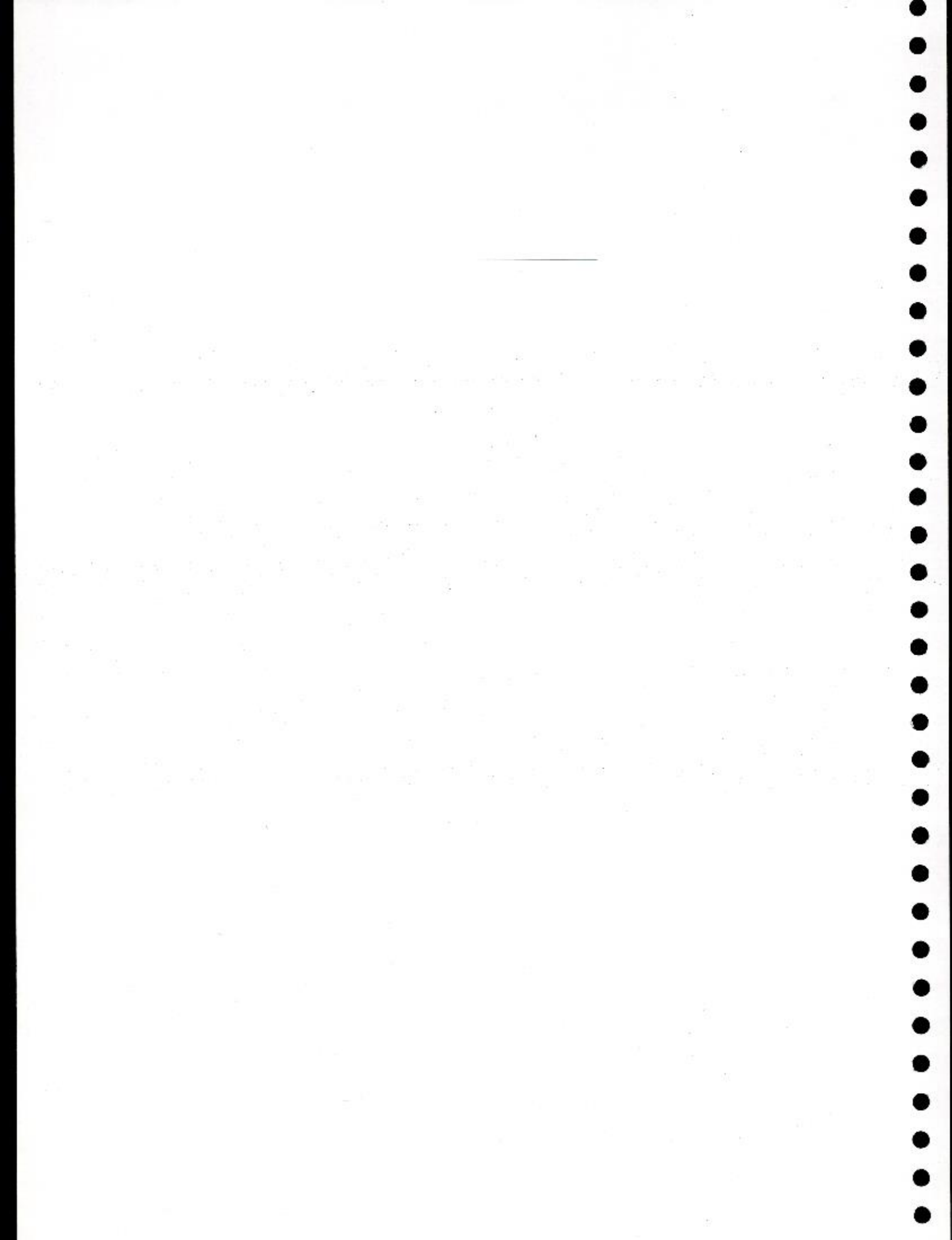
Impact of the global recession on the Indian economy has been greater than expected as the overall industrial growth declined substantially. There has been a substantial loss of jobs in export sectors like handicrafts and textiles where tens of thousands of artisans and skilled workers were affected. Media reports indicate that workers in export centres like Panipat and Moradabad were hit badly as export orders have crashed owing to the recessionary conditions abroad.

The artisan groups are also facing tremendous crisis. The handloom sector is a major employer, next only to agriculture, with about 25 lakh weavers. The artisanal population in 1980 was estimated in the range of 74.53 lakhs to 1.25 crore persons.

The artisans, once the backbone of the Indian economy, are facing tremendous survival crisis. Foreign companies like Wal-Mart, Target, Gap etc., which have their rudimentary units in India, are asking their Indian partners to pay less to the workers on account of the growing recession. Therefore, the incomes of skilled artisans have plunged.

The impact of the global economic downturn is beginning to be pervasive and, its impact for the lower income segments of the population in India seems to be the largest for those employed in export-oriented handloom and handicrafts sectors like diamond polishing, garments, carpets and hosiery.

It has been reported that many artisans engaged in export oriented units producing Handicraft and Handloom products are Muslims. In the recent years many of these units are facing severe financial crisis as a result of economic recession. Many units have been reported to be closed in the producing clusters from U.P., Bihar and Rajasthan. As a result of the closure of the units many artisans particularly the Muslim artisans lost their livelihood options in these clusters. However, there is no reliable data or information regarding their economic condition.



CHAPTER III

IMPACT OF ECONOMIC RECESSION ON TRADITIONAL SECTORS

3.1. Introduction

Recession means decline in GDP or Gross Domestic Product of a country for two consecutive quarters. There are various factors that flush an economy into the weird state of recession but inflation is the main factor which contributes more towards the situation. The higher the rate of inflation, the smaller the percentage of goods and services that can be purchased with the same amount of money. This may be because of increased production costs, higher energy costs and national debt. When the prices of goods reach their ever higher stage, people tend to cut on overall spending, luxurious spending, restrict them towards basic necessities and thus save more and more. As a result, GDP declines when people begin to cut expenditures in order to cut down costs. This makes the companies to cut their costs as well and they reduce workforce leading to unemployment.

Global economic meltdown has affected almost all countries. Strongest of American, European and Japanese companies are facing severe crisis of liquidity and credit. India is not insulated, either. However, India's cautious approach towards reforms has saved it from possibly disastrous implications. The truth is, Indian economy is also facing a kind of slowdown. The prime reason being, world trade does not function in isolation. All the economies are interlinked to each other and any major fluctuation in trade balance and economic conditions causes numerous problems for all other economies.

A slowdown in U.S economy is bad news for India because:

- Indian companies have major outsourcing deals with the U.S
- India's exports to the U.S have also grown substantially over the years
- Indian companies with major operations in the U.S are seeing their profit margins shrinking.

The impact of the global crisis has been transmitted to the Indian economy through three distinct channels, viz., the financial sector, exports, and exchange rates. The financial sector including the banking sector, equity markets, external commercial borrowings and remittances.

The transmission of the global downturn to the handicraft/handloom artisans has been through the steep decline in demand for India's exports in its major markets. The Indian handicraft/handloom artisanal work has much demand in foreign countries. The first sector to be hit was the Gems and Jewelry which felt the impact in November 2006-07 itself and where more than 300,000 workers had lost their jobs. The negative impact had covered other export-oriented sectors Garments and Textiles, Leather, and Handicrafts. The 21 percent decline in exports in February 2009 had been the steepest fall in exports for the last two decades.

3. 2. Impact of Economic Recession on Socio-Economic conditions

India is the biggest victim of financial crisis-induced poverty, according to data obtained by TOI from the United Nations Department of Economic and Social Affairs' (UNDESA). The UNDESA data estimates that the number of India's poor was 33.6 million higher in 2009 than would have been the case if the growth rates of the years from 2004 to 2007 had been maintained. In 2009 alone, an estimated 13.6 million more people in India became poor or remained in poverty than would have been the case at 2008 growth rates.

In other words, while a dip from the 8.8% growth in GDP averaged from 2004-05 to 2006-07 to the 6.8% estimated for 2008-09 may be nothing like recession faced by the West, its human consequences for India were probably worse. The 2% decline in India's GDP growth rate has effectively translated into a 2.8% increase in the incidence of poverty.

This increase in poverty may be attributed to a combination of reduced household incomes, rising unemployment and pressure on public services. Job losses in India were primarily in

export-oriented industries like textiles, while employment levels in Indian firms catering to the domestic market were largely unaffected, the report says. Monetary and fiscal policy intervention gave Indian growth some resilience, while safety nets like India's National Rural Employment Guarantee Act (NREGA) helped to mitigate the effects of the slowdown.

The impact of the financial sector crisis and the resulting economic downturn on the lower income segment of the population has been varied in India. In some sectors, particularly export dependent sectors such as diamonds and carpets, there have been a lot of shutdowns and layoffs, and thus a corresponding loss of livelihoods. In those sectors in which demand was derived from export and domestic growth (i.e. mainly higher end construction, trade, transport, hotels and restaurants, personal and domestic services), there has been a downturn with its impact on employment and wages but it is not a case of mass layoffs. Large number of jobs for the lower income group come from these sectors so at least wage incomes have been protected. However, quality of life is a function of real income, which has come under pressure because of a rise in the prices of wage goods, particularly food items. Thus the effects of the economic crisis are amplified for the lower income segments of the population due to (i) reduction in wage employment opportunities, and (ii) increase in cost of food.

The most well-known downturn affecting a single cluster was in the diamond polishing cluster of Surat. "Nearly 50 percent of the 400,000 workers in Surat's diamond cutting and polishing industry have already lost their jobs due to the global slowdown by the end of 2008" (*The Economic Times*, 17 March 2009). Perhaps we can take solace in the fact that negative impact of this magnitude has not been seen in any other cluster.

But smaller effects can be seen in many of the other non-farm sub-sectors, which are export oriented, such as carpet weaving. The export-oriented handmade carpet industry has a major share in the international markets, and provides employment to millions of people in the country. More than two million rural artisans depend on this industry for their sustenance. Over Rs.35 billion worth handmade carpets are exported to various countries



by small and mid-sized carpet manufacturing and supplying units. However, declining demand from international clients has led to an uncertain future for the carpet weavers and exporters. According to the All India Carpet Manufacturers' Association (AICMA) report, export orders worth about Rs. 3 billion were cancelled because of recession. About one lakh workers have been reported to be rendered jobless in the Bhadoi cluster of Mirzapur district, Uttar Pradesh, which accounts for 65 percent of India's carpet exports.

There have been large scale job losses and mass unemployment in many artisans clusters like Surat, Bangalore, Bhadoi and Tirupur. In the middle are those who are employed in the sectors which had witnessed a high growth due to derived demand — such as construction, retail trade, transport, personal services, etc. Here the demand has gone down and so have jobs but there are no mass closures or layoffs. The situation in the roti, kapda aur makaan producing sectors has remained stable, with little job loss. However, the 11.1 percent per annum increase in the consumer price index for agricultural labourers over the December 2007 - December 2008 period has had a negative effect even on the workers in these sectors whose jobs are intact.

3.3. Impact of Economic Recession on Artisans: Review of Literature

3.3.1 Kashmir Cottage Sector

Gloom has descended on thousands of Kashmiri artisans in the wake of economic meltdown that is threatening major economies in the world. Cottage industry in India's Jammu and Kashmir is under severe pressure due to ongoing global economic crisis. Various reports indicating that there has been a sharp decline in export of the Valley's exquisite handicrafts since November 2008. Worst hit is the centuries-old hand knotted carpet industry which employs over 100,000 weavers and annually fetches an estimated Rs 800 crore (Rs 8 billion). The sale of carpets dropped to Rs 500 crore in 2008. Exports to European Union, the biggest consumer of Kashmiri handicraft products, have contracted deeply because of recession. The European Union consumes almost 60 percent of all exports.

Carpet exports during 2008-09 were valued at Rs. 326 crores, down by almost 50 percent of the sales achieved in 2007-08, which stood at Rs. 649 crores. Shawl Industry is the second highest hit industry that recorded a loss of Rs. 90 crore in its overseas sales. In the year 2007-08, woolen shawls such as Pashmina, Kani and Sozni saw exports worth Rs. 310.29 crores, against just Rs. 226.50 during 2008-09.

However, there was a surge of Rs. 8 crores in overseas sales of Papier Mache. Kashmir sold Rs. 41 crore worth of Papier Mache items in the international markets during 2008-09 against exports of Rs. 33.65 crores in 2007-08. But, other craft products like woodwork, chain stitch and crewel slipped down by Rs. 95 crore.

Traders have been making efforts to explore new markets in Africa and other regions for Kashmiri handicrafts but not with much success. Europe is expected to witness economic recovery soon, and by the end of ongoing fiscal year, trade will begin to pick up, expect exporters.

3.3.2 Weaving Sector: Varanasi

The demand for *Banarasi* saris have been on the decline during the period of Economic recession. NPC study team, while visiting the *mohallas* of the weavers, observed that majority of the household had more nonfunctional looms than functional ones. Declining demand for saris, on one hand and increasing supply of skilled labor (weavers) due to population growth on the other has led to declining wages and incomes for the weavers. This is resulting in increased hardship for the weavers. Weavers are compelled to resort to menial jobs, pulling rickshaws and doing construction work to survive. The poor weavers go to other parts of the city to pull rickshaws as they are ashamed of doing it in their own *mohallas*.

Weavers, Master-weavers and traders consider the decline in demand is primarily due to two factors:

1. Increasing prices of raw materials (particularly silk yarn) and
2. Imports of textiles from China.



3.3.3 Indian Jewelers: Diamond Sector

Demand for Indian jewelry has been hurt by recession. Artisans had to downsize their operations and reduce prices so that so customers can afford them. This period is a rough time for anyone.

During the downturn, the situation for Indian artisans has been tough and there have been layoffs and salary reductions for them. Some of the laid-off artisans have joined Surat's thriving textiles industry which has remained untouched by the recession. Some of them have shifted to their native places and joined their families in agriculture.

It is good that the Gem and Jewelry Export Promotion Council (GJEPC) has allocated substantial amount of funds to help the artisans in major stone cutting centers, as they have to worry about their children's education, food and financial security.

3.3.4 Handicraft Sector

Officials of Handicrafts Department, on the occasion of the handicraft-handloom exhibition organized by the Gujarat Emporium, said that the export earnings for the country from handicraft products is about Rs 17,500 crore per year. Major share of this amount comes from the exports to USA. However, the demand for Indian handicrafts products declined in the global markets as a result of global recession. In the domestic markets also the situation is not much different.

3.4 Impact of Recent Economic Recession on Muslim Artisans

Many Muslim artisans are engaged in export oriented units producing Handicraft and Handloom products. In the recent years many of these units are facing severe problems as a result of economic recession. Many units have been reported to be closed in the clusters from U.P., Bihar and Rajasthan. As a result of the closure of the units many artisans particularly the Muslim artisans lost their livelihood options in various artisan clusters of these states. List of artisanal clusters from Uttar Pradesh, Rajasthan and Bihar is given at **Annexure 3.**

3.4.1 Impact of Recent Economic Recession on Muslim Artisans – Bihar

Since the number of Muslim engaged in the artisanal activities is not readily available, it is quite difficult to estimate the accurate number of Muslim artisans affected due to Economic recession. However, tentative estimations have been made in order to identify the number of Muslim artisans affected due to Economic Recession on the basis of Muslim population as per Census 2011, data from other studies such as study conducted by Asian Development Research Institute (ADRI).

As per the census conducted in year 2011, Bihar has a population of 1038.04 Lakhs out of which 16.5% are Muslims i.e. 171.27 Lakhs. Study conducted by ADRI revealed that the percentage of Muslim households engaged in artisan-based activities is only 2.1 per cent in rural and 4.4 per cent in urban areas. The study also revealed that more than 85% of Bihar's Muslim population live in rural areas and are landless. Based on these figures, we can estimate the total number of Muslim artisans affected (Table 3.1).

Table 3.1 Estimations of Muslim Artisan population in Bihar

S.No.	Parameter	Assumptions used for estimations	Estimated Population (Lakhs)
1	Total Population in Bihar	Census 2011	1038.04
2	Muslim Population in Bihar	16.5% of Bihar's total population	171.27
2(a)	Muslim Population in Bihar living in rural areas	85% of Bihar's Muslim population (ADRI Study)	145.58
2(b)	Muslim Population in Bihar living in urban areas	15% of Bihar's Muslim population (ADRI Study)	25.69
3(a)	Muslim Artisan's population in Bihar living in Rural areas	2.1% of Bihar's Muslim rural population (ADRI Study)	3.06
3(b)	Muslim Artisan's population in Bihar living in Urban areas	4.4% of Bihar's Muslim urban population (ADRI Study)	1.13
3	Total Muslim Artisan's population in Bihar		4.19

Source: Estimations based on Census 2011 and other studies

During the NPC field survey in June-September 2010, 5% of the surveyed Muslim artisans respondents reported that they were affected negatively during 2006-07 to 2008-09 (period of Economic recession). Based on various assumptions, it may be estimated that around 21,000 Muslim artisans were affected by the Economic recession in Bihar. However, a large segment of Many of the Muslim artisans have survived from the affect of the Economic recession during 2009-10 as their income levels have started increasing.

3.4.2 Impact of Recent Economic Recession on Muslim Artisans – Rajasthan

As per the census conducted in year 2011, Rajasthan has a population of 686.21 Lakhs out of which 8.5% are Muslims i.e. 58.32 Lakhs. In Rajasthan, about 40 percent of the Muslim population is engaged in artisanal activities. Based on the figures we can estimate the number of Muslim artisans (Table 3.2).

Table 3.2 Estimations of Muslim Artisanal population in Rajasthan

S.No.	Parameter	Assumptions used for estimations	Estimated Population (Lakhs)
1	Total Population in Rajasthan	Census 2011	686.21
2	Muslim Population in Rajasthan	8.5% of Rajasthan's total population	58.32
3	Muslim Artisan's population in Rajasthan	40% of Rajasthan's Muslim population (According to the Study conducted by Action Aid India)	23.33

Source: Estimations based on Census 2011 and other studies

During the NPC field survey conducted in June-September 2010, 4% of the surveyed Muslim artisans reported that their income had reduced during 2006-07 to 2008-09 (period of Economic recession). Based on these observations, it may be estimated that around 93,000 Muslim artisans were affected due to Economic recession. Many of the Muslim artisans have overcome from the affect of the Economic recession during 2009-10 as their income has increased.

3.4.3 Impact of Recent Economic Recession on Muslim Artisans – Uttar Pradesh

Varanasi (UP) which is one of the renowned silk saree weaving cluster, 40% of the population have been estimated to be Muslims, of which 70% are in the trade of weaving. Varanasi has a Muslim population of around 3.48 Lakhs, out of which around 2.44 lakhs are Muslim weavers. During NPC field survey in Varanasi in July-September 2010, 18% of the Muslim silk saree weavers reported that the demand for their products have declined because of the recent economic recession. From the above figures, it may be estimated that around 44,000 Muslim silk saree weavers have been affected due to the economic recession at Varanasi cluster. As per the NPC field survey around 23.08% of the Muslim artisans of Moradabad (UP), which is one of the renowned Brass metals handicraft cluster, have been reported to be affected due to the recent Economic recession.

3.5. Studies conducted on Minority issues

A number of studies have been undertaken by various researchers and institutions. Some of the important studies are listed in **table 3.3**.

Table 3.3. Studies carried out in the past

S.No.	Title of Research Report	Project Director & Institution
1.	Evaluation of voluntary organization received grant in aid working for the welfare of OBC's in the state of Bihar, U.P., Uttaranchal, Delhi, Haryana and Rajasthan	Haryali centre for Rural Development, New Delhi Shri Mohd. Yusuf
2.	Study of Development Programmes And Socio-Economic Transformation Of Muslim Minorities In Andhra Pradesh & Karnataka	Noble social & educational, society, tirupati. Dr. M. Shaik saheb.
3.	Scheme of assistance to voluntary organizations for the welfare of OBCs in Andhra Pradesh, Karnataka, Maharashtra and Tamil Nadu.	Sri Venkateswara University, Tirupati. Dr. P. Sudhakara Reddy.
4.	An Assessment Of Scholarship On Educational Development Among Muslim Girls - A Study In Eastern Uttar Pradesh And Bihar	Pt. G.B. Pant institute of studies in Development, Lucknow Dr. S.P. Pandey
5.	Evaluation Study On The Implementation Of Schemes Under NBCFDC And Its Impact Of OBCs In Uttar Pradesh During Ninth Plan	Operational Research And Development, New Delhi. Dr. Asad Ali
6.	Evaluation of micro financing scheme of NMFDC of the beneficiaries of Muslim minorities in south India.	Noble social and educational society, Tirupati. Dr. Prakash Reddy



S.No.	Title of Research Report	Project Director & Institution
7.	Educational Status of Religious and Linguistic Minorities	Tata Institute of Social Sciences, Mumbai. Prof. Ranu Jain
8.	Socio-Economic status of minorities-factors for their backwardness.	Centre for research, planning and action (cerpa), New Delhi. Shri K.P.S. Nair.
9.	Educational Status of Minorities and causes for their Backwardness and Identification of Socio-Economic indicators for backwardness	Aroh Foundation, New Delhi. Dr. Neelam Gupta
10.	Religious Minorities in India - A Statistical Analysis	International Institute for Population Science, Mumbai. Dr. H.C. Srivastava
11.	A Study on the Criteria and Identification for Social and Economic Backwardness among Religious Minorities	Dr. Baba Sahib Ambedkar National Institute of Social Sciences, Mhow, M.P. Dr. D.K. Verma
12.	An Evaluation Study on the Scheme of Post Matric Scholarships for Students of other Backward classes in Andhra Pradesh, Gujarat, Karnataka, Tamil Nadu and Tripura	S.V. University, Tirupati Dr. Sudhakara Reddy

CHAPTER IV

SOCIO-ECONOMIC PROFILE OF MUSLIM ARTISANS

4.1 Introduction

India has achieved significant growth and development after independence. It has also been successful in reducing poverty and improving crucial human development indicators such as literacy, education and health. However, there are indications that not all religious communities and social groups (henceforth socio-religious communities – SRCs) have shared equally the fruits of development. Among the SRCs, the Muslims, the largest minority community in the country, constituting 13.4 percent of the population, are seriously lagging behind in terms of most of the human development indicators. While the perception of deprivation is widespread among Muslims, there has been no systematic effort to understand the condition of religious minorities in the country. Despite the need to analyze the socio-economic and educational conditions of different SRCs, appropriate data for such an analysis is lacking.

4.2 Socio-Economic Indicators

4.2.1 Education

Education is an area of grave concern for the Muslim Community. Muslim identity comes in the way of admitting their children to good educational institutions. This has given rise to a number of Muslim denominational schools, which according to some, are the only source of good education for Muslims today. A large majority of Muslims prefer to send their children to 'regular mainstream' schools. It was argued that though setting up of denominational institutions is the right of minorities under the Constitution, it was not meant to become their only option.

A number of surveys as well as government reports have revealed that Muslims are among the most socially, economically and educationally deprived communities categorized as religious minorities in the country. The literacy and work participation rates of Muslim population are given in **Table 4.1**.



Table 4.1 Literacy and Work Participation rate of Muslim Population in India

State/Union - territory	Total Population	Muslim Population	Proportion of Muslim population	Literacy rate for all Religions	Literacy rate of Muslim Population	Female Literacy rate of Muslim Population	Work Participation rate
Delhi	13,850,507	1,623,520	11.7	81.7	66.6	59.1	30.9
Rajasthan	56,507,188	4,788,227	8.5	60.4	56.7	40.8	34.7
Uttar Pradesh	166,197,921	30,740,158	18.5	56.3	47.8	37.4	29.1
Bihar	82,998,508	13,722,048	16.5	47.0	42.0	31.5	30.9
Madhya Pradesh	60,348,023	3,841,449	6.4	63.7	70.3	60.1	32.8
Gujarat	50,671,017	4,592,854	9.1	69.1	73.5	63.5	32.7
Andhra Pradesh	76,210,007	6,986,856	9.2	60.5	68.0	59.1	33.8
India	1,028,610,328	138,188,240	13.4	64.8	59.1	50.1	31.3

The First Report on Religion : Census of India 2001

Source : National Study on Socio-economic Conditions of Muslims , Office of the Registrar General, India

4.2.1.1 Reasons for Low Literacy among Muslims

- **Poverty** - High dropout rates among Muslim students are worrisome. As with many Indians, the main reason for educational backwardness of Muslims is abject poverty due to which children are forced to drop out after the first few classes. This is particularly true for Muslim girls. Little children are expected to earn for their families by working in karkhanas (small workshops), as domestic help or by looking after their siblings while their mothers go to work.
- **Low Perceived Returns from Education** - A community-specific factor for low educational achievement is that Muslims do not see education as necessarily translating into formal employment. The low representation of Muslims in public or private sector employment and the perception of discrimination in securing salaried jobs make them attach less importance to formal secular education as compared to other SRCs.

- **Issues Relating to Madarsa Education** - Madarsas, through which the Community ensures that its future generations acquire knowledge of Islam, have become a symbol of Muslim identity in India. The existence of Madarsas (though not as a substitute for mainstream schools) are necessary for Muslims because besides providing basic education, they serve as an important instrument of identity maintenance for the Community. However, there is an urgent need to recognize that a very small percentage of Muslim children actually attend Madarsa education. Madarsa curricula need to be strengthened with the introduction of mainstream subjects.
- **Poor Access to Schools** - Muslim areas have only a very few good quality schools especially Government schools are found in Muslim areas. The teacher pupil ratio is also high in these schools. Absence of Govt. schools in the vicinity forces Muslim children to go to private schools, if they can afford to, or else they drop out. Schools beyond the primary level are very few in Muslim localities. Moreover Government schools that exist near Muslim colonies are merely centres of low quality education for the poor and marginalized segment of the society. The poor quality of teaching, learning, absentee teachers, in turn, necessitate high cost inputs like private tuitions, particularly in the case of first generation learners from the Muslim community. This has a negative impact on retention and completion of schooling.

4.2.2 Housing

Muslim identity and living gets affected everyday in a variety of ways that ranges from being unable to rent/buy a house to accessing good schools for their children. Buying or renting property in localities of one's choice is becoming increasingly difficult for Muslims. Muslims are increasingly resorting to living in ghettos across the country. This is more pronounced in communally sensitive towns and cities. However, living in ghettos provides them a sense of security because of their numerical strength, though it has not been advantageous for the community in terms of quality of life. Water, sanitation,

electricity, schools, public health facilities, banking facilities, anganwadis, ration shops, roads, and transport facilities — are all in short supply in these areas. Increasing ghettoisation and absence of civic amenities impacts Muslim women the most because they are reluctant to venture beyond the confines of 'safe' neighborhoods to access these civic amenities from elsewhere. Increasing ghettoisation of the Community implies a shrinking space in the public sphere; an unhealthy trend that is gaining ground. Ghettoisation has multiple adverse effects: inadequacy of infrastructural facilities, shrinking common spaces and reduction in livelihood options.

4.2.3 Security

Lack of a sense of security and discriminatory attitude towards Muslims have been felt widely. Muslims especially face threat to life if they do not align their political ideology with the dominant community of a given area such as constituency, a district or a state. In spite of democratic government in place in India for more than six decades, there is physical threat to life of many minorities particularly Muslims and Christians; and lower castes such as dalits and adivasis. Often organized threats to life of Muslims emerge from the state especially when those with deviant ideology assume power – for example Gujarat. But such organized crimes causing loss of life can occur even in so called secular regimes – thus such mass killings such as during the communal riots are mostly engineered and well planned in connivance with security agencies of the state. However, there is considerable variation in the gravity, intensity and magnitude of sense of insecurity and discriminatory attitude towards Muslims across various states. Communal tension or any untoward incident in any part of the country is enough to make Muslims fear for their safety and security. This is a national disgrace and needs to be set right. In this context there is a need to establish 'Equal Opportunities Commission (EOC)' as recommended by the Sachar Committee and appropriate legal mechanism through an enactment of law to deal with religious discrimination in the country.

4.2.4 Health

The health of Muslims, especially women, is directly linked to poverty and the absence of basic amenities such as clean drinking water and sanitation - leading to malnutrition, anemia, a variety of diseases and lower life expectancy. In conflict prone areas there is alarming evidence of a host of psychosocial problems including stress, depression, and post-traumatic disorders among women. Health services for women living in Muslim concentration areas are much worse than for women from other Socio-Religious Communities. Even primary health facilities are available only at faraway places. Unacceptable treatment procedures behavior that many Muslim women encounter at public health centers discourages them from going there. They prefer local health care providers from their own community particularly for gynecological problems, even though they are not qualified. This hesitation on the part of the Muslim women to access public health facilities often leads to their exploitation by private doctors. The few health care centres staffed by women doctors are concentrated in urban areas forcing rural Muslim populations to survive with virtually no public health care. The poor quality of drinking water and sanitation in areas of Muslim concentration is another major concern.

Mortality rate reduction in infants and children is one of the highest public health priorities in India and one of the most important MDG (Millennium Development Goals) as children are the most important assets of a nation. Surveys and Census based estimates show higher percentage of relatively younger population. The share of the elderly population is not high and therefore old age dependency is quite low. Infant Mortality Rate (IMR) and Under-5 Mortality Rate (U5MR) are lower for Muslims than the Hindus and hence also lower than the national average. Muslims have the second lowest infant and under-5 mortality rate of any religious community in India. Muslims not only have the lowest IMR and U5MR in India, they also have some of the largest declines in IMR and U5MR during the 1990s. Due to better infant feeding and childcare practices followed among Muslims, Muslims have an advantage over others in IMR and U5MR but suffer a disadvantage in child nutrition rates. Efforts are needed to improve child health. The incongruence is difficult to

understand as most factors that are associated with low rates of IMR and child mortality are also typically associated with low rates of child malnutrition. According to National Family and Health Survey II (NFHS-II), 40.4 percent of children in the age group 12–23 months received measles vaccination. Lower IMR than other communities shows that Muslims have far less “daughter aversion” than Hindus. Muslims are less likely to vaccinate their children. Infant and child mortality among Muslims is lower than the average due to high urbanization and better infant feeding and child care practices.

The average maternal mortality ratio at the national level is 540 deaths per 100,000 live births (NFHS-II). NFHS-I corresponding figure was 424 deaths per 100,000 live births suggesting an increase. Rural maternal mortality rate (MMR) is much higher than urban MMR. Hence there is the urgency to ensure that all pregnant women receive adequate antenatal care during pregnancy and that deliveries take place under hygienic conditions with the assistance of trained medical practitioners. Estimates of maternal mortality show lower than average MMR among Muslims. The crude birth rate (CBR) estimated from Census figures is also higher among Muslims. However, recent studies show a moderate fertility. It varies among Muslims according to the socioeconomic characteristics of individuals. Fertility due to the proportion of women married in reproductive ages is relatively high because widow remarriage is widely prevalent among Muslims.

4.2.5 Infrastructure

A dismal pattern is produced at the level of housing marked by high and growing ghettoisation and unemployment. Poor Muslims live in hovels without electricity. Only 19 percent have piped water supply. The poor quality of drinking water and sanitation in Muslim localities is a grave concern. Absence of proper civic amenities and infrastructure facilities is marked. Poor quality roads and lack of proper transport, sanitation, water, electricity and public health facilities are prevalent in Muslim localities. 60.2 percent of Muslims do not have any land in rural areas compared to the national average of 43 percent. Only 2.1 percent Muslim farmers have tractors. Just 1 percent own hand pumps.

Lack of *anganwadis* ration shops and government schools are found in Muslim localities. Low participation of Muslims in local self government bodies resulted in development benefits failing to reach Muslims. There is clear and significant inverse association between the proportion of the Muslim population and the availability of educational infrastructure in the villages. Villages having high concentration of Muslims are not well served with *pucca* approach roads and local bus stops. The concentration of Muslims in States lacking infrastructure facilities implies that a large proportion of the community is without access to basic facilities.

4.3 Condition of Muslim Community: A Review of Sachar Committee Report

Amongst the minorities in India, Muslims are the largest community but far behind others in terms of development. This is true that the quotient of economic deprivation is more amongst the Muslim community. This came into light when Sachar Committee report on the condition of minority community was placed in the Parliament. Some of the glaring findings of the report are as follows:

In the field of literacy the Committee has found that the literacy rate among Muslims is very much below the national average. The gap between Muslims and the national average is greater in urban areas and for women. 25 per cent of children of Muslim parents in the 6-14 year age group have either never attended school or have dropped out.

- Muslim parents are not averse to mainstream education or to send their children to affordable Government schools. The access to government schools for children of Muslim parents is limited.
- Bidi workers, tailors and mechanics need to be provided with social safety nets and social security. The participation of Muslims in the professional and managerial cadre is low.
- The average amount of bank loan disbursed to the Muslims is 2/3 of the amount disbursed to other minorities. In some cases it is half. The Reserve Bank of India's



efforts to extend banking and credit facilities under the Prime Minister's 15-point programme of 1983 has mainly benefited other minorities but marginalizing Muslims.

- There is a clear and significant inverse association between the proportion of the Muslim population and the availability of educational infrastructure in the villages. Muslim concentration villages are not well served with pucca approach roads and local bus stops.
- The presence of Muslims has been found to be only 3% in the IAS, 1.8% in the IFS and 4% in the IPS.
- Muslim community has a representation of only 4.5% in Indian Railways while 98.7% of them are positioned at lower levels. Representation of Muslims is very low in the Universities and in Banks. Their share in police constables is only 6%, in health 4.4%, in transport 6.5%.
- For the Maulana Azad Education Foundation to be effective the corpus fund needs to be increased to 1000 crores. Total allocation in the four years 2002 to 2006 for Madarsa Modernization Scheme is 106 crores. The information regarding the Scheme has not adequately percolated down. Even if the share of Muslims in elected bodies is low they and other underrepresented segments can be involved in the decision making process through innovative mechanisms.
- Most of the variables indicate that Muslim-OBCs are significantly deprived in comparison to Hindu-OBCs. The work participation rate (WPR) shows the presence of a sharp difference between Hindu-OBCs (67%) and the Muslims. The share of Muslim-OBCs in government/ PSU jobs is much lower than Hindu OBCs.

The points made above are enough to reflect on the pathetic economic condition of Muslim community in India. After the Sachar committee report came in the public domain, national debate started on the condition of Muslims in India. Government acknowledged the problem



and beneficial schemes have been introduced, but still the per capita levels of investment for the community are low. According to the report released by ANHAD (a civil society group working on minority issues) after the national meet on the status of Muslims in Contemporary India, the per capita level of investment from the side of government for the community are still low. The scheme for investment in districts with high minority population, at best cover 30 percent of the total population. The programmes are for area development rather than programmes focused on the minorities; therefore they prove blunt instruments as much of the expenditure is on general infrastructure and little to directly benefit deprived people of the community. They are not consulted about their priorities.

CHAPTER V

GOVERNMENT SUPPORT MEASURES AND SCHEMES

5.1 Introduction

Among the government measures aimed at supporting minorities, the most important one is the Prime Minister's new 15 Point Programme for welfare of Minorities. The 15 Point Programme has been implemented under four different areas such as Enhancing opportunities for education, equitable share in economic activities and employment, improving the condition of living of Minorities and Prevention and Control of Communal riots.

Apart from the schemes oriented towards the welfare of Minorities, there are a number of schemes for the handicrafts artisans that also help Muslims since a large segment of artisan class belong to Muslim community.

There are many schemes implemented by the Ministry of Minority Affairs such as:

1. Scheme of Pre-matric scholarship for students belonging to the minority communities
2. Scheme of Post-matric scholarship for students belonging to the minority communities
3. Free coaching & allied scheme for the candidates belonging to minority communities
4. Scheme of Merit-cum-means based scholarships to student belonging to the minority communities.
5. Scheme of Multi-Sectoral Development Programme (MSDP)
6. Scheme of National Minorities Development & Finance Corporation
7. Scheme of Maulana Azad Education Foundation – Grant Utilization on Construction.

State Minority Commission also implement a number of loan schemes for the minorities whose family income from all sources are below Rs.39500 in the rural areas and Rs. 54500/- in the urban areas.



This chapter provides a brief discussion on various Government schemes and its impact on improving the working conditions and standard of living of Muslim artisans in the country.

5.2 Prime Minister's 15 point Programme for the welfare of Minorities

5.2.1 Enhancing Opportunities for Education

(a) Equitable availability of ICDS SERVICES

The integrated Child Development Services (ICDS) Scheme is aimed at holistic development of children and pregnant/lactating mothers from disadvantaged sections by providing services through Anganwadis Centres such as supplementary nutrition, immunization, health check-up, referral services, pre-school and non-formal education. A certain percentage of the ICDS projects and Anganwadis Centres will be located in blocks/villages with a substantial population of minority communities to ensure that the benefits of the scheme are available to such communities also.

It is a centrally sponsored scheme implemented through the state govt. From the financial year 2009-10, Government of India started following the funding pattern for the ICDS for the supplementary nutrition in respect of North-Eastern States between Centre and States 90:10 ratios. Before this the funding pattern was 50:50 between the state and the centre.

Budgetary Allocation: Fund allocated for the scheme during the X plan period was about Rs. 10391.75 crore that has been increased to 44,400 crore in the XI plan period.

Budget Allocation and Expenditure for the year 2007-08 to 2009-10 in respect of ICDS (General) and supplementary nutrition are given as under:-

A. Budget Allocation

S.No.	Year	Budget Allocation (Rs. Crores)
1	2007-08	5293
2	2008-09	6300
3	2009-10	6705



B. Funds Released (Rs. Crores)

S.No.	Year	ICDS(G)	Supplementary Nutrition
1	2007-08	3108	2062
2	2008-09	4013	2281
3	2009-10	1778	1820

(b) Improving access to School Education

Under the Sarva Shiksha Abhiyan, the Kasturba Gandhi Balika Vidyalaya Scheme, and other similar Government schemes, it will be ensured that a certain percentage of such school are located in villages/localities having a substantial population of minority communities

(c) Greater resources for teaching Urdu

Central assistance has been provided for recruitment and posting of Urdu language teachers in primary and upper primary schools that serve a population in which at least one-fourth belong to that language group.

(d) Modernizing Madarsa Education

The Central Plan Scheme of Area Intensive and Madarsa Modernization Programme provides basic educational infrastructure in areas of concentration of educationally backward minorities and resources for the modernization of Madarsa education. Keeping in view of importance of addressing this need, this programme has been substantially strengthened and implemented effectively.

(e) Scholarships for meritorious students from minority communities

Schemes for pre-matric and post-matric scholarships for students from minority communities has been formulated and implemented.



(f) Improving educational infrastructure through the Maulana Azad Education Foundation.

The Government provides all possible assistance to Maulana Azad Education Foundation (MAEF) to strengthen and enable it to expand its activities more effectively.

5.2.2 Equitable Share In Economic Activities and Employment

(a) Self-Employment and Wage Employment for the poor

- a. The Swarnjayanti Gram Swarojgar Yojna(SGSY), the primary self-employment programme for rural areas, has the objective of bringing assisted poor rural families above the poverty line by providing them income generating assets through a mix of bank credit and Governmental subsidy. A certain percentage of the physical and financial targets under the SGSY will be earmarked for beneficiaries belonging to the minority communities living below the poverty line in rural areas.
- b. The Swarnjayanti Shahary Rohgar Yojna(SSRY) consists of two major components namely, the Urban Self-Employment Programme (USEP) and the Urban Wage Employment Programme(UWEP). A certain percentage of the physical and financial targets under USEP and UWEP will be earmarked to benefit people below the poverty line from the minority communities.
- c. The Sampurna Grameen Rozgar Yojna(SGRY) is aimed at providing additional wage employment in rural areas alongside the creation of durable community, social and economic infrastructure. Since the National Rural Employment Guarantee Programme(NREGP) has been launched in 200 districts, and SGRY has been merged with NREGP in these districts, in the remaining districts, a certain percentage of the allocation under SGRY will be earmarked for beneficiaries belonging to the minority communities living below the poverty line till these districts are taken up under NREGP. Simultaneously, a certain percentage of the allocation will be earmarked for the creation of infrastructure in such villages, which have a substantial population of minorities.

(b) Upgradation of skill through technical training

A very large proportion of the population of minority communities is engaged in low-level technical work or earns its living as handicraftsmen. Provision of technical training to such people would upgrade their skills and earning capability. Therefore, a certain proportion of all new ITIs will be located in areas predominantly inhabited by minority communities and a proportion of existing it is to be upgraded to 'Centres of Excellence' will be selected on the same basis.

(c) Enhanced credit support for economic activities

- i. The National Minorities Development & Finance Corporation (NMDFC) was set up in 1994 with the objective of promoting economic development activities among the minority communities. The Government is committed to strengthen the NMDFC by providing it greater equity support to enable it to fully achieve its objective.
- ii. Bank credit is essential for creation and sustenance of self-employment initiative. A target of 40% of net bank credit for priority sector lending has been fixed for domestic banks. The priority sector includes, inter alia, agricultural loans, loan to small-scale industries & small business, loans to retail trade, professional and self-employed persons, education loans, housing loans and micro-credit. It will be ensured that an appropriate percentage of the priority sector lending in all categories is targeted for the minority communities.

(d) Recruitment to State and Central Services

- i. In the recruitment of police personnel, State Governments will be advised to give special consideration to minorities. For this purpose, the composition of selection committees should be representative.
- ii. The Central Government will take similar action in the recruitment of personnel to the Central police forces.
- iii. Large scale employment opportunities are provided by the Railways, nationalized banks and public sector enterprises. In these cases also, the concerned departments



will ensure that special consideration is given to recruitment from minority communities.

- iv. An exclusive scheme will be launched for candidates belonging to minority communities to provide coaching in Government institutions as well as private coaching institutes with credibility.

5.2.3 Improving the Conditions of Living of Minorities.

(a) Equitable share in rural housing scheme

The Indira Awaas Yojna (IAY) provides financial assistance for shelter to the rural poor living below the poverty line. A certain percentage of the physical and financial targets under IAY will be earmarked for poor beneficiaries from minority communities living in rural areas.

(b) Improvement in condition of slums inhabited by minority communities.

Under the schemes of Integrated Housing & Slum Development Programme (IHSDP) and Jawaharlal Nehru Urban Renewal Mission (JNURM), the Central Government provides assistance to States/UTs for development of urban slums through provision of physical amenities and basic services. It would be ensured that the benefits of these programmes flow equitably to members of the minority communities and to cities/slums, predominantly inhabited by minority communities.

5.2.4 Prevention & Control of Communal Riots

(a) Prevention of communal incidents

In the areas, which have been identified as communally sensitive and riot prone districts and police officials of the highest known efficiency, impartiality and secular record must be posted. In such areas and even elsewhere, the prevention of communal tension should be one of the primary duties of the district magistrate and superintendent of police. Their performance in this regard should be an important factor in determining their promotion prospects.



(b) Prosecution for communal offences

Severe action should be taken against all those who incite communal tension or take part in violence. Special court or courts specifically earmarked to try communal offences should be set up so that offenders are brought to book speedily.

(c) Rehabilitation of victims of communal riots.

Victims of communal riots should be given immediate relief and provided prompt and adequate financial assistance for their rehabilitation.

5.3 Schemes implemented by Ministry of Minority Affairs

5.3.1 Scheme of Pre-matric scholarship for student belonging to the minority communities

Objective

The scholarship at pre-matric level will encourage parents from minority communities to send their school going children to school, lighten their financial burden on school education and sustain their efforts to support their children to complete school education. Empowerment through education, which is one of the objectives of this scheme, has the potential to lead to upliftment of the socio economic conditions of the minority communities.

Scope

The scholarship will be awarded for studies in India in a government or private school from class I to class X, including such residential Government institutes and eligible private institutes selected and notified in a transparent manner by the State Government and Union Territory Administration concerned.

Eligibility

Scholarship will be awarded to the students who have secured not less than 50% marks in the previous final examination and annual income of their parents/guardian from all



sources does not exceed Rs. 1 lakh. 30% of scholarship will be earmarked for girl students. In case sufficient numbers of eligible girl students are not available, then the balance earmarked scholarships may be awarded to eligible boy students.

Selection

As the number of scholarships for minorities available in a year is fixed and limited it is necessary to lay down preference for selection. Inter-se selection weightage is to be given to poverty rather than marks. In case of the renewal applications, such applications would be fully exhausted before the new applications are considered.

Duration

The scholarships will be provided for the entire course. Maintenance allowance will be given for 10 months only in an academic year.

Implementing agencies:

The scheme will be implemented through the State Government/ Union Territory administration.

Renewal of Scholarship

The scholarship, once awarded, may be renewed during next academic year of the course on the production of certificate that the student has secured 50% marks.

Announcement of Scheme

The scheme will be announced by the concerned State Government/Union Territory Administration well in time, by giving advertisements in the leading language newspapers and local dailies/vernacular and by using other suitable publicity media.

Mode of Applying

The concerned State Government/Union Territory Administration will supply the application forms, till such time computerized systems are made operational by the State

Governments/Union Territory Administrations. The application forms should be received back along with requisite certificates/certifications within the stipulated period.

Pattern of Financial Assistance

Funding pattern between Centre and States will be in the ratio of 75:25. Union Territories will be provided 100 per cent Central assistance.

5.3.2 Scheme of 'Post-Matric Scholarship' for Students Belonging to the Minority Communities

Objective

The objective of the scheme is to award scholarships to meritorious students belonging to economically weaker sections of minority community so as to provide them better opportunities for higher education, increase their rate of attainment in higher education and enhance their employability.

Scope

The scholarship is to be awarded for studies in India in a government or private higher secondary school/college/university, including such residential institutes of the Government and eligible private institutes selected and notified in a transparent manner by the State Government/Union Territory Administration concerned. It will also cover technical and vocational courses in Industrial Training Institutes/ Industrial Training Centres affiliated with the National Council for Vocational Training (NCVT) of classes XI and XII level.

Eligibility

Scholarship will be awarded to the students who have secured not less than 50% marks or equivalent grade in the previous final examination and the annual income of whose parents/guardian from all sources does not exceed Rs.2 lakh. 30% of scholarship will be earmarked for girl students. In case sufficient number of eligible girl students are not



available, then the balance earmarked scholarships may be awarded to eligible boy students

Selection Procedure

Unlike scholarship for SC and ST, there are a fixed number of scholarships for minorities is small and limited. Students from BPL families, having the lowest income shall be given preference in the ascending order. The renewal applications would be fully exhausted before the new applications are considered.

Duration

Scholarship will be provided for the entire course. However, maintenance allowance will be given for a period not exceeding 10 months only in an academic year.

Implementing Agencies

The scheme will be implemented through the State Government/ Union Territory Administration.

Renewal of Scholarship

The scholarship, once awarded, may be renewed during the next academic year of the course on the production of certificate that the student has secured 50% marks in the examination.

Announcement of Scheme

The scheme will be announced by the concerned State Government/Union Territory Administration well in time, through advertisements in the leading language newspapers and local dailies and by using other suitable publicity media.

Mode of Applying

The concerned State Government/Union Territory Administration will supply the application forms, till such time computerized systems are made operational. The application forms should be received back along with requisite certificates/certifications within the stipulated period.



Pattern of Financial Assistance

100% funding will be given by the Central Government to the State Government/ Union Territory Administration.

5.3.3 Merit cum means based scholarship to student belonging to minority communities

Objective:

The objective of the Scheme is to provide financial assistance to the poor and meritorious students belonging to minority communities to enable them to pursue professional and technical courses.

Scope:

These scholarships are available for studies in India only and will be awarded through an Agency designated by the State Government/UT Administration for this purpose.

Number of scholarship:

Every year 20000 scholarships will be distributed among the students of minority communities throughout the country on the basis of state-wise population of these communities.

Conditions for Scholarship:

- i. Financial assistance will be given to pursue degree and/or post graduate level technical and professional courses from a recognized institution. Maintenance allowance will be credited to the student's account. The course fee will be paid by the State Department directly to the institute concerned. Students should take admissions to this courses either on the basis of a competitive examination or should have not less than 50% marks at higher secondary/graduation level. Selection of these students will be done strictly on merit basis.
- ii. The annual income of the beneficiary/parent or guardian of beneficiary should not exceed Rs.2.50 lakh from all sources.



- iii. The state department will advertise the scheme every year latest by 31st March and receive the application through the concerned institutions.
- iv. After scrutinizing the applications, the state department will prepare a consolidated budget for all eligible students and send an application in the prescribed pro-forma for release of fund from the Ministry of Minority Affairs for distribution of scholarship giving the details of each students viz. name, permanent address, telephone number, annual course fee, name & address of institute, whether hostler or day-scholar, etc.
- v. The application for release of fund from the state department must be received in the Ministry by 30th of September every year.
- vi. The state department will maintain separate bank account and records relating to the funds received from the Ministry and they will be subjected to inspection by the officers of the Ministry or any other agency designated by the Ministry.
- vii. 30% scholarship will be reserved for girls of each minority community in a state which is transferable to male student of that community in case of non-availability of female candidate in that community in the concerned state.

Funding Pattern of the Scheme

The Scheme will be implemented by the State Governments and Union Territory Administrations, which receive 100% central assistance from Government of India for the total expenditure under the scheme.

5.3.4 Free coaching and Allied scheme for the candidates belonging to Minority Communities

Objectives

The objectives of the scheme are to assist students belonging to the minority communities by way of special coaching for the following:-

- a) Qualifying examinations for admission in technical/ professional courses such as engineering, law, medical, management, information technology etc. and



- language/aptitude examinations for seeking admission to foreign universities.
- b) Competitive examinations for recruitment to Group 'A', 'B', 'C' and 'D' services and other equivalent posts under the Central and State governments including police/security forces, public sector undertakings, Railways, banks, insurance companies as well as autonomous bodies; and
 - c) Coaching/training for jobs in the private sector such as in airlines, shipping, fisheries, information technology (IT), business process outsourcing (BPO) and other IT enabled services, hospitality, tours and travels, maritime, food processing, retail, sales and marketing, bio-technology and other job oriented courses as per the emerging trend of employment. The committee will shortlist the job-oriented training courses for employment in the private sector provided that the duration does not exceed nine months which may be relaxed upto 12 months.
 - d) Remedial coaching for technical & professional courses at undergraduate and post graduate level to improve academic knowledge and enable the student to catch up with the rest of the class and complete the course successfully. The remedial coaching will be imparted by the institute where the student is admitted to pursue technical/professional course at under graduate or post graduate level.

Implementing Agencies and Eligibility

The following types of organizations will be eligible for receiving financial assistance under this scheme:-

- i) All institutes in the government sector, including universities and autonomous bodies, engaged in coaching/training activities.
- ii) All institutes in the government sector, including universities and autonomous bodies, engaged in imparting remedial coaching to students belonging to the minority communities.
- iii) Universities/colleges in private sector engaged in coaching/training activities, including deemed universities.



- iv) Institutes in the private sector engaged in coaching activities/job oriented coaching/training for placement in private sectors, which are a trusts, companies, partnership firms, or societies registered under the relevant law, preferably of relevant industry bodies or institutes identified by them.

Eligibility Criteria for Candidates/Students

- i. Candidates must have secured the requisite percentage of marks in the qualifying examination prescribed for admission into the desired courses/recruitment examinations.
- ii. Only candidates belonging to the minority communities, having total family income from all sources not exceeding Rs.2.50 lakh per annum, will be eligible under the scheme.
- iii. Benefits of coaching/training under the scheme can be availed by a particular student once only, irrespective of the number of chances he/she may be entitled to in a particular competitive examination. The coaching/training institution will be required to take an affidavit from the student that he/she has not taken any benefit under this scheme earlier. In case, where the examination is conducted in two stages i.e. preliminary and main, the candidates will be allowed to take coaching of the preliminary as well as the main examination, but coaching for the main examination will be allowed only to those who have qualified in the preliminary examination for the year concerned. Students covered under the scheme shall have to attend all classes. In the event of any student remaining absent for more than 15 days, without any valid reason or leaving the coaching/training midway, the entire expenditure incurred on the candidate will be recovered from the institute concerned.
- iv. 30% of the numbers sanctioned for coaching/training shall be earmarked for girl students/candidates. It may be transferred to boy students only in case girl students meeting the standards for coaching/training set by the institute were not available.
- v. The grant-in-aid released by the Ministry shall be deposited directly into an account

opened by the institute for this purpose. The grant-in-aid shall be released as per norms prescribed in the General Financial Rules and by the Ministry. Funds will be released to the institutes in two equal installments. The first installment shall be released once the list of selected students/candidates to be coached/trained is furnished by the institute to the Ministry of Minority Affairs and also placed on the website of the institute. The second installment will be released only on successful completion of the coaching/training course, submission of list of students/candidates and their result and outcome or placement status in the prescribed proforma. The application for release of second installment for all institutes, other than government institutes & universities, should be recommended by the State Government.

- vi. Funds will be released in subsequent years after inspection of the organization by the Central Government/State Government or any other agency designated by the Ministry.
- vii. Sanction of proposals will depend on the level of success rate of the coaching institutes in competitive examination and placement rate of training institutes for jobs in private sectors in previous years.

5.3.5 Multi-Sectoral District Development Programme for Minority Concentration Districts

Objective

The programme aims at improving the socio-economic parameters of basic amenities for improving the quality of life of the people and reducing imbalances in the MCDs during the Eleventh Five Year Plan period. Identified 'development deficits' would be made up through a district specific plan for provision of better infrastructure for school and secondary education, sanitation, pucca housing, drinking water and electricity supply, besides beneficiary oriented schemes for creating income generating activities.

Absolutely critical infrastructure linkages like connecting roads, basic health infrastructure,



ICDS centres, skill development and marketing facilities required for improving living conditions and income generating activities and catalyzing the growth process would also be eligible for inclusion in the plan.

90 minority concentration districts have already been identified by government which are relatively backward and falling behind the national average in terms of socio-economic and basic amenities indicators. These districts have a substantial minority population and are backward, with unacceptably low levels of socio-economic or basic amenities indicators, requiring focused attention and specific programme intervention.

This initiative will be a joint effort of the Centre and the States/UTs for inclusive growth to accelerate development process and improve the quality of life of the people. The scheme aims at focused development programmes for backward minority concentration districts to help reduce imbalances and speed up development.

Implementation:

It is proposed to implement the MSD plan for MCDs with the objective of completing them during the Eleventh Plan period.

The Department in the State/UT dealing with minority affairs/welfare shall monitor preparation of the multi-sectoral development plans for the districts and DPRs by the line departments/agencies assigned projects. It shall also forward projects and clarifications made by the line departments/agencies, ensure proper implementation of the sanctioned projects, monitor each individual project, report the progress of implementation of projects and the district plan to the State Level Committee for implementation of the Prime Minister's New 15 Point Programme for the Welfare of Minorities and the Ministry of Minority Affairs.

The programme will be implemented by the Panchayati raj institutions/line departments/agencies/Scheduled Area councils in accordance with the implementation

mechanism in practice in the State/UT.

5.3.6 Scheme for Leadership Development of Minority Women

Objective

The objective of the scheme for leadership development of minority women, including their neighbors from other communities living in the village/locality, is to empower and instill confidence in women, by providing knowledge, tools and techniques for interacting with Government systems, banks, and intermediaries at all levels. The life of majority of women in the traditional settings is of daily drudgery and their hardship is further compounded by non-availability of infrastructure and services relating to civic/basic amenities and socio-economic conditions. Unless women stand up and fight for their rights, mitigation of their hardship may take time. The scheme is envisaged to reach out to women through non-governmental organizations/organizations/institutions who will be provided with financial support for conducting leadership development trainings so that women are empowered and emboldened to move out of the confines of home and community and assume leadership roles and assert their rights, collectively or individually, in accessing services, facilities, skills, and opportunities besides claiming their due share of development benefits for improving their lives and living conditions.

Leadership

Leadership, in the context of this scheme means, empowerment of women from the minority communities and emboldening them to move out of the confines of their home and community and assume leadership roles and assert their rights, collectively or individually, in accessing services, facilities, skills, and opportunities besides claiming their due share of development benefits of the government for improving their lives and living conditions.

Community based organization/non-governmental organization/institutions

Nurturing/hand holding service envisaged in the scheme of leadership development of minority women linked with advocacy is a field intensive activity. It requires continuous involvement and availability of facilitators at the doorsteps of the target group. The personnel of the organisation implementing the scheme would be required to visit the village/locality periodically for providing nurturing/handholding service to the group of women imparted leadership training so that they are guided in the use of tools and techniques taught to them and are able to extract the benefit from their efforts. Such field intensive activities are best suited for highly motivated and dedicated community based organizations. Due to the very nature of women's household activities requiring them to stay close to their home, it is important that the organization implementing this scheme have the experience, personnel and resources to carry out trainings in the village/locality where the women reside. The organization should also have prior experience and resources to arrange residential training in recognized Government training institutes for women who fulfill higher educational requirement. It is therefore necessary that organizations having the reach, motivation, dedication, manpower and resources to carry out such trainings in the villages/localities and also arrange residential training courses in recognized Government training institutes only are eligible to participate.

Implementation

The leadership development training scheme shall be implemented by the Ministry of Minority Affairs through Organizations. The selected organizations may implement the project directly through their organizational set-up or through smaller organizations operating in the locality/village/area.

Leadership development training modules

The leadership training modules should invariably cover issues and rights relating to women, education, employment, livelihood etc. under the Constitution and various Acts; opportunities, facilities and services available under the schemes and programmes of the



Central Government and State Government in the fields of education, health, hygiene, nutrition, immunization, family planning, disease control, fair price shop, drinking water supply, electricity supply, sanitation, housing, self-employment, wage employment, skill training opportunities, crime against women etc. It should also cover role of women in Panchayati Raj and Nagar Palika, legal rights of women, Right to Information Act (RTI).

5.3.7 National Fellowship Scheme

Objective

The objective of the Fellowship is to provide integrated five year fellowships in the form of financial assistance to students from minority communities, as notified by the Central Government to pursue higher studies such as M. Phil and Ph.D. The Fellowship will cover all Universities/Institutions recognized by the University Grants Commission (UGC) under section 2(f) and section 3 of the UGC Act and will be implemented by the Ministry of Minority Affairs through UGC for students belonging to the minority communities. The fellowship under Maulana Azad National Fellowship for minority students will be on the pattern of UGC Fellowships awarded to research students pursuing regular and full time M. Phil and Ph.D courses. The fellowship holders under this Fellowship will be known as Ministry of Minority Affairs scholars.

Scope of the Fellowship

The Fellowship will cater to the requirements of the minority community students pursuing research studies leading to regular and full time M.Phil and Ph.D courses only and equivalent research degree in universities, research institutions and scientific institutions within India. This will enable them to be eligible for employment to the posts with M.Phil and Ph.D as pre-requisites, including the posts of lecturers in various academic institutions.

Implementing Agency

UGC will be the nodal agency for implementing the Fellowship. UGC will notify the Fellowship by releasing suitable advertisement in the newspapers, internet, webpage &



other media.

5.4 Schemes implemented by State Minority Commission

Rajasthan Minority Finance and Development Cooperative Pvt Ltd. Jaipur has been set up by Government of Rajasthan so that Minority that has been notified by the Government of India i.e. person belonging to poor families of Muslim, Sikhs, Christian, Budh and Parsi community are provided loan on subsidized interest for their socio-economic development and for promoting self employment or commercial courses that lead to self employment.

The state Government undertake the whole establishment expenses incurred on the corporation as grant in aid and the 10% of the project amount to be given to the applicants as a loan. Rajasthan Minority Finance and Development Cooperative Pvt Ltd., give the loan to the applicant against the guarantee of the State Government which was provided to the corporation as a loan.

The main objective of the corporation is to propagate the commercial institutions and women who are from the weaker section of the society for their economic and development activities.

Target/ Goal

Rajasthan Minority Finance and Development Cooperative Pvt. Ltd., Jaipur targets at people belong to minority's community living below the poverty line. As per the Minorities Commission Act 1992, the Muslims, Sikhs, Christian and Parsi are belong to minority community. Any applicant from this community and whose income from all sources is less than Rs. 39,500/ in rural areas and Rs.54,500/ in the Urban areas come under the purview of this scheme.

5.4.1 The programme and schemes launched by the Rajasthan Minority Finance and Development Cooperative Pvt Ltd are as follows

A. Loan Schemes

(i) Term Loan Schemes

The corporation's aim is to provide employment to maximum peoples from its limited resources. Therefore, the schemes which are less than Rs. 1 lakh has been provided 70% as loan but the prior approved schemes of the corporation may be considered for loan up to Rs. 5 Lakh. 85% of the approved scheme has been borne as loan by NMDFC, 10% by the State Govt. and rest of the 5% is to be borne by the applicant. The rate of interest to be charged by the applicant is 6% per annum on diminishing balance. Under the Periodic Loan Schemes any one from the said community can be provided loan facility for the following categories which as of commercial use and technically helpful to the entrepreneurs.

- a. Agriculture and Allied areas
- b. Technical business
- c. Small entrepreneurs
- d. Handicraft business
- e. Services and transport sector

(ii) Education Loan Scheme

The education loan is open for an applicant between the age group of 16-32 years and whose family income in rural area is not more than 39500 per annum and in urban area Rs. 54500/-. The scheme is applicable to vocation technical studies that lead to self employment and whose maximum period is 5 years and is approved by State Govt./Central Government and or its agencies. The maximum loan under the scheme is 2.5 lakhs and not more than Rs. 50000/- per annum.



B. Promotional Scheme

1. Commercial Training

The scheme is sponsored by N.M.D.F.C. so that the people from the Minority Community can be helped to increase the commercial skills and can get technical and practical experience for new ventures. Under the scheme, in the state the training based on a commercial training programmes recognized by local institutions has been organized and help is provided for generating employment in the concerned areas. The applicant who get such training and is willing to start some business for self is provided the loan from the corporation on priority. The duration of such training programme is six month.

2. Marketing Support to the Handicraft artisans

The financial assistance is made available to individual handicrafts and self service groups to participate in the exhibitions/trade fairs organized by State Governments/Prestigious institutions from time to time at selected place for helping them in marketing and sale for their products on profit. In these exhibitions/Fairs the handicraft products/weaving products can be displayed and sale from handicrafts from minority sections. Such exhibitions are for introduction of customers/buyers and considered useful for marketing, promotion and product development as they help in domestic consumption and export potentials. Under the scheme the registered applicant in the corporation are given free stall, travel expenses etc.

A. Lending Schemes

1) Term Loan Scheme

(The Scheme is for individual beneficiaries and is implemented through the SCAs).

Under the Term Loan Scheme, financial assistance upto Rs. 5 lakhs is considered. NMDFC provides loan to the extent of 85% of the project cost subject to a maximum of Rs. 4,25,000/-. The remaining cost of the project is met by the SCA and the beneficiary,



however, the beneficiary has to contribute minimum 5% of the project cost. Rate of Interest charged from the beneficiaries is 6% p.a. on reducing balance.

Assistance under Term Loan Scheme is available for any commercially viable and technically feasible venture which for the sake of convenience has been into the following sectors:

- a. Agriculture & Allied
- b. Technical Trade
- c. Small Business
- d. Artisans & Traditional Occupation
- e. Transport & Service Sector

2) Margin Money Loan Scheme

(The Scheme is for individual beneficiaries and is implemented through the SCAs)

Margin Money assistance is provided to beneficiaries availing bank finance. Generally Public Sector Banks finance upto 60% of the project cost and seek 40% from the beneficiaries. Under Margin Money Loan Scheme, NMDFC provides loan to the eligible beneficiaries to meet the requirement of margin asked by the bankers. For this purpose, loan upto 25% of the project cost subject to a maximum of 1.25 lacs per unit is available. The SCA and the beneficiary are expected to contribute the remaining amount. Rate of Interest charged from the beneficiaries is 3% p.a. on reducing balance.

3) Educational Loan Scheme

(The Scheme is for individual beneficiaries and is implemented through the SCAs)

NMDFC has introduced the scheme of Educational Loans with the objectives to facilitate job-oriented education amongst the weaker sections of Minorities. The scheme envisages maximum loan of Rs. 2.5 lacs i.e., Rs. 50,000/- every year for pursuing professional and technical courses of duration not exceeding 5 years. Funds for this purpose are made available to the SCAs at interest of 1% for lending to the beneficiaries at 3%. The loan is repayable maximum in 5 years after the completion of the course.



4) Micro Financing Scheme

(The Scheme is for the members of the Self Help Groups and is implemented through the SCAs as well as NGOs)

NMDFC launched the scheme of Micro Financing in 1998 on the pattern of Grameen Bank of Bangladesh and Rashtriya Mahila Kosh under the Department of Women and Child Development in our own country. The scheme envisages micro credit to poorest among poor through selected NGOs of proven bonafide and their network of Self Help Groups. It is an informal loan scheme which ensures quick delivery of loan at the door steps of the beneficiaries with constant follow up. It also envisages a pre-requisite that the beneficiaries are first organized into Self Help Groups and get into the habit of effecting regular savings, however small. Under the scheme, loan upto a maximum of Rs. 25,000/- per beneficiary can be provided. The funds are made available to the NGOs at 1% interest p.a. who further lend to the SHGs at 5% interest p.a. The repayment period is maximum of 36 months.

5) Interest Free Loan for Promotion of SHGs

(The Scheme is directly implemented by the NMDFC through the NGOs)

Financial assistance in the form of Interest Free Loan is provided to the NGOs for promotion of Self Help Groups (SHGs). The maximum amount of loan available is Rs. 2.15 lakhs for promotion of 50 SHGs of about 1000 members. The loan is repayable after one year and is adjusted by way of grant at the rate of 25% of the loan advanced by the SHGs and 5% on their growth of savings (provided the growth in savings is atleast 10% over the last year).

6) Mahila Samridhi Yojana

(The Scheme is implemented through NGOs as well as SCAs)

Under Mahila Smaridhi Yojna, training is given to a group of around 20 women in any suitable craft activity. The group is formed into Self Help Group during the training itself and after the training, micro-credit is provided to the members of the SHGs formed. The



maximum duration of the training is of 6 months with maximum training expenses of Rs. 500/- p.m. per trainee. During the training, a stipend of Rs. 250/- p.m. is also paid to the trainees. The training cost and stipend is met by NMDFC as grant. After the training, need based micro-credit (subject to maximum of Rs. 25,000/-) is made available to each member of the self help group so formed at interest rate of 4%.

7) Minorities Cluster Development Programme

The Ministry of Minority Affairs, Government of India based on 2001 Census, has identified 338 towns in the country, having concentration of Minorities where the Socio Economic Indicators are far below the national average. These 338 towns (Clusters) are spread across 24 States.

This programme is to be organized by the concerned SCAs for which NMDFC would provide necessary support. The project period of each of the clusters will be for 3 years. The concerned SCAs are expected to organize at least the following activities in each cluster in their jurisdiction during 2009-10.

i.	Awareness Camp	1 No.
ii.	Term Loan	Rs.40.00 Lakhs
iii.	Micro Financing	Rs.20.00 Lakhs
iv.	Vocational Training	1 No.
v.	EDP Training	1 No.
vi.	Mahila Samridhi Yojana	1 No.
vii.	A course in Computer Application	1 No.

The SCA would also have flexibility to consider financing under the other schemes of NMDFC viz. Margin Money Loans & Micro Credit through NGOs.

This programme would be in addition to the normal schemes available in these Minority Clusters concerned. The funds allocated to the SCAs would be disbursed under this programme, independent of pending issues under general programme, subject to availability of government guarantee.



B Promotional Schemes**1) Vocational Training**

(The Scheme is for individual beneficiaries, and is implemented only through the SCAs)
NMDFC has introduced a scheme of vocational training for persons belonging to the Minority communities to develop their skills and knowledge with a view to make them competent for wage employment or self employment. Under this scheme, SCAs organize need based vocational training programmes in their States with the help of local recognized training institutions. Such programmes are generally of duration around six months. 85% of the cost of the training is met by NMDFC as grant while remaining 15% of the cost is borne by the SCA. The SCAs are required to pose their proposal to NMDFC on prescribed format for approval and sanction of funds.

2) Marketing Assistance to Craft Persons

(The Scheme is for individual craft persons as well as Self Help Groups and is implemented through both SCAs as well as NGOs)

With a view to support the craft persons in market promotion and sale of their products at remunerative price, NMDFC welcomes proposals from SCAs as well as NGOs for organizing exhibition at selected locations. In these exhibitions, handloom / handicraft precuts of Minority craft persons are exhibited and sold. Such exhibitions also serve the purpose of "Buyer Seller Meet" which is considered very useful for product development and market promotion for domestic consumption as well as exports. NMDFC provides grant for organizing exhibitions after due appraisal of the proposals.

3) Assistance for Design Development / Skill Upgradation

(The Scheme is for the members of the Self Help Groups and is implemented through the SCAs as well as NGOs). In this fast changing world, the people's perception, likings and tastes are changing rapidly. Therefore, the handloom and handicraft items made by craft persons have to be latest in terms of design and aesthetics and competitive in terms of cost.



Craft persons may require exposure to new designs and training to upgrade their skills to meet this challenge. NMDFC welcomes proposal from SCAs as well as NGOs for organizing design development / skill development training programme for the craft persons of Minority communities. After due appraisal, depending upon the merit of the proposals, NMDFC provides grant for organizing such programmes.

5.5 Schemes/ Programs for Handicraft/Handloom Artisans

5.5.1 Babasahib Ambedkar Hastshilp Vikas Yojana

This scheme aims at promoting Indian handicrafts by developing artisan's clusters into professionally managed and self-reliant community enterprises on the principles of effective member participation and mutual cooperation. This thrust of the scheme is on a projected need based integrated approach for sustainable handicrafts development through participation of crafts person's leading to their empowerment.

Components

- Social interventions (Diagnostic survey and formulation of project plan, Mobilization of artisans)
- Technological interventions (Training of trainers, skill upgradation, Development and supply/dissemination of modern improved tools, equipments etc., Design and technological upgradation, Revival of languishing crafts, CFC etc.)
- Marketing interventions (Marketing events, Marketing infrastructure, Publicity and services, International marketing).
- Financial interventions (Margin money)

Eligibility

Financial assistance under this scheme is given to/through the Reputed NGOs/Cooperatives/Apex Co-op societies/Trusts/COHANDS/EPCH/CEPC/MHSC ICT/NCDPD/NIFT/NID/University Dept., DRDA/NISSIET, EDIs, Central/State Handloom and Handicrafts Development Corporations and other related Govt.



Corporations/Agencies, Federation of NGOS/SHGs Consortium etc. registered under proper statute, for sustainable development of identified craft clusters.

5.5.2 Bima Yojana for Handicrafts Artisans

“Bima Yojana” for Handicraft Artisans is in operation since 2003-04 with the objective of providing life insurance Protection to Handicraft Artisans which has two components namely “Janshree Bima Yojana” & “Add-on Group Insurance Scheme” for male as well as female age group of 18 -60 years. The scheme is being implemented through Life Insurance Corporation of India. Under the Janshree Bima Yojana the total premium is Rs. 200/- per beneficiary per annum. This premium is shared by the Ministry (Rs. 60/-), by the LIC (Rs. 100/-) and the remaining Rs. 40/- contributed by the handicraft artisans. In addition to covering risk for Death(Rs.20,000/-Natural death, Rs. 50,000/-Accidental death) & Disability(Rs. 25,000/-), the coverage includes Educational Assistance @ Rs. 300/- per quarter per child for two children of the handicraft artisans for school education of standard IX to XII.

Under The “Add- on Group Insurance Scheme”, the beneficiary artisans and the Government of India equally share the total premium of Rs. 180/- per annum. This component enhanced coverage for Death (Rs. 50,000/- for accidental death) & Disability(Partial- Rs. 25,000/- Permanent Rs. 50,000/-)

Eligibility

All crafts persons, whether male or female, between the age group of 18-60 years is eligible to be covered under the BIMA YOJANA FOR HANDICRAFTS ARTISANS

5.5.3 Credit Guarantee Scheme

The objective of the scheme is to alleviate the problems of collateral security or third party guarantee and remove implements to flow of credit in the handicraft sector. Under this scheme credit guarantee cover of upto 75% of the credit facility is provided subject to maximum of Rs.



18.75 lakhs for the loan upto Rs. 25 lakhs. An amount of Rs. 5.10 Crore has been placed with 7 Regional Coordinator Banks towards guarantee fee. This is expected to facilitate a credit of Rs. 222.50 crore to cover target of 94,000 artisans during 2006-07.

Eligibility

The handicrafts artisans/ manufacturers/ producers who are engaged in manufacturing activities in Handicrafts Sector are covered under Credit Guarantee Scheme.

Training & Extension

The main objective of this scheme is to enhance the capacity building artisans, NGO etc. and to meet the administrative expenditure of Carpet Weaving Training Centre in J&K and 23 cane & Bamboo departmentally run training centres.

Components

Incurring expenditure for conducting field visits/study tours in India and abroad to give exposure to designers and master craftsperson's working in handicrafts sector with a view to enable them to learn and adopt best practices prevailing for promotion and development of handicrafts sector in India. Financial Assistance for capacity building and to conduct awareness-cum-training workshops/seminars for artisans, NGO's etc. in various spheres related to handicraft sector.

Eligible Organizations

The scheme is implemented departmentally as well as through reputed research institutions, registered organizations/public sector units, experts etc. specializing in concerned areas.

5.5.4 Research & Development

The main objective of the scheme is to have a regular system of feedback of economic, social, aesthetic and promotional aspects of various crafts and artisans in this sector and to address the issues arising out of WTO stipulation case.



Components

The components include:

- Surveys/Studies of specific crafts for which adequate information is not available,
- Problems relating to availability of raw material, technology, design, common facilities, etc.,
- Living and working conditions of artisans in specific areas or crafts,
- Market evaluation studies of specific crafts for either domestic or overseas markets,
- Techno-economic feasibility studies and post evaluation of the various promotional projects or programmes undertaken in the handicrafts sector,
- Areas requiring special study for uplift of the weaker sections viz. Scheduled castes and Scheduled Tribes,
- Financial assistance for preparation of legal, para legal, standards, audits and other documentation leading to labelling/certification.
- Financial assistance to organizations for evolving, developing a mechanism for protecting crafts, design, heritage, historical knowledge base, research and implementation of the same enabling the sector/segment to face challenges for utilizing the opportunities of post WTO regime,
- Financial assistance for taking up problems/issues relating to brand building and promotion of Indian Handicrafts and
- Any other problems/issues of specific nature relating to handicrafts sector.

Eligibility

Assistance under the scheme is extendable to an organization registered under any of the statutory Acts (Companies Act 1956, Societies Registration Act 1860, Cooperative Act etc.) or registered with any bodies like DCSSI, Office of the Development Commissioner (Handicrafts), etc. or universities and recognized research institutions. Generally, such assistance would not be extendable to any particular individual unless he is an eminent scholar or a person associated with promotion of handicrafts for a long time.



5.5.5 Export Promotion

The objective of the scheme is to promote export of handicrafts including hand knotted carpets and floor covering from Indian. Initiatives such as identification of handicrafts concentration area for development of exportable products, undertaking research and studies in order to identify markets abroad, taste and fashion, prevailing designs etc., participation in exhibitions etc. and addressing the issues emerging out of the liberalized and post WTO era would be undertaken under this scheme.

Components

- Product Development
- Publicity and Marketing
- Social and other welfare measures

Eligibility

The financial assistance under the scheme is extended to the Central/State Handicrafts Corporations, Council of Handicrafts Development Corporation (COHANDS), Apex Coop. Societies, NGOs registered under Society's Act Trusts, and such other organizations engaged in the development and promotion of handicrafts sector registered under any other Statutory Acts, EPCH, CEPC, NCDPD, IICT, India Exposition Mart, Registered Handicrafts exporters, reputed designers/technologists approved by CEPC/EPCH/Office of the DC (H).

5.5.6 Design & Technology Upgradation

Design & Technology Upgradation scheme aims at upgradation of artisans skills, improvement and diversification of products, development of new design of prototypes, supply of improved/modern equipments to the craft persons, revival of rare crafts to preserve the traditional heritage, preservation of traditional art & crafts of high aesthetic value, etc.

Components

- Financial assistance to Institutes like IICT, MHSC, NCDPD etc.



- Activities of RDTDCs. - DTC in Carpets in J & K and Cane & Bamboo in the country.
- Financial Assistance to Shilp Guru (Heritage Masters).
- Financial Assistance for training under Guru Shishya Parampara.
- Financial assistance for training the trainer.
- Financial assistance for Development supply/Dissemination of Modern Improved Tools, Equipments, Products and Process Technologies.
- Assistance for Design & Technology Development Project.
- Assistance for Integrated Design & Technology Development Project.
- Documentation Preservation and Revival of old and rare and languishing crafts.
- National Award for outstanding contribution in Designs in Handicrafts sector.
- Financial Assistance for Institutions to be set-up under the State Initiatives.
- Financial Assistance for setting up of museum or for already existing museum.

Eligibility

Financial assistance under the Design and Technology Upgradation Scheme is extended to the Central/state Handicrafts Corporation, Apex Cooperative Societies, NGOs registered under Societies Act, Trust, Handicrafts Societies, EPCH, CEPC, COHANDS, NCDPD, MHSC, IICT, Crafts Council of various States, NID, NIIFT, IIT and other reputed institute dealing in handicrafts, renowned designers, technologist, Shilp Gurus National Awardees, Master craft persons, experts having experience in handicrafts.

5.5.7 Marketing Support & Services

The main objective of this scheme is to create awareness of Indian Handicrafts among the masses by organising a number of marketing events in big and small cities, to provide financial assistance to state Handicrafts Development Corporations, Apex Cooperatives and prominent NGOs for opening new Emporia at suitable places to enable the craft persons to have permanent sales outlets for their products, to popularize and publicize handicrafts sector, to provide services in the form of entrepreneurship development programme etc.



Components and Sub-Components

- Marketing Events (Holding of National Handicrafts Expo, Holding of Crafts Bazaars and Holding of Exhibitions)
- Marketing Infrastructure (Setting up of Urban Haat/crafts specific Haat/Local Haats, Opening of new emporia/renovation expansion of existing emporia, Setting up of Craft Development Centres)
- Marketing Services (Holding of Marketing Workshops at National/State/Local Levels programme and Entrepreneurship Development)
- Publicity (Internal Publicity)

Eligibility: Grant-in-Aid

The financial assistance under the scheme is extended to the Central/State Handicrafts Development Corporations, COHANDS, Apex Societies, NGO's registered under Society Act, Trusts and such other organization engaged in the development and promotion of handicrafts sector registered under or any other statutory Acts.

5.5.8 Indian Leather Development Programme

There are various leather clusters in India, which make traditional footwear, toys and other leather items, rich in embroidery and need to be promoted at various forums. These clusters are an integral part of Indian economy and have potential for generating local employment and export. The ethnic clusters and footwear producers need support for improvising their designs as per the changing trends in fashion and marketing support. This component under the ILDP scheme would provide necessary design and product development support and market linkages for the better positioning of the ethnic products to ensure better return to the artisans

Scheme Objective

- Provide livelihood support to the artisan involved in traditional artisan activity involving leather.
- Increase the income of such artisans
- Introducing design development and product diversification to make their products more competitive qualitatively and cost-wise in the domestic and international market.
- Capacity building and training of such artisans to help them keep pace with the changing fashion trend and latest technology
- Providing Marketing support to these artisan
- Encouraging formation of Self Help Groups (SHGs)
- Creating awareness in artisan about micro-finance system, savings schemes, credit facilities from banking institutions etc.

Assistance would be provided in the form of grants-in-aid to Regd. NGOs/ Associations or institutions already working for upliftment of Artisan willing to take up projects on the above lines in different leather clusters. The project would be for a period co-terminus with the 11th Five year plan period.

Areas of Investments for Support to Artisan Funds

- Design development
- Capacity building and training
- Infrastructure strengthening in the target clusters
- Establishing Common Facility centre
- Setting up of Raw Material Bank
- Marketing support
- Participation in domestic and international trade fairs

(The artisans of the clusters under the project would be given exposure to domestic and international market by taking them to such fairs. Department also would nominate a representative of the Department in such fairs)



- Opening Retail outlet to market products of Artisans
- Micro-finance
- Implementation/Administrative expenses of the implementing agency @ 2.5 to 3% of the project cost.

Criteria for Selection

- Number of artisans beneficiary in a project
- Number of artisans beneficiary belonging to below poverty line
- Credibility of implementing agency based on past record
- Design Development capabilities of the implementing agency
- Training capability of the agency
- Strength of the Marketing strategy
- Types of technologies and skill sets planned to be upgraded
- Strength of the proposal
 - Amount of Local support enjoyed by the project coordinator
 - Quality of designers/trainers involved in the project
- Expected productivity increase, if any
- Expected income increase of the artisans
- Cost-benefit analysis

Implementation of the Scheme

The scheme would be widely publicized through DICs. The Department would appraise different projects received from various NGOs or Societies or Associations involved in the trade on the basis of the approved guidelines for the scheme. Thereafter the proposal upto Rs.15 crore for a particular cluster would be decided by the Steering Committee under the chairmanship of Joint Secretary (Leather). Projects above Rs.15 crore would be approved by the Empowered Committee under Chairmanship of Secretary (IPP) having representative of Department of Expenditure/Finance Wing of this Department and the Planning Commission. FDDI, Noida being in charge of overall implementation of the component act as a link b/w the leather clusters NGOs and the Department for the various



projects under the scheme. This help in marketing in r/o the products both at domestic and international level as FDDI has already developed a marketing chain both in India and abroad and new projects will make use of that. After the appraisal of the DPR and approval of the project, fund would be released to the Implementing Agency as per the funding pattern. Department review the progress of the projects with all the implementing agencies once in every three months in the Steering Committee headed by JS(Leather). The Department do the impact assessment study of the project after two years before release of further funds for the projects

5.5.9 Prime Minister's Employment Generation Programme, India

PMEGP was launched to generate employment opportunities by establishing micro enterprises in urban as well as in rural areas. Here are the objectives of this program:

1. Increase artisans' wage earning capacity and contribute to raise the growth rate of urban and rural employment.
2. Provide sustainable and continuous employment to a huge portion of prospective and traditional artisans as well as urban and rural unemployed youth to help arrest rural youth to urban areas migration.
3. To bring widely dispersed traditional artisans/urban and rural unemployed youth together in order to give them opportunities for self-employment.
4. To generate employment opportunities for both urban and rural country areas by setting up new self-employment micro enterprises/projects/ventures.

Nature of Financial Assistance

The approval of this proposal came from Cabinet Committee on Economic Affairs. The subsidy levels or cost limit of units or projects that could be established was extended to the rural areas as well. To ensure inclusive growth, higher subsidy levels are given to those beneficiaries that belong to marginalized society sections like Schedule Tribes, Schedule Castes, Women, Minorities, Other Backward Classes, Physically Handicapped, etc.

Subsidy levels under PMEGP Include:

Categories of beneficiaries under PMEGP	Owner's contribution (of cost of Project)	Rate of Subsidy	
		Urban	Rural
General	10%	15%	25%
Special (including SC/STs/OBCs/Minorities/ Women, Ex-servicemen, Physically Handicapped, NER, Hill and Border Areas)	05%	25%	35%

Eligibility of Beneficiaries

Here is a list of eligibility conditions for those who want to be beneficiaries of this program:

1. Any individual as long as he or she is 18 years old and above.
2. For setting up PMEGP projects, no income ceiling is required for assistance.
3. Beneficiaries should have a standard pass educational qualification at least for setting up project in the manufacturing section costing over Rs.10 lakh and in the service/business sector above Rs. 5 lakh.
4. Only new projects specifically sanctioned under PMEGP is available for assistance under the scheme.
5. Self Help Groups that have not availed of any benefit from other schemes are also eligible for this assistance.
6. Charitable Trusts
7. Production Co-operative Societies
8. Institutions registered under the Societies Registration Act 1860
9. Those existing units (under REGP, PMRY, or other schemes under State Government or Government of India) as well as those units that have previously availed any Government Subsidy are not eligible here.

Implementing Agencies

This scheme is implemented through KVIC (Khadi and Village Industries Commission), Mumbai – this is a statutory body that's created by KVIC Act 1956 with a single nodal



agency at national level. The scheme is implemented through District Industries Centres, KVIBs (Khadi and Village Industry Boards), and State Directorates of KVIC in rural areas.

On the other hand, urban areas implementation is in coordination with DICs (State District Industries Centres) only. As of today, KVIC is coordinating with State DICs/State KVIBs to monitor performance in urban and rural areas. To identify beneficiaries under PMEGP, DICs and KVIC is also involve Udyami Mitras empanelled under RGUMY (Rajiv Gandhi Udyami Mitra Yojana), NSIC, Panchayati Raj Institutions and other reputable NGOs (Non-Government Organizations).

Source of Information: Ministry of Micro, Small and Medium Enterprises (in details), Naresh Kadyan (District Khadi and Village Industries Officer)

5.6 Impact of Various Schemes implemented by Ministry of Minority Affairs- A Review

National Productivity Council has been engaged by Ministry of Minority Affairs since December 2009 to monitor various Schemes implemented through the State Government. The monitoring work has been carried out with the help of specially trained National Level Monitors (NLMs) selected from retired employees of Central, State and Armed Forces across 150 districts of the country. Out of these 150 districts, 90 districts are Minority Concentration Districts (MCDs) and the remaining 60 districts are selected on specified criteria.

A brief summary of the performance of various schemes implemented by Ministry of Minority Affairs across India is given in the following sections:

5.6.1 Impact of Pre-matric Scholarship Scheme

The scheme is getting very encouraging response and a great relief to the minority community people from low income group categories. It is a great motivational factor for parents as well as children to continue education. The support received in the form of scholarship has given them great financial relief and back-up to continue their study. In the absence of the scheme, many children would have discontinued their studies due to poor



financial conditions. Some of the major observations with respect to Pre-matric Scholarship Scheme in the areas of amount allocated, disbursement, and processes involved etc in getting the benefit are as follows:

- a) **Amount of Scholarship:** Majority of the students and parents are of the opinion that the scholarship amount is less. The present amount of Rs.1200 per annum for class I to V and class VI to X may be increased.
- b) **Release of scholarship amount:** One major issue raised by the authorities of various primary and secondary schools is the delay in the timely release of scholarship amount. As a result of the delay, cheques could not be disbursed to the students and many occasions have returned as the students left the educational institution. The delay in the release of scholarship could not provide the timely financial support to the economically backward parents. It has also been reported that some of the students are yet to receive the scholarship for the year 2008-09.
- c) **Complications involved in paper work:** The parents/guardians are required to submit address proof, income proof, caste certificate etc. along with the application form. Poor and illiterate parents can hardly afford the expenditure to be borne to procure these affidavits and certificates.
- d) **Inadequacy of Fund:** Presently, due to limited allocation of funds, all eligible students are not getting scholarship. Even renewal cases are not met with satisfactory numbers. This is leading to discontentment among the students, parents and also the school authorities.
- e) **Process Streamlining:** There is no standard procedure defined for the submission of application, processing of application form and disbursement of scholarship amount. Various procedures are followed in the same district leading to inefficiencies.

5.6.2 Impact of Post-matric Scholarship Scheme

The Post-matric Scholarship scheme is widely appreciated among the parents and students of minority community. The scheme has given the students of minority community the



most sought after financial back up to aspire for higher education. The meritorious students of economically weaker section of the minority community can now continue higher education without putting extra financial burden on their parents with the help of this scheme.

5.6.3 Free Coaching & Allied Schemes

Nowadays, it is very difficult to get through various entrance exams without proper guidance and coaching. Free coaching and allied schemes are quite beneficial for the poor children belonging to the minority communities. The requirement of enhancement of skills and capabilities of these children to make them employable in industries, services and business sector is very essential and it is being taken care of by this scheme. This scheme has got a very low penetration across the districts covered. Out of 129 districts covered during 2010-11, there are only 8 to 10% districts in which either students or institutions have applied under this scheme.

There are instances where institutes imparting coaching are located in the district head quarters only. It restricts their penetration in the remote villages of the district. It is reported that not much coaching institutes are coming forward to avail the benefit of this scheme; as a result, students residing in remote areas of the district remain deprived of the benefits of the scheme.

As there are only a few institutes imparting free coaching, and the number of seats are limited as compared to the number of aspiring students.

5.6.4 Impact of Merit cum means Scholarship scheme

The penetration of Merit cum means scholarship is much higher as compared to free coaching and allied schemes but it is much lower as compared to Pre matric and Post matric scholarship scheme. Some of the major observations reported are as follows:

- a) **Amount of Scholarship:** Under this scheme, a maximum of Rs.30,000/- per annum is provided to the students as scholarship. The scholarship amount



includes a maintenance allowance of Rs.10,000/- for 10 months in a year and Rs. 20,000/- as the course fee. Similar to the pre-matric and post-matric schemes, the beneficiaries of this scheme also are of the opinion that the scholarship amount is less. It is suggested that the entire course fee should be covered under the scholarship so that the students do not face any resource crunch while pursuing higher studies.

- b) **Awareness regarding the scheme:** Awareness regarding this scheme is quite low across the districts under review.
- c) **Irregularities in Process of disbursement:** Few instances of irregularities have been reported in some of the districts while disbursing the scholarship amount.

5.6.5 Impact of Multi Sectoral Development Programme

Multi-Sectoral Development Programme has been designed for the all around development of minority concentrated districts, it covers multiple sector in which development may be needed in the development deficit districts. The major sectors covered under this scheme are as follows:

- A. Education
- B. Skill Education
- C. Health
- D. Anganwadi Centre (AWC)
- E. Drinking Water
- F. Housing Scheme: Indira Awaas Yojana (IAY)
- G. Electricity

The sector wise field observation regarding the implementation of the scheme has been summarized as follows:

A. Education:

Education is a vital sector. Concerted effort is required to increase the level of education in the development deficit district for the all around development of the financially deprived minority community. The scheme focuses on the infrastructural development of the



educational institutions such as construction of additional class rooms, construction of hostel for Girl students etc. The major concerns are given below:

- **Utilization of Fund:** The funds allocated by the Ministry of Minority Affairs under this scheme is meant for utilization in the construction of additional classrooms, girls hostel etc. However, in some of the districts under utilization of fund has been reported.
- **Misuse of Newly Constructed Additional Class Rooms:** It has been reported that the newly constructed classrooms are being used for various purposes other than teaching purposes.

B. Skill Education

Skill education improves the employability of the individual. Due to the poor facilities of skill development and also due to financial constraints, the children of minority community remain deprived of skill education. In order to overcome this problem, component of skill education have been introduced under MSDP.

C. Health

Health is a major concern in the minority concentrated districts. Due to poverty and unhygienic living conditions, they are prone to several kinds of diseases. The situation gets worsened due to non-availability of proper medical facilities in the neighborhood.

- **Improper utilization of Fund:** Some instances of improper utilization of funds have been reported. Funds for new construction has been diverted for some other works on the directions of District authorities.
- **Release of Fund:** The release of adequate funds at the proper time can only ensure the timely completion of the projects. At few places it has been reported that the projects could not be completed on time due to lack of timely release of funds.

D. Housing Scheme (IAY)

Shelter is a basic necessity of every human being. To fulfill the dream of the poorest of the poor, the scheme of Indira Awas Yojana (IAY) was launched. The objective of IAY is primarily to provide grant for construction of houses to members of Scheduled Castes/Scheduled Tribes, freed bonded labourers and also to non-SC/ST rural poor below the poverty line. This scheme has been kept under MSDP so that minority community can be specifically benefitted from the scheme. Beneficiaries are generally satisfied by the scheme. At some of the places, beneficiaries have mobilized additional resources to make the dwelling unit more comfortable and spacious. At some of the places, quite impressive work has been done in the sector. The major problems are as follows:

- **Cost of Construction:**

The IAY houses are serving well for Minority Community for meeting the housing requirements. The cost of construction has gone up due to cost escalation.

- **Availability of Land:**

The scheme has been meant for the weaker sections of the society who have their own land. But it does not cover those belong to landless categories. It has been reported that some provisions should be made for those who don't own land.

E. Drinking Water & Electricity

Safe drinking water is a major concern at most of the places. Poor people belonging to minority population are affected by various diseases because they don't have access to safe drinking water. Now a days, Electricity also, has become a basic requirement. Keeping all these in consideration, this has served in meeting the basic minimum requirements of a sizable segment of minorities.

5.6.6. Awareness about Government Schemes

Majority of the Muslim artisans especially the wage earners are not aware of many Government schemes implemented for their benefit. NPC study team observed that the



extension activities undertaken for promotion of various developmental schemes aimed at Minorities and Handicraft/Handloom are not reaching the target groups. Majority of the Muslim artisans do not participate in Government sponsored development programmes due to the negative image of the Government and also the bad experience of bureaucracy while availing the Government schemes.

5.6.7 Unavailability of Easy Finance

Many of Minority community members are illiterate to understand the intricacies of filling a form etc. During the field survey it was found that a number of Muslim Artisans have taken loan from the Land-lords or Zamindars at very high rates of interest. As a result a major segment of their finances are used for repaying the loan. The illiterate Muslim artisans often avoid visits to banks due to ill-treatment of the bank officials since they can't fill the forms properly or due to long hours of waiting or due to loss of pay from the work for the day. Muslim artisans don't have enough money and infrastructure to set up their own machine and arrangement to work independently and buy the raw material and sell the finished product. Though the Ministry of Minority Affairs and National Minorities Development & Finance Corporation (NMDFC) have been implementing various money lending schemes like Micro financing scheme, Term loan scheme etc., these schemes are not reaching most of Muslim artisans who are generally wage earners.

5.7 Impact of various Handloom/Handicraft schemes

5.7.1 Impact of Guru Shishya Parampara under Special Handicrafts training project

National Productivity Council has conducted a study on "Evaluation of Guru Shishya Parampara under special Handicrafts Training Project" during the year 2008 for the Office of the Development commissioner (Handicrafts). The objective of the scheme is to provide comprehensive capacity building interventions to artisans aiming up gradation of the skills of existing as well as new craft persons. Though, the study has not specifically targeted to Muslim artisans/craft persons but as significant proportion of the artisans belong to



Muslim Community, this impact of this Government scheme might have reached to Muslim artisans as well.

The report has shown that the implementation of the Guru Shishya Parampara Scheme under Special Handicrafts Training Project has shown positive in transferring acquired skills from Gurus/Masters to Shishya/Artisans in a systematic and orderly manner. The scheme immensely benefitted the overall growth of handicrafts sector at many parts of the country where scheme is in operation.

5.7.2 Impact of Baba Sahab Ambedkar Hastshilp Vikas Yojana

National Productivity Council has conducted a study on "Evaluation of Baba Sahab Ambedkar Hastshilp Vikas Yojana" for the Office of the Development Commissioner (Handicrafts).

According to the study, the scheme has made good progress with respect to majority of the components under the social intervention. A large number of clusters have been identified and self-help groups formed. The number of beneficiaries is also encouragingly large and is increasing.

- The SHG members were seen to participate in the group activities quite actively. There was a great deal of enthusiasm among the SHG members in respect of thrift activities, though the same response was not visible in credit related activities. Lack of business idea might be the main reason for not availing loan from the SHG accounts. The high rate of interest could be the other reason.
- Among the activities under the technical intervention, skill upgradation training and design development workshop were organized in majority of the clusters. The activities like construction of CFCs, distribution of improved/modern toolkits had remained confined to a limited number of clusters. On the whole, less than half of the SHG members had access to common infrastructure and improved tool. In some of the cases the NGOs had arranged these from their own resources.

- Under marketing intervention, exclusive marketing events (e.g. exhibition) were organized for the SHG members. But the number of marketing events organized, as well as the number participating in such events is not impressive, considering the large number of the target groups.
- The group effort in marketing was almost insignificant. Only in few cases any SHG member had taken products from other members of the group to sell in an exhibition, craft bazaar, mela participated by him/her. In fact, the organized joint efforts by the SHG members were almost non-existent in other functions like raw material procurement, arrangement of finance, production etc. In fact, the SHGs had not reached up to the stage where they could produce or market collectively. Majority of the SHG members were working with the NGOs as job workers. Some of them had continued with the independent production arrangement. These craftsperson's were selling their products to the NGOs/ domestic traders. In any case, the group production/marketing has not started so far, except when done for the NGOs.

5.7.3 Guarantor problem in issuance of loan to Muslim artisans

To issue the loan to the Muslims Artisans (beneficiary) one officer need to become the guarantor of the beneficiary. Many officers are reluctant to become a guarantor as it is a risky proposition for them as some times these artisans fail to repay the loan amount within the stipulated time. It is not possible for the artisans to be familiar to the officer of the welfare commission. More over these artisans are asked to produce the residential certificate as well as the caste certificate to avail the schemes or get the loan benefit. These requirements are necessary to be furnished before providing the loan scheme but because of the lack of awareness and the low literacy they face difficulties to get these documents from the concerned departments and this make them more vulnerable to become prey to the agent who provide them these documents at a cost. Under micro credit scheme in order to get a loan of Rs. 25000, Muslim artisans have to take Life Insurance policy worth of Rs. 50000 and open two different accounts, one is Artisans Credit Card and another one is

saving account that must have a minimum amount of Rs. 1200. Annually they have to pay a premium of Rs. 2000-3000 depending upon the age of the artisans. They get around Rs. 15000 as first installment of the scheme. It has also been reported that bank ask them to provide five signed cheques as premium of the LIC in future. Because of their low literacy levels they don't understand the procedures of getting loan scheme. They often get surprised when they come to know that some amount has already been deducted from their account. The artisans demand loan facility free of any other charges. They want the procedures to be made simple so that the loan can be availed easily.

5.8 Conclusion

The Welfare of the workforce engaged in small, cottage and handicrafts work, particularly on Muslim artisans has been given due care in the planning and allocation of various schemes such as Multi-Sectoral Development Programme for minorities in selected minority concentration districts, grants-in-aid to Maulana Azad Education Foundation, provisions for national minorities development and finance corporation and pre-Matric and Post-Matric Scholarships for Minority students.

Actual implementation part of schemes and policies require better coordination and targeted approach. District level coordination of various minority oriented schemes is a must for ensuring effective utilization of fund and ensuring benefits to more and more minorities particularly from the artisan categories.

Given the poor financial conditions of the self-employed persons in the indigenous sector, especially the small, cottage and handicrafts segments, available schemes are inadequately funded and the monetary and physical allocation of such schemes requires regular revision and updating. Overall, targeting backward districts and clusters with cooperation of community leaders and people's representatives from the areas would ensure better implementation of schemes, thereby reducing the disparities of access and attainment.



CHAPTER VI

FIELD SURVEY FINDINGS:

MUSLIM ARTISANS FROM BIHAR, RAJASTHAN & UTTAR PRADESH

6.1 Introduction

In order to understand the real impact of the recent Economic recessions as well as Liberalisation of Indian Economy on the workforce engaged in small, cottage and handicrafts work, particularly on Muslim Minorities of India, field surveys have been conducted among Muslim artisans based at Bihar, Rajasthan and Uttar Pradesh. Field survey covers more than 300 Muslim artisans. About 100 Muslim artisans selected from each of three states and NPC study team interviewed these artisans for getting the relevant information through structured and pilot tested questionnaire (**Annexure 2**). One cluster each from handicraft and handloom products have been selected from each state on the basis of the concentration of Muslim artisan population. Details of these clusters are given in **Annexure 3 & 4**. Moreover, discussions have also been carried out with representatives of artisan's associations/groups and also the officials of State Minority Commissions with the help of a checklist for elucidating their views on the impact of economic recession on the Muslim artisans (**Annexure 1**).

Table 6.1 provides details regarding the total number of Muslim artisans surveyed and the districts/clusters covered in the field survey from each state. Field survey findings have been analyzed separately for the states Bihar, Rajasthan and Uttar Pradesh so that state specific issues can be captured.

Table 6.1 Field Survey Coverage of Muslims Artisans - Handloom/Handicrafts Clusters

S.No	State	Handloom/Handicraft artisans surveyed (Nos)	Districts/Clusters covered under Field Survey
1	Bihar	101	Bhagalpur and Biharsharif
2	Rajasthan	100	Jaipur and Jodhpur
3	Uttar Pradesh	101	Moradabad, Varanasi and Agra

Source: NPC Field Survey June-Sept 2010



6.2 Field Survey of Muslim Artisans - Bihar

Bihar is situated in the North Eastern part of India and is one of the economically backward states of India. Bihar has sizable Muslim population and large number of Muslim artisans engaged in artisanal activities. Therefore, Bihar State has been included as one of the three States selected for the detailed field survey. Field Survey included meeting and discussions with concerned state officials of Minority affairs. In consultation with State and District level Minority affairs officials, about 100 artisans were randomly selected from handicraft and handloom product categories for detailed field survey from Bihar.

6.2.1 General Profile of Respondents- Bihar

Field surveys have been carried out at two major Muslim populated districts such as Bhagalpur and Biharshariff in Bihar. In these two districts/clusters NPC study team interviewed 101 randomly selected Muslim artisans with structured questionnaire (*Annexure 2*). Distributions of sample respondents according to the districts/clusters are given in **Table 6.2**.

Table 6.2 Field Survey coverage - Bihar

District/Cluster	No. of respondents	Percent
Bhagalpur	49	48.51
Biharshariff	52	51.49
Total	101	100.00

Source: NPC Field Survey June-September 2010

The Muslim artisans are mainly engaged in the production of cloth made stuff and leather footwear. About 70% Muslim artisans are engaged in the production of Handloom (Cloth made stuff) and 30% are in the Handicrafts activities. In the cloth made stuff product category they are engaged in the work of tying & dying, Aari-Taari work and silk sarees and silk kurta. While the leather work concerned to the making of footwear mainly the chappal category. These footwear makers also use wooden heel for the footwear. While making these wooden heels they cut the wood and craft it into the desired shape. This

process results in a lot of wood fine particles suspended in the air. Inhalations of these fine wood particles cause the lung problem by choking the breathing system of the person.

Among the Muslim artisans surveyed 30 percent are engaged in handicraft activities while 71 percent are engaged in handloom activities.

Table 6.3 Involvement in Handicraft/Handloom Activities - Bihar

Activities involved	No. of respondents	Percent
Handicrafts	30	29.7
Handloom	71	70.3

Source: NPC Field Survey June-September 2010

Average age of the Muslim Artisans surveyed from Bihar has been found at around 37 years. This shows that younger people are moving away from artisanal activities. This is because of the low income generation possibilities from the Artisanal activities and the drudgery of work involved. Respondents who are involved in these artisanal activities are reported in the age group of 12 to 70 years. The Muslim Artisans are engaged in artisanal activities on an average for over 18 years.

Table 6.4 Average Number of family members involved in handicraft/handloom activities

Average Number of family members involved in handicraft/handloom or other business activity	No. of respondents	Percent
One	82	81
Two	8	8
Three	11	11

Source: NPC Field Survey June-September 2010

Out of the 101 Muslim artisans surveyed, 19 artisans reported that on an average two or more family members are engaged in the handicraft/handloom artisanal or other business activity (Table 6.4).

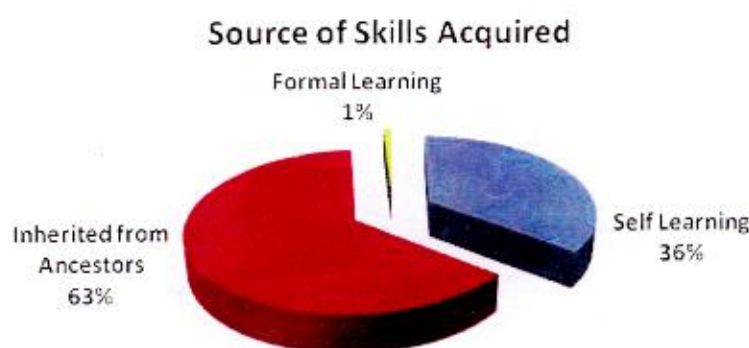
Artisans from both urban as well as rural localities have been included in the field survey. NPC study team planned to cover about 50 percent respondent each from both the localities for better understanding of their condition at urban as well as rural areas. Wage

earners comprise about 82.1% of the surveyed artisans while 17.9% are self employed (Table 6.5).

Table 6.5 Type of Employment – Bihar

Employment	No. of respondents	Percent
Wage Earner	83	82.1
Self Employed	18	17.9
Total	101	100.0

Source: NPC Field Survey June-September 2010



About 63 percent artisans have acquired their skills from their Ancestors while 36% acquired their skill through self learning. Most of them haven't received any type of formal training to enhance their skills. This is also an inhibiting factor for product innovations and introduction of new technologies in the production process leading to more attractive and fancy products and higher demand in the market.

Table 6.6 provides the educational profile of the Muslim Artisans. It may be noted that about 47 percent of the Muslim artisans are Illiterate, 35% are having Primary level and only 8% are Graduates.

Table 6.6 Educational Profile of the Respondents- Bihar

Education	Percent
Illiterate	47
Primary	35
Senior Secondary	10
Graduation & Above	8

Source: NPC Field Survey June-September 2010

6.2.2 Educational Status of Children of Muslim Artisans – Bihar

From the NPC field survey conducted during June –September 2010, it is estimated that on an average a Muslim handicraft/handloom artisan has three numbers of children. The educational status of the children of Muslim artisans in Bihar is quite poor. The artisans are of the view that “padh likh kar kya karega aakhir kaam toh yahi karna hai, iss liye padai mein time kyun barbaad karna”. During field survey NPC study team observed that the children, who go to the school, are also involved in the artisan work. Children do not get ample time for study.

6.2.3 Impact of Economic Recession on Employment- Bihar

It may be noted from Table 6.7 that employment has been adversely affected during 2006-07 to 2009-10 period. Number of skilled males and females involved in the artisanal work declined considerably. Many Muslim artisans wish to shift the profession due to insecurity of job and low income. Many of them prefer to do work in the construction field.

Table 6.7 Employment during the period 2006-07 to 2009-10- Bihar

Year	Average number of workers employed by self employed artisans units (in Numbers)			
	Skilled male	Skilled Female	Unskilled male	Unskilled Female
2006-07	17	8	3	2
2007-08	14	3	1	1
2008-09	14	3	1	0
2009-10	15	3	3	0

Source: NPC Field Survey June-September 2010



During the field survey NPC study team observed that if adequate skills are imparted to females and transportation facility is improved then unemployment level among Muslim artisan can be significantly reduced.

Table 6.8 shows that the average annual income of the Muslim artisans during the last four years. The average annual incomes of Muslim artisans (wage earners) decreased in the year 2007-08. This is the same case with those who are self employed or those who have own business. The income of them in last year is increased but it is not proportionate to their expenditure on food items. From the **table 6.8**, it is observed that the adverse impact of Economic Recession was mainly felt in 2007-08 on both types of Muslim artisans (wage earner as well as self employed). Main source of livelihood for the artisans are from artisanal work. Due to the economic recession many artisans left their job and migrated to urban centres and got involved in other activities in last two years. Irregularity or delays in the payment is also one of the major reasons for their job shifts to other professions. Middle men and exporters were giving them their money after selling the products as a result they have to wait till the products are sold for payment.

Table 6.8 Average annual Income: Employment category wise – Bihar

Type of Employment	Average Annual Income per Artisan from artisanal activity (Rs.)			
	2006-07	2007-08	2008-09	2009-10
Wage Earner	30109	31650	32969	33219
Self Employment/Business	43878	43277	42150	48044

Source: NPC Field Survey June-September 201

6.2.4 Impact of Economic Recession on Living Standard of Muslim Artisans- Bihar

Table 6.9 Income vs. Expenditure on food items during 2006-07 to 2009-10 – Bihar

Activities	Average Annual Income per Artisan (in Rs)			
	2006-07	2007-08	2008-09	2009-10
Average annual Income	34105	35495	35618	37047
Percentage Increase in income (%)		4.08	0.35	4.01
Average Expenditure on food items	30250	35973	40723	37216
Percentage Increase in food expenditure (%)		18.92	13.20	-8.61
Percentage of income spent on food items (%)	88.70	101.35	114.33	100.46

Source: NPC Field Survey June-September 2010



Table 6.9 reports information on average income and food expenditure incurred by Muslim artisans. The average annual income of the artisans in Bihar has increased marginally from Rs 35495 during 2007-08 to Rs 35618 in 2008-09, but at the same time their annual expenditure on food items increased from Rs 35973 to Rs 40723. In the recession period the percentage of food expenditure of income had been more than income. However during 2009-10 the conditions have slightly improved as the income of the artisans increased by 4%.

6.2.5 Impact of Economic Recession on Marketing - Bihar

Muslim artisans reported that they generally sell their products at local market or domestic level. They also sell as well portion of their products to whole-salers. Therefore, we can presume that a major segment of the products are sold in the district only. Co-operatives societies and state handicraft/handloom corporations are not so active among the Muslim artisans hence they are forced to sell their products to middle men or whole-salers. As a result they are not getting proper price of their products.

Table 6.10 Difficulty in Marketing/Selling the products- Bihar

Type of Difficulty	Respondents (%)
Growing Competition	13
Continued low return	50
Scarcity of raw materials	1
Competition from machine made products	3
No difficulty	27

Source: NPC Field Survey June-September 2010

Muslim artisans are facing a number of difficulties as mentioned in Table 6.10 while marketing/selling the products. The main reason is that they are getting continued low return for the last few years. Some of them (27%) are having no difficulty whereas 13% are having problem with Growing competition.

Table 6.11 Do you get bulk orders from cooperative societies- Bihar

Response	Percent
Yes	5
No	73
Not applicable	22

Source: NPC Field Survey June-September 2010

Around 73% of the artisans do not get any bulk order from the co-operative societies; only 5% of them got the bulk orders (Table 6.11).

Table 6.12 Financial Assistance received for meeting in the bulk orders- Bihar

Response	Percent
Yes	20
No	60
Not Applicable	20

Source: NPC Field Survey June-September 2010

As regards to financial assistance received for starting work for bulk order only 20% present of the artisans reported in the affirmative (Table 6.12).

Table 6.13 Demand patterns for the product during last two years – Bihar

Change in Market	No. of Respondents (among self employed artisans)
Increased	11
Decreased	63
No change	22

Source: NPC Field Survey June-September 2010

The muslim artisans were quizzed with respect to the demand patterns for the self-employed artisans (Table 6.13). About 63% respondents were of the opinion that the market demand decreased whereas 11% reported an increase in demand.

6.2.6 Infrastructure availability to Muslim artisans

Most of the infrastructure facilities are lacking in artisan clusters. The artisans require transportation facility for the transportation of finished goods to the market at a reasonable fare. Cooperative societies, exporter and traders can evolve a mechanism for cheap transport of artisan's products to the market.

6.2.7 Awareness about Government Schemes

During the field survey it was found that a number of muslim artisans have taken loan from the Land-lords or Zamindars at very high interest rates. Due to which whatever little profits left after selling their products got drained to the middlemen or money lenders.

Therefore, the focus for the Government should be on the promotion of education and awareness through door to door campaign or group discussions.

The illiterate Muslim artisans often avoid visits to banks due to ill-treatment by the bank officials since they can't fill the forms properly or due to long hours of waiting or due to loss of pay for the day. Government has to take cognizance of their problems, so that necessary remedial action can be taken and more Muslim artisans can avail the benefit of the schemes.

6.2.7 Field Observation Report – Bihar

Bhagalpur and Biharshariff districts have been selected from Bihar based on Muslim artisans concentration after due consultations with Bihar Minority Commission.

Bhagalpur is world famous as Silk City for its silk production. The silk industry in this city is more than 200 years old and a whole clan exists who are producing silk for generations. Bhagalpur is also known for its sericulture activities, silk yarn production and weaving activities. Tussah or Tashr Silk is produced here which is of fine quality. Bhagalpur silk is a household name in India and the lovers of Bhagalpur silk fabrics are found all over India. Most of the Muslim artisans are engaged in the manufacturing of silk yarn, tying and dying of the yarn and weaving it into various products. On the other hand at Biharshariff Muslim artisans are mainly engaged in the work of Leather foot wears and wood work required to make the heel for the shoes and the sandals.

Aari & Taari activities (mainly of the silk cloths): This work is carried out with the help of fine needle and it requires not only hard work but also long duration to get finish. These artisans are quite experienced in doing these types of activities. These Muslim Artisans are

prone to eye related problem because of nature of work and poor concern about health as they are economically weak.

Major problems faced by the Muslim artisans in Bhagalpur and Biharshariff district:

1. Electricity Problem

Electricity outage is a major problem faced by the artisans. According to them electricity plays hide & seek game with them. There is often power cut so that they are forced to use diesel generator based powerloom for their weaving works. Due to which it causes air and sound pollution by the power looms.

2. Bank Loans

The respondents felt that the rate of interest for loans is very high and are not much interested to apply for any loan. They also presumed that if anyhow they get the loan then their whole life will be spent for repaying the loan amount. Further, the procedure of loan was highly time consuming that the artisans get irritated from that and according to them the bankers are not taking interest in providing loans to the Muslim Artisans. For taking loan they have to collect so many documents such as Voter- I-card, PAN-card, and Income-tax and so on, also the application form is so lengthy that they couldn't fill it by themselves and in most cases the application forms are in English which they can't understand the forms requirement. So, they have to consult educated persons to fill their form. Most of the respondents were telling that if they have applied for a loan of Rs 50,000, then at the end of the all process they would get only Rs 25,000 or even less.

3. Marketing Support

According to Muslim artisans selling of products in the market was a major cause of concern. They don't have any co-operative society or any proper medium through which the products can be sold directly to the market. At present they are totally dependent on wholesalers, middle-men & exporters for selling their products in the market. They don't have any information to sell their products based on own price

forcing them to sell their products according to the whole-sellers, otherwise the product will not get sold. Many Muslim-artisans left their native places and shifted to Bhiwandi (Maharashtra) doing the same job there because at home they can't get payments in time forcing them to work more than ten hours at less amount at faraway place just because they are getting payment in time. At home they can't get the money in time because the wholesalers can give the payment only after he could sell the product in the market. They are totally dependent on wholesalers because they don't have resources and the wholesalers are providing the raw materials & their job is to prepare the final products, for which they are paid Rs 5/- per piece rate which is continuing the same since 2006 without any change.

4. Education

Most of the Muslim Artisans are either illiterate or having only Madarsa education. This is the main obstacles in their progress. Due to lack of education they are not able to understand properly about the scheme and are easily getting exploited by the local middlemen & local society. Due to illiteracy they don't know the importance of education and are of the view that their child "padh likh kar kya karega aakhir kam to yahi karna hai iss liye padhai me time kyu barbaad karna" (What is the use of wasting time for studies if the person is finally going to do the same job at the end). Those who want to educate their children do not have money for meeting the education expenses. Many Muslim artisans don't have enough financial resources to provide education to their children.

6.3 FIELD SURVEY OF MUSLIM ARTISANS - RAJASTHAN

Rajasthan is known for the traditional art and craft. Traditional art and crafts are carried forward through generations and thus preserved from getting extinct till now. Economic recession in the recent years adversely impacted almost all the sectors in India. Handicrafts and Handloom sectors in India also got affected by the Economic recession. Economic recession impacted their life in two ways. On the one hand artisans engaged in the work faced the low demand of their finished product while on the other hand cost of living



increased. Due to this they have migrated from one sector to the other to earn their livelihood.

From Rajasthan state a sample of 100 Muslim Artisans are interviewed to assess the impact of economic recession. Jaipur and Jodhpur clusters have been selected for the field survey and a sample of 50 Muslim Artisans contacted from each of the clusters for detailed interactions and survey.

6.3.1 General Information about the Muslim Artisans

Based on the field survey by the NPC study team it has been found that the average age of the Muslim Artisans are about 37 years and their average years of experience in Handloom and Handicrafts activities are around 17 years. This indicates that youngsters are not showing much interest in the artisanal activities. One of the reasons for the less interest of the youngsters is the low earning potential of the sector even after day long hard work. Average monthly income of the Artisans has been estimated at Rs. 4484 for the year 2010-11, (based on the field survey by NPC). More over they work more than 10 hours a day to earn this income.

Table 6.14 Educational level – Rajasthan

Category	Percent of Respondents
Illiterate	39
Primary	41
Senior Secondary	15
Graduation & Above	5

Source: NPC Field Survey June-Sept 2010

As shown in the **Table 6.14** around 39% of the respondents are Illiterate, 41% have primary school education, 15% have Senior Secondary and 5% have Graduation and above. Their low education profile is also one of the reasons for their ignorance about various govt. schemes. Because of their low socio-economic profile and awareness they often get exploited by intermediaries and middlemen while preparing the documents required for availing Govt. schemes etc.

Table 6.15 Gender distribution of the respondents- Rajasthan

Gender	Percent of Respondents
Male	85
Female	15

Source: NPC Field Survey June-Sept 2010

Special care has been taken to cover female artisans also as much as possible in the field survey. As shown in Table 6.15 around 85% respondents are male while 15 % respondents are female.

Table 6.16 Activities of the respondents- Cluster-wise

Activities	Number of Respondents		Work category
	Jaipur	Jodhpur	
Handicrafts	5	3	Brass
	5	18	Wood & camel bone
	8	0	Leather footwork
	20	11	Stone work
Handloom	4	21	Cloth made stuff & Saree preparation
	3	2	Carpet weaving
Total	45	55	

Source: NPC Field Survey June-Sept 2010

The artisans are engaged in the activities of Handloom and Handicrafts activities. Around 70% of the respondents are doing Handicrafts activities while 30% are engaged in Handloom activities.

Around 31% of the respondents are engaged in Stone work, 25% are engaged in the cloth made stuff, 23% are engaged in wood and camel bone work, 8% are engaged in the Leather footwork, 8% are engaged in the work of Brass and 5% are engaged in the work of carpet weaving.

Table 6.17 Skills acquired - Rajasthan

Skills acquired through	Percent
Self Learning	9
Inherited from Ancestors	91

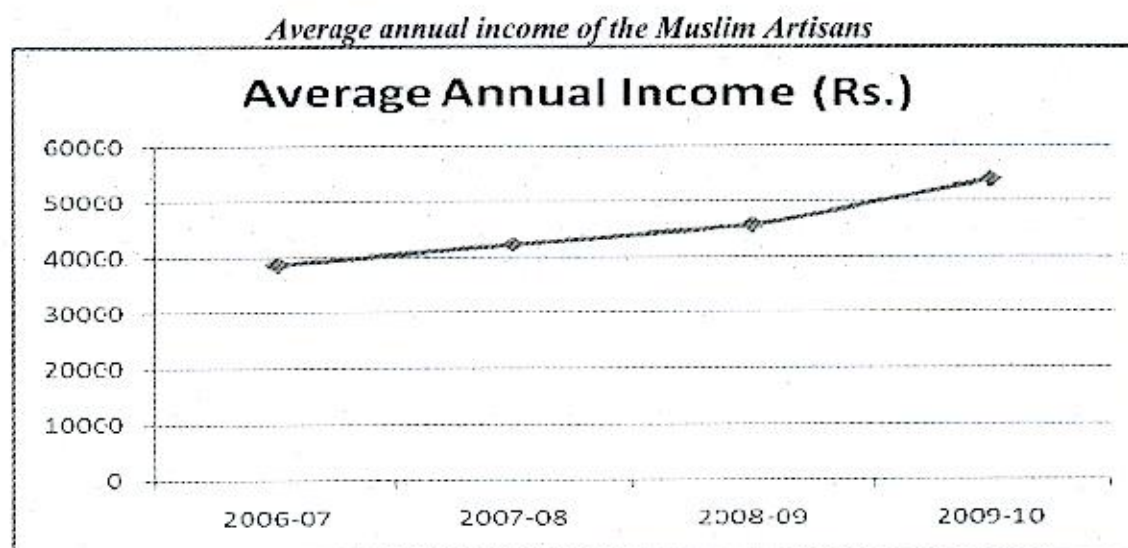
Source: NPC Field Survey June-Sept 2010



As regard to acquiring skills, about 9% reported that they learnt it through self learning while working with skilled Artisans whereas 91% of the respondents acquired the skill from their ancestors. This shows that a large majority of the Muslim Artisans learnt the art and crafts from their ancestors. They are still following the age old method and are not aware of the modern technique and method.

6.3.2 Impact of Economic Recession on Income and Employment – Rajasthan

Economic recession has adversely affected almost all sectors including Handloom and Handicrafts sectors in Rajasthan.



Source: NPC Field Survey June-Sept 2010

From the above figure it may be noted that their average annual income in the year 2006-07 was around Rs. 38690, that has slightly increased in the year 2007-08 and reached to Rs.42240, in the year 2008-09 income further increased slightly to Rs.45710. Annual income in 2009-10 has increased sharply in comparison to the increase in income in the year 2008-09 and reached Rs.53810.

During the economic recession between periods 2006 to 2008, there was slight increase in the annual income. In the year 2009-10 their annual income has increased about 17.72% as

compared to 2008-09 indicating that the negative effects of economic recession has been passed.

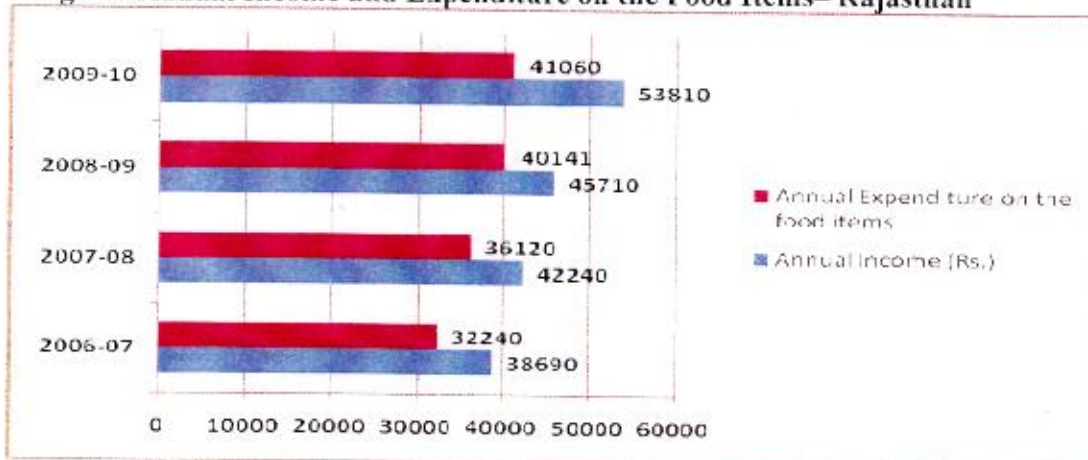
Economic recession affected in two ways first the demand for the finished products decreased and the cost of living has increased. It may be noted from **Table 6.18** that the increase in annual expenditure on the food items for the year 2008-09 was around 11.13% while increase in the annual income was 8.21%.

Table 6.18 Annual Income & Annual Expenditure on the food items – Rajasthan

Year	Annual Income (Rs.)	Increase in the annual income (%)	Annual Expenditure on the food items	Increase in the annual expenditure (%)	Percentage expenditure of Annual Income
2006-07	38690		32240		83.33
2007-08	42240	9.18	36120	12.03	85.51
2008-09	45710	8.21	40141	11.13	87.82
2009-10	53810	17.72	41060	2.29	76.31

Source: NPC Field Survey June-Sept 2010

Fig 6.1 Annual Income and Expenditure on the Food Items– Rajasthan



Source: NPC Field Survey June-Sept 2010

It may be seen from the above **figure 6.1** during 2009-10, substantial increase in annual income has been reported by the artisans. In the year 2006-07, the artisans spent around 83.33% of their annual income on food items while in the year 2007-08 it increased to 85.51% and that in the year 2008-09 it reached upto 87.82% of total income. This shows that they had to spend almost all their earnings to meet food expenditure during 2008-09.

It may be noted that during the recession period between 2006-2008 the annual income was barely sufficient to meet food requirements and they hardly save any money for other needs. In the year 2009-10 their earning increased substantially and they could utilize around 24% of their annual income for other than food requirements.

Area coverage of their business – Rajasthan

Almost all the artisans interviewed said that they mainly focus on the local market upto the district level for selling their products. Major reason for this is the inadequate business network as majority of them work on piece/daily wage basis. Most of the artisans work for the exporters as well as the manufacturers and they are having very low levels of income generation options. As regards to the mode of sale of products and share (%), almost all the artisans sell their finished product to the middle men who supply raw materials and work either on piece rate basis or on daily wages. Finished products are being handed over to middle men. As a result of this they are not much exposed to market scenario.

Table 6.19 Difficulties faced while marketing the products– Rajasthan

Responses	Artisans Response
Growing competition	28
Continued low return	41
Scarcity of raw materials	7
Competition from machine made products	7
No difficulty	2
Others	15

Source: NPC Field Survey June-Sept 2010

About 28% artisans reported growing competition as the major problem from marketing their products while 41% reported continued low return, 7% reported the scarcity of raw material and another 7% reported competition from the machine made products while 15% face other problems.

Table 6.20 Bulk order from cooperative societies– Rajasthan

Response	Artisans (%)
Yes	15
No	85

Source: NPC Field Survey June-Sept 2010



From Table 6.20 it may be noted that 85% of the Muslim artisans from Rajasthan didn't receive any bulk order from the cooperative societies in the recent years. Almost all the respondents who got bulk orders in the recent years didn't receive any financial assistance before carrying out the work.

As regards to the demand for their products about 81% of the respondents felt that there is a decline in the demand for their finished products while 10% opined that there is no change and 9% artisans are of the view that there is an increase in the market demand of their finished products.

6.3.3 Impact of Economic Recession on Muslim Artisans

It has been reported from the field survey that about 40% Muslim artisans migrated from rural to the urban area in recent years (maximum during the period from 2006 to 2008) in search of jobs and livelihood options.

6.3.4 Impact of Economic recession on the Production and Market related activities for the year 2006-2009

Economic recession has badly affected the Muslims Artisans in Rajasthan, as there is decline in demand for their finished products forcing them to look for other options of livelihood. Moreover, it also created disillusionment in the minds of the artisans about the future of artisanal activities.

6.3.5 Field Observations – Rajasthan

During the last few years with the slowdown of the Indian economy and the decline in export markets due to economic recession the artisans had to work hard to earn their livelihood and also to keep the craft alive. During the economic recession i.e 2006-08 demand for the artisanal products declined while the cost of living increased. Government has initiated a number of schemes to support handicraft and handloom artisans, however, many a times the schemes fail to achieve its objectives due to poor advocacy and implementation.

Minority Affairs office - Rajasthan

- Office of Minority Affairs in Jaipur has been separated recently from the Ministry of SC-ST welfare.
- This new office has one Director, One Deputy Director (he is from the ministry of SC-ST welfare on the deputation basis), one Assistant Director, two Clerks, one Support and one Accountant.
- Office infrastructure is yet to be developed and there is not enough officers and staff to effectively manage the activities..
- There is no separate office of the minority commission at Jodhpur and it is operating through the Ministry of SC-ST welfare office. There is requirement of more officers and staff for the proper functioning of the activities.

Brief working profile of the Muslim Artisans

- Muslims artisans are engaged in small scale activity related to the handicrafts and the Handlooms. They get the job from the wholesaler or the exporter on a daily wage basis. They earn around Rs. 3000 to Rs 4000 per month.
- According to the market demand these exporters and wholesalers provide the raw material to the artisans. The artisans earn on daily basis.
- In case of any leave due to personal reasons or bad health they lose the wages on that day leading to more miseries.
- The exporters provide wages around Rs. 100 to Rs. 150 per day depending upon the skill they possess and the finished products are marketed by them.
- Socio economic conditions of the Muslim artisans are very poor and many of them are unable to provide the basic facilities to their families and education to their children. It may be noticed that they are not able to provide new clothes and sweets at the festivals and other such occasions.

Carpet Weavers

- Carpet weavers are working hard work to earn their livelihood. They work around 8-10 hours everyday.
- They learned the work from their ancestors and over the years they became skilled workers.
- Because of the low income generation and the stagnant demand in the national and the international market these carpet weavers are switching their job. This is leading to the extinction of this art form and the skill they posses.
- There are many reasons for the low profile of the carpet weaver in the region. They are not educated enough, they are not aware of any Government support available.
- They don't have enough money and infrastructure to set up their own machine and arrangement to work independently and buy the raw material and sell the finished product.
- Wholesaler and the exporter operate as the intermedaiator to provide them the raw material and the required arrangement to sell the finished carpets.
- These wholesalers and the exporter sold these finished carpet in national and international markets at high prices.
- Carpet weavers takes around two months to finish one carpet of dimension 8X10 Ft. and they earn around Rs. 100 for weaving each inch of the carpet and in this way they earn around Rs. 5000-6000 in a month. Wholesaler and exporters earn a major profit from the sale of the finished carpets and the weavers get only a minor share of the profit.
- The artisans are not literate enough to manage the whole work alone and they need help from the govt. so that they get their share of the profit. They need financial support for buying raw material, machinery, land to setup workshops and market support to sell their finished product. Government support will not only enable them to earn their livelihood but also this will help to save the art from extinction.

Stone/Gem works

- In Jodhpur cluster the number of artisans engaged in the handicrafts activities three years back was around 5000 which has decreased to around 3000-4000 by the year 2010.
- Muslims artisans engaged in the stone work are struggling hard to earn their livelihood. With rising living standards cost and less demand for the products, it is difficult for them to earn their livelihood and provide education and other basic facilities to children. A major portion of the income has been utilized for food expenditures.

Leather work

- Muslims artisans engaged in leather work are not aware of the Government available to them. In order to earn their livelihood they work hard at a daily wages rate of Rs. 100 – 150.
- The working conditions is found to be also miserable as they don't have enough financial resources to develop and maintain the infrastructure.
- There is a lot of scope exists to improve their socio-economic and working condition.
- To get a loan of Rs. 25000 they have to take on LIC worth of Rs. 50000 and open two different accounts, one is Artisans Credit Card and another one is saving account that must have a minimum amount of Rs. 1200. Annually they have to pay a premium of Rs. 2000-3000 depending upon the age of the artisans. They get around Rs. 15000 as first installment of the scheme. It has also been reported that bank ask them to provide five signed cheques as premium of the LIC in future. Because of their low literacy levels they don't understand the procedures of getting loan scheme. They often get surprised when they come to know that that some amount has already been deducted from their account. The artisans demand loan facility free of any other charges. They want the procedures to be made simpler so that it requires less time to avail the loan.

- Because of low literacy levels these Muslims artisans need officials to come to their workplaces or at a common place to inform them about the scheme and how they can avail these schemes.
- To issue the loan to the Muslims Artisans one officer need to become the guarantor of the beneficiary. In this case officer don't show much interest as it is a risky proposition for them as some times these artisans fail to repay the loan amount within the stipulated time. It is not possible for these artisans to be known to the officer of the welfare commission. More over these artisans are asked to produce the residential certificate as well as the caste certificate to avail the schemes or get the loan benefit. These requirements are necessary to furnished before providing the loan scheme but because of the lack of awareness and the low literacy they face difficulties to get these documents from the concerned department and this make them more venerable to become prey to the agent who provide them these documents at a cost.
- To check these malpractices, concerned departments need to issue the required documents to the concerned persons or organize awareness programme need at the taluka, district and state level.
- There is a need for co-ordination of the work of different of the govt. bodies in such a way that they work together in tandem and benefit the target group.
- There should be a representative of the Muslims artisans at the taluka level that work as the information holder and his work is to ensure that all the persons from the community get benefitted from the scheme meant for them.

Camel Bone Works

- The artisans carve camel bones to make different products.
- They work around 9-10 hours to earn around Rs. 100- 150 every day.
- For making different designs on camel bone they carve or cut it with the help of a moving disc. During this process fine particles of the bone gets suspended in the air and is being inhaled by the artisans leading to health problems such as lung

diseases, choking of the breathing system etc.. They take the self curing step and eat a small quantity of molasses. This curing activity marginally checks the choking of the breathing system by absorbing the fine particles of the camel bone and work as a checking agent of the harmful bone dust.

Saree works

- Ladies are major artisans engaged in the saree works.
- They perform this work in their houses during the free time.

Bangle works

- Most of the artisans are not aware of the Government schemes implemented for the welfare of artisans.
- The artisans engaged in Gems and stone polishing work in the region are facing problem of low demand as the exporters have set up their own manufacturing units where the wage rate are slightly higher than the artisan's site. This creates shortage in the supply of skilled labour for the small scale manufacturers.
- Moreover, these small scale manufacturers face problem in getting the raw material at the required time as the exporter buy the raw material at a slightly higher price. After finishing the work these small scale manufacturers are required to sell their finished product to the exporter as they don't have that much market network. In this way exporters control the demand and supply chain.

6.4 FIELD SURVEY FINDINGS FROM MUSLIM ARTISANS – UTTAR PRADESH

6.4.1 General Profile of Respondents

Field survey included 101 Muslim artisans from the districts such as Agra, Moradabad and Varanasi. The area wise sample coverage has been given in **Table 6.21**. These artisans are engaged in the production of a number of handicraft and handloom products.



Table 6.21 District wise coverage of Field Survey

District	Muslim artisans (No.)
Agra	25
Moradabad	26
Varanasi	50
Total	101

Source: NPC Field Survey June-September 2010

These 101 Muslim artisans have been contacted from different handloom and handicraft product categories for the detailed field survey. The product category wise distribution of the respondents is given in Table 6.22. The Muslim artisans produce brass utensils, stone carvings, Leather footwear and cloth made stuff.

Table 6.22 Product category wise distribution of Muslim artisans

Activity	Product category	Type of artisans	District	Respondents
Handicraft	Brass utensils	Brass artisans	Moradabad	26
	Stone carvings	Artisans	Agra	9
	Leather Footwear	Artisans	Agra	16
Handlooms	Cloth made stuff	Silk Sarees weavers	Varanasi	50

Source: NPC Field Survey June-September 2010

Employment profile of the respondents reveal that majority of them are self employed (66.3%) (Table 6.23). Wage earners are about 30 percent of the total respondents.

Table 6.23 Type of Employment of the Muslim artisans

Type of Employment	Respondents	Percent
Wage earner	30	29.7
Self Employed	67	66.3
Wage earners as well as self employed	4	4.0
Total	101	100.0

Source: NPC Field Survey June-September 2010

Respondents have been found in the age group of 20 to 75 years. Average age of the respondents has been estimated at around 37 years. Out of the 101 respondents 90 artisans were hailing from urban locality and only 11 belong to rural locality. Majority of the skilled artisans have acquired the skills either through self learning (62%) or learnt from ancestors (31%). A very few have acquired the skills through formal training (Table 6.24).

Table 6.24 Sources of Skill Acquisition

Particulars	Percent
Self Learning	62.4
Learnt from ancestors	30.7
Formal Learning	6.9
Total	100.0

Source: NPC Field Survey June-September 2010

Table 6.25 Educational Profile of Muslim Artisans

Education	Percent
Illiterate	38.6
Primary	35.6
Senior Secondary	15.8
Graduation & Above	8.9
No response	1.0
Total	100.0

Source: NPC Field Survey June-September 2010

Education profile of Muslim artisans are reported to be very as 38.6% of them are illiterate. (Table 6.25). Out of the 101 respondents 35.6% have completed primary, 15.8% have completed senior secondary and only 8.9% have graduation and above.

6.4.2 Educational Status of Children of Muslim Artisans in Uttar Pradesh

From the NPC field survey conducted during June –September 2010, it is estimated that an average a Muslim handicraft/handloom artisan has four children in the family. The educational status of the children of Muslim artisans of Moradabad district in Uttar Pradesh is relatively better. The artisans are sending their children to the school. Some of the artisans are sending their children to Senior Secondary standard. However, in Varanasi district the education status of children of Muslim artisans are reported to be low.

6.4.2 Impact of Economic Recession on Employment

During the field visits across various districts of Uttar Pradesh, NPC study team observed that a number of self employed Muslim artisans often employ skilled and unskilled artisans in their workshops on a daily basis which has been a major source of employment for Muslim artisans (Table 6.26). This indicates that if the entrepreneurial capacity among the

Muslim artisans is nurtured, it can take care of the unemployment problem to a great extent.

Table 6.26 Employment during 2006-07 to 2009-10

Year	Average Employment per self employed artisans unit (in Numbers)			
	Skilled male	Skilled Female	Unskilled male	Unskilled Female
2006-07	11	10	7	10
2007-08	9	12	7	10
2008-09	10	12	7	10
2009-10	9	12	7	10

Source: NPC Field Survey June-September 2010

Table 6.26 reports that employment opportunities for unskilled Muslim Artisans has remained stagnant since 2006-07 (the year when recession started), whereas the employment opportunities for skilled artisans have increased since 2006-07. During field discussions with Self employed artisans in Kotwa Gaon of Varanasi, which has more than 60,000 muslim silk saree weavers, it was reported that during 2008-09 demand for silk sarees had declined substantially and they were not getting orders. As a result of this a number of skilled artisans migrated to Surat and Mumbai in search of job opportunities and ended up as rickshaw pullers or daily labourers in the construction firms. However, during the last six months they have started returning to their native place as the market started reviving. NPC study found that the one of the self employed artisan was engaged in the manufacturing of embroidered badges for foreign brands, military badges etc., reported that the export orders had gone down drastically during 2007-08. Therefore, the unit was completely relying on domestic orders for survival during 2007-08 to 2009-10 period. However, in 2010-11 the export orders have started picking up. The same condition was observed in Moradabad too. Some of self employed artisans in Moradabad, reported that volume of orders have reduced but they are still retaining their skilled employees for the fear of losing them.

6.4.3 Impact of Economic Recession on Income and Employment

The wages paid to the skilled artisans have not seen much increase despite inflation. For example, the average annual income of the artisans have increased from Rs 60929 in 2006-07 to Rs 69831 in 2009-10 (**Table 6.27**).



Table 6.27 Income from artisanal and other activities during 2006-07 to 2009-10

Activities	Average Annual Income per Artisan (in Rs)			
	2006-07	2007-08	2008-09	2009-10
Artisanal	60929	65328	72647	69831
Others	24000	24000	20000	24000

Source: Estimated from NPC Field Survey June-September 2010

Table 6.28 clearly depicts that the condition of Muslim artisans working on wage basis is not good. Their annual income declined during the study period as it declined from Rs 46181 in 2006-07 to Rs 40108 in 2009-10. It clearly shows that most of the wage earning artisans are badly affected by economic recession. However, the conditions of the self employed artisans and mixed categories are relatively better.

Table 6.28 Average annual Income: Employment category wise

Type of Employment	Average Annual Income per Artisan (in Rs)			
	2006-07	2007-08	2008-09	2009-10
Wage Earner	46181	48300	53636	40108
Self Employment/Business	65410	70148	78240	82127
Wage earner as well as self employment	31333	35333	41666	47666

Source: NPC Field Survey June-September 2010

Silk saree weavers at Varanasi reported that they work on piece rate basis. They get Rs 225-350 for each saree produced. Normally a weaver takes 3 days to weave a saree. But if he works from home he could complete it in 2 days. Even after putting too much effort weavers are earning only Rs 130-175 per day. Because of this low wages the weavers are moving to other employment opportunities in real estate or other works. The same conditions are prevailing in Moradabad too where some brass artisans left the artisanal activity during the last three years because of low income and started working as labourers in real estate firms. Some of the artisans in Agra have opened Mobile repairing shops etc. During the field discussions across various districts of Uttar Pradesh, it was reported that various Government Schemes for Minority and Artisan Development are not reaching the wage earners. Big societies/well known artisans are taking advantage of these Government schemes.

Table 6.29 Average Annual Income and Cost of Production

Activities	Average Annual Income and Average Cost of Production per Artisan (in Rs)			
	2006-07	2007-08	2008-09	2009-10
Income from artisanal & other activities	60929	65328	72647	69831
Cost of Production	355162	364957	395635	380993

Source: NPC Field Survey June-September 2010

During 2006-07 to 2009-10 (period of economic recession) the cost of production has been increasing at much higher rate than that of income of the artisans. The major reason for the increase in cost of production is the increase in prices of raw materials.

6.4.4 Impact of Economic Recession on Living conditions of Muslim Artisans

Table 6.30 Income vs Expenditure on food items during 2006-07 to 2009-10

Activities	Average Annual Income and Expenditure per Artisan (in Rs)			
	2006-07	2007-08	2008-09	2009-10
Average annual Income	60929	65328	72647	69831
Average Expenditure on food items	29737	38885	46137	43976
Food expenditure as percentage of income	48.81	59.52	63.51	62.97

Source: NPC Field Survey June-September 2010

Table 6.30 reports that annual income of the artisans declined during 2009-10. However, expenditure on food items increased considerably from 2006-07. Moreover, the share of food expenditure on income increased from 48.81% in 2006-07 to 62.87% in 2009-10. It clearly indicates that during economic recession (2007-08 to 2009-10) the expenditures of Muslim Artisans have increased at much higher rate than income. As a result of price rise, Muslim artisans are using about 63% of income from food expenditure only. Only 37% of the income is left for other necessary expenditures such as clothing, education, health, etc., as compared to about 51% income available for non-food expenditure a few years earlier.

6.4.5 Impact of Economic Recession on Marketing of Products

Table 6.31 Market Coverage by Self Employed/Business artisans during 2006-07 to 2009-10

Year	Market Coverage (in %)			
	District	State	National	Exports
2006-07	92.79	2.79	1.97	2.62
2007-08	94.24	4.24	0.68	1.02
2008-09	94.24	4.58	1.02	0.34
2009-10	92.67	4.50	2.00	1.00

Source: NPC Field Survey June-September 2010

Muslim artisans depend mainly on domestic market to sell their products. **Table 6.30** clearly shows that exports decreased due to economic recession as it declined from 2.62% of the total production in 2006-07 to 0.34% in 2008-09. However, during the last year i.e. 2009-10 of the study period some improvement in the export market has been noticed as the export market share increased to 1%.

Many self employed Muslim artisans are ignorant about the export procedures. During discussions with various stakeholders it was observed that the artisans do not have adequate knowledge about various markets and they do not explore outside markets.

Table 6.32 Trends in the marketing of product during last two years (period of Economic recession) – Uttar Pradesh

Change in Market	Number of Respondents (among self employed Artisans)
Increased	6
Decreased	53
No change	12
Total	71

Source: NPC Field Survey June-September 2010

Out of the 71 respondents (self employed business artisans) 6 respondents reported increase in market during the last two years while 53 respondents reported decrease in market during last two years. (**Table 6.32**).

Table 6.33 shows that continued low returns and growing competition have been discouraging the muslim artisans from artisanal activity.



Table 6.33 Difficulty in Marketing/Selling of the products

Difficulty in Marketing	Percentage Respondents
Growing Competition	23.76
Continued low return	24.75
Scarcity of raw materials	13.86
Competition from machine made products	5.94
No difficulty	0.99
Others	5.94

Source: NPC Field Survey June-September 2010

6.4.6 Infrastructure available to Muslim artisans

During the field discussions it was observed that the Muslim artisans are very conservative attitude. They do not come forward for taking financial assistance due to the fear of getting into a debt trap. Almost all the Muslim artisans interviewed reported that they are not availing any kind of loans.

The artisans face problems related to availability of infrastructure (e.g., expensive power), raw materials (due to lack of subsidies), and non-availability of credit and absence of marketing support. In the absence of these facilities, the artisans often get exploited by middlemen. The wages given for 'job' work by the middlemen are quite low.

6.4.7 Awareness about Government Schemes

Majority of the Muslim artisans especially the wage earners are not aware of any Government schemes specially designed for the artisans. NPC study team observed that the extension activities undertaken for promotion of minorities and handicraft/handloom developmental schemes are not upto the mark. Most of the Muslim artisans do not participate in any of the Government sponsored development programmes. Negative image of the Government programmes have been embedded in their mind due to previous bad experience. Many of them are illiterate to understand the intricacies of filling a form etc. Quite often they get cheated due to poor educational background. The reach of Minority Commission among Muslim artisans is also reported to be quite low.

Uttar Pradesh state Government has initiated a number schemes for the development of minority communities such as like Kashi Ram swarojgar yojana, margin money schemes,



Powerloom upgradation scheme, Bunkar Behboodi Fund under which the weavers located in rural and urban areas will be given RCC sheds, training to powerloom weavers etc. In this regard National Minorities and Financial Development Corporation (NMDFC) along with State Minority Commission need to increase their extension activities.

Impact of Economic recession on Migration from Rural to Urban area

Table 6.34 Migration during the last two years

Migration during the last two years	No. of respondents	Percentage respondents
Yes	5	4.9
No	96	95.1

Source: NPC Field Survey June-Sept 2010

Only 5 respondents (4.9%) reported that either they or any of their family members had migrated to urban areas during the last two years.

6.4.8 Field Survey findings from Uttar Pradesh- Product category wise

In this section Product category wise various problems/issues faced by the Muslim artisans in Uttar Pradesh are highlighted.

6.4.8.1 Brass Utensils: Moradabad Cluster

- Electricity**

Almost all the respondents demanded that they need subsidized electricity. Earlier they were getting subsidized electricity, but now they are not. They pointed out that the weavers are getting subsidized electricity even today. They generally get electricity connection in different slabs like 2 kilowatt, 3 kilowatt etc. In case of 3 kilowatt connection they have to pay a fixed amount of Rs. 1050 per month even if they don't use it. They also want two months billing cycle instead of one month billing. They are also concerned about the Single Window System; this system is only on papers but not in practice. They also want single ID proof for taking up new electricity connection. Till 2005 there were around 50000-60000 electric meters, this figure has gone up to 150000 in 2009, so the government has to maintain a balance

between the supply and the booming demand for electricity. The claim of the government that subsidized electricity is being provided to the marginalized sections of the society holds little ground as all the Muslims artisans denied that they are getting any subsidized electricity at all.

- **Fuel**

Diesel and Kerosene are the two major sources for the Brass artisans. Till 1984 they were receiving subsidy on diesel and kerosene but now rising prices of both of these commodities have added an extra burden on them.

All the artisans purchase coal from private sellers. If they demand 500 kg of coal they get only around 450 kg, so there is always shortage from the supply side. In terms of quality also the coal is not worth buying, it causes serious damage to the lungs. Government is investing too much on hospitals etc., but is not identifying the root cause for lung diseases. So they want that the coal should be channelized through government shops so that they get good quality coal in exact quantity.

Nut coal is the most important fuel for finishing. They were getting it on subsidy till 1982. Now the artisans demand subsidy on nut coal.

- **Low profit**

All the respondents pointed out that profit are very low from the brass works. They generally spend 70% on raw materials, 20% on fuel and power and 5% on finishing, so the profit is only 5%. Now their profit margins have fallen further with the rising prices of raw material.

- **Technology**

Most of the artisans are still using the old fashioned tools for their artisanal activity. Therefore, quality and quantity of production is low; hence they are not able to supply against large orders and not able to compete with their counterparts in the present scenario. There is a need for technology upgradation so that better quality and larger quantity can be produced to compete with their competitors across the world.



- **Government schemes**

80% of the respondents claimed that they are not benefiting in any way from any such schemes. Overall this deprivation is 85.6%, which simply denotes that the schemes have failed to reach the artisans miserably. Only a small proportion of respondents had benefited from various schemes of the state, indicating that Muslims, by and large, do not receive the attention they deserve from the state planning and implementation authorities. Many respondents are not even aware of any government schemes.

Prime Ministers 15 point program was another ambitious program of the government, which was aimed at the Muslims for their all-round development. But this program has failed to make any impact on them as it has not been implemented properly. But at the same time this is not surprising, as we have seen with numerous other government schemes, which have hardly benefited the Muslim artisans.

- **General Observations**

- Overall findings suggest, Muslim localities in urban India tend to be considerably marginalized and discriminated against in terms of government scheme implementations.
- The role of the middle men is restricted in handicraft activities. Artisans sell their products directly in the market they don't have to pay any taxes or commission to the intermediaries.
- Many artisans fear to export their products as they have to pay tax to the Nagar Nigam as well as sales tax & income tax. Thus they generally sell their products in the local markets.
- Targeting of any government schemes should be accurate so that the neediest people get the benefit. (i.e. Many a times due to improper and inaccurate implementation of the schemes, the benefit reaped are lower than what it would have been otherwise).
- Manufacturers often complain that the exporters sell their products with the tag 'Exporters & Manufacturers'. So the actual Manufacturers don't get the credit on the products which are manufactured by them.

- Artisans have to pay taxes in order to convert raw material into intermediate goods.
- There should be a subsidy on electricity, diesel, kerosene, nut coal etc.

6.4.8.2 Silk Saree Weavers: Varanasi Cluster

Varanasi is a famous traditional centre for carpets, weaving of Varanasi (Banarasi) sari, dyeing, design and Embroidery (Ivory) work. Mostly minority Muslim artisans are engaged in these artisanal works.

1. Education- In Varanasi district, majority of the Muslim artisans do not have formal education in both urban area as well as in rural area. Department of Minority Welfare, Government of Uttar Pradesh, has started several scholarships schemes for minority students, but still the number of beneficiaries are less. Due to low education levels, they are easily exploited by the local business men.
2. The extension activities undertaken for the promotion by the District Minority Welfare office is not commendable. Majority of the Muslim artisans are not aware of the Government schemes.
3. The muslim weavers reported that the Government Schemes are not benefitting them.
4. Margin Money Scheme has been operational in the state under which Rs 50,000/- is given to 40 minority community persons from the districts for starting General Stores, Beauty Parlour and other small works. Rs 7500/- has been contributed by the state minority department, 5000/- is the beneficiary share and rest amount of Rs 37500/- is given by the bank which has to be repaid by the beneficiary at lower interest rates. The money is routed to the beneficiaries through the leading banks selected by State Minority Department.
5. Uttar Pradesh Government has stopped the term loan schemes during the last two years for the rural Muslim population. UP government has started Kanshi Ram Shehri Swarojgar Yojna for minorities residing in urban areas. Officials from Department of Minority welfare reported that it is a useful scheme.

6. There is no co-ordination between Minority Welfare Department, Uttar Pradesh Handloom Corporation. Weavers do not know about the schemes implemented by these departments.
7. UP Government has stopped Kanshi Ram Scheme for Minorities people but for SC it is still running.
8. Weavers have been given Bunkar (weavers) card by DC Handlooms office but they are not getting any benefit. Weavers face lots of problems in getting these cards. The card holders are charged only Rs 70 per month towards electricity charges per month. But most of the time electricity is not available due to outages.
9. Majority of the handlooms are traditional in nature. The weavers reported that under the government Schemes power looms are given only to Societies.
10. For raw material like silk yarn and weaving related raw materials, there is no Government Support/unit to supply these raw materials to weaver artisans at competitive rates. Weavers are forced to purchase the silk yarn from local private market/Gaddidar at high rate. Gaddidar purchases the Mulberry dyed silk yarn at Rs. 1700-1900 Rs/Kg, but they sell it to the artisans at Rs.2500/kg. Weavers do not have enough finance to purchase silk yarns. They purchase silk yarns from Gaddidars on credit basis.
11. Marketing problem -There is no Central or State Government Unit, Centre, Corporation available to purchase Varanasi sari from the weavers at fixed reliable rates. Weavers are forced to sell these sarees to middlemen or local business men at lower rates because they give them the immediate payments. Weavers cannot afford to sell sarees on credit basis as it locks up their money.
12. Handlooms are not available to most of the weavers, Majority of the weavers are working on piece rate basis. They are given Rs 225-350 on each saree. Normally a weaver takes 3 days to produce a saree. But if he works at home he could complete it in 2 days. It means even after putting too much effort weavers are earning only Rs 130-175 Rs per day. Because of this low wages the weavers are shifting to real estate works.

13. Co-operative societies are made for the socio-economic development of artisans but they are exploiting the weaver artisans.
14. Government schemes should directly reach artisans otherwise societies officials will keep exploiting the artisans.
15. One of the major societies employing around 600 weavers reported that during the last four years around 280- 290 weavers had stopped their work and started seeking alternative jobs for survival.
16. No common facility center is available for the weavers. There is no design training for them. Weavers are not using Computer aided Textile designing (CATD) for designs. CATD can increase market acceptability for their products.
17. During the discussions with a unit engaged in embroidery work (exporting Badges for military, other fashionable badges for reputed brands) many of their weavers had left the work and started searching jobs in Surat , Mumbai during 2006-07 to 2009-10 as the unit was not getting orders from Germany , USA & UK. But during 2010-11 the market has started showing symptoms of revival.

6.4.8.3 Leather works: Agra Cluster

A large number of Muslim Artisans in Agra are engaged in the work of Leather foot wears and stone carving. NPC study team has interviewed 25 Muslim Artisans who are involved in Handicrafts works at Shoe factories in Agra and neighboring places.

Handicrafts Works

Over 7200 Small Scale Industrial Units are spread all over the Agra district. About 13000 people are engaged in Handicrafts activities of Zari Zardozi, Marble Stone carving, Inley and Carpets.

Shoe Industry

- The leather industry is among the most traditional and original industries of Agra. More than 1.5 Lakhs pairs of shoes per day are manufactured in Agra by the cottage, small scale and medium scale footwear units.



- There are about 60 organized footwear units, 3000 tiny manufacturing units and about 30000 household's artisans units.
- There are a large number of ancillary industries and supporting footwear industries in Agra. About 65% of total domestic requirement of shoes in India is supplied from Agra.
- There are around 70 export units working in Agra in which two are golden card holders and three are silver card holder units. Total export turn over in Agra is about Rs. 450 crore.
- Some of the leading manufacturers and exporters of leather products in Agra are Dawar Footwear Company, Polyplast Industries, Royal International, Eskay Sales Corporation, Best Buy, Bandejjia Traders and Exporters. It has been found that Muslim artisans who are engaged in leather industry are not holding good positions. They are not getting adequate remuneration for their works.

Problems faced by the Muslim Artisans:

1. To check the pollution in the city government had closed many industries, hence they had to shift the workshops to other places outside the city.
2. They have to wait for one year just to recover their money from middle men after selling their finished products to them.
3. For getting loan they have to submit ITR, Pan Card and other documents which are generally not available with Muslim artisans.
4. Many Government Schemes do not reach directly to artisan.
5. If new schemes are launched many of them can't understand as the forms are in English language.

Education: In Agra district, majority of Muslims Artisans are illiterate in both urban as well as in rural areas. Many schemes have been started by the Department of Minority Welfare, Government of UP that does not reach the minority artisans due to many reasons like lack of awareness about the schemes, difficulty in filling the forms, documents

required, etc., hence many of them do not get the benefits. Due to this, large number of Muslim artisans easily get exploited by the local business men and societies.

6.5 Observation from the Field Surveys: Bihar, Rajasthan and Uttar Pradesh

More than 300 Muslim Artisans have been surveyed from the three states to identify the socio-economic impact of recession on the Muslim Artisans in the recent years.

Muslim Artisans in all the three states surveyed are found staying in quite unhygienic conditions in the Mohallas with no proper drainage system, drinking water, sanitary facilities and no proper medical facilities. During the recession period they hardly managed to save money after spending on the food items. Because of no saving or less saving they couldn't expand their work and also they hardly managed to spend on the other requirements. After 2009-10 their condition has improved as their earnings from the sector has increased as the demand of their work in domestic as well as in international market has improved in the last two years.

Many of Muslim artisans want to impart education to their children, however, due to poor financial conditions they cannot afford to send them to the school and colleges. They are not aware of many schemes available for them in respect of education, health and other such facilities. One of the major causes of their low or negligible awareness about the schemes and the other such facilities for them is their low education profile. One of the causes for their low or negligible interest in availing govt. schemes is the cumbersome procedures and corruption prevalent in the government mechanism.

Procedures followed to provide the schemes are quite tedious and time consuming that work as a hurdle for them to get the benefit. Many of them are illiterate or primary school passed therefore they hardly understand the documentation procedure followed in the departments. At this stage middle men or agents come to their rescue. They provide them the required documents for availing the benefits. And for this they charge them some money. These agents also stay in contact with the officials of the concerned department and ask them not to issue the required document and for this they give some part of their

broker charge. This way a portion of the sanctioned money gets siphoned off to agents and to the officials.

In recent past artisans were adversely impacted due to the economic recession. Demand for their finished products decreased and on the other hand cost of living has gone up. Last few years many artisans could not buy any mobile, TV, fridge and such other things. Work opportunities have declined and they had to work in the other sectors where they faced hard time.

CHAPTER VII

DIAGNOSTIC CASE STUDIES OF MUSLIM ARTISANS: BIHAR, RAJASTHAN AND UP

This chapter provides three diagnostic case studies of Muslim artisans selected from Bihar, Rajasthan and Uttar Pradesh. The case studies focus on to highlight the problems faced by the artisans while pursuing their work.

7.1 Case Study from Bihar

Md. Akbar Alam, Biharshariff, Bihar

Akbar Alam is a resident of Biharshariff and is involved in tying and dyeing work for the last 30 years. He has no educational qualifications. He is an expert on Aari & Taari activities (mainly of the silk cloths). This work is carried out with the help of fine needle and it requires not only hard work but also long duration to get finished. The artisans who are involved in Aari and Taari activities are prone to eye related problem because of nature of work and poor concern about health as they are not economically sound.

The major problems being faced by the artisan in the Biharshariff district are:

Electricity Problem

The situation of electricity shortage is a major hurdle in the working of artisans. There is so much power cut down of electricity that he is forced to use diesel generator based powerloom for their weaving works. Due to which it causes air and sound pollution by using powerloom.

Bank Loans

Md. Alam felt that the rate of interest for loans is very high and because of which he has not shown much interest in applying for the loan. He is of the view that if anyhow he manages a loan then the whole life will be spent in repaying the loan. Further, the procedure of loan was highly time consuming and difficult since bankers are not taking



any interest in providing loans. For taking loan he has to collect so many documents such as Voter- I-card, PAN-card, and Income-tax and so on, also the application form is so lengthy and do not know how to fill themselves since the application forms are in English. So, he has to consult educated persons for filling the form. He is also of the opinion that if he applies for a loan of Rs 50,000, after completing all the process he will get only Rs 25,000 or even less.

Marketing Support

According to Md. Akbar Alam selling of products in the market is a major cause of concern. He is not a member of any co-operative society or any proper medium through which he can sell his products directly to the market. At the present he is totally dependent on wholesalers, middle-men & exporters for selling his products in the market. He cannot sell his products according to his price but has to sell to the wholesalers, otherwise the products will remain unsold. Many Muslim-artisans from his locality left their places & shifted to the other places such as Bhimandi (Maharashtra) and are doing the same job there because they can't get proper money at proper time although they have to work for more than ten hours and they get less amount of their work but they are ready to work there because of they get wages at proper time. In the local area they can't get the money at the right time because the wholesaler provides the money only after product is sold. They are totally dependent on wholesaler because they don't have money & wholesalers are providing the raw materials for the production of various handicraft products.

7.2 Case Study from Rajasthan

Shri Anwar, Jaipur, Rajasthan

Shri Anwar, is a resident of Jaipur and is involved in stone polishing work since last 20 years. He is 40 years old. Jaipur is one of the biggest clusters for stone polishing, where many artisans like Shri Anwar work for their livelihood. Shri Anwar has learnt this artisan activity from his ancestors. He is an expert in his work. Majority of the artisans involved in stone polishing work in this cluster belong to Muslim community.



Impact of Economic Recession

Economic recession has impacted the artisans a lot. In the cluster the number of artisans engaged in the stone polishing work three years back was around 5000 which has decreased to around 3000-4000 in the year 2010. The small unit runs by Anwar provided employment to 35 skilled male in 2006-07 which decreased to just 14 during 2009-10.

Socio- Economic Status

Muslims artisans engaged in the stone work are struggling hard to earn their livelihood. With rising living cost and raw material cost and less demand it became difficult for them to earn their livelihood and provide education and other basic facilities to their children. Major part of Shri Anwar's income gets utilized for fulfillment of their basic necessities. The table given below depicts his socio-economic status. Around 83% of the income goes only to meet the food expenses. So, it becomes unthinkable for him to spend on education.

Year	2006-07	2007-08	2008-09	2009-10
Annual Income (Rs)	30000	33600	36000	48000
Annual Expenditure on food items (Rs)	24000	28000	31000	40000
Percentage of income as expenditure on food items (%)	80	83.33	86.11	83.33

Health Hazards

As the stone polishing work is very minute, it causes strain on the eyes of the artisans. The picture given below shows the artisans polishing stones in the process of making diamonds and gems.



Middlemen- A Marketing Problem

Majority of the artisans clusters are dominated by the middlemen. The benefits and value addition accrued by artisan activity is taken by these middlemen only. Middlemen give artisans stone bricks (raw material) and other inputs required and take back the polished stone from them. In return they are paid Rs 400-500 per piece. One single middleman collaborates with many artisans of the clusters. Middlemen sell these products in the outside markets at very high prices. Shri Anwar even does not know the price of the brick and at what price the stone he polished is sold. He knows about his wages only.



Conservative attitude: A biggest hurdle in implementation of Government Schemes

Though being Graduate, Anwar possesses very conservative attitude. NPC study team was able to interact with him only because another artisan living in his own colony accompanied the field survey team. On asking about not availing any Government Schemes, he replied "We do not want any Government Scheme". He also told that if he goes for availing Government Scheme, his entire day wages would be lost.

Impact of Government Schemes

Reach of Government schemes in Jaipur stone polishing cluster is very low.

7.3 Case Study from Uttar Pradesh

Kotwa Gaon, Varanasi, Uttar Pradesh

Mr. Shabir S/o Late Martuja, Village-Kotwa, PO-Kourat, Varanasi

Kotwa Gaon is a Muslim dominated region and is one of the biggest hub for silk woven fabrics in Varanasi, Uttar Pradesh. More than 60,000 silk saree weavers from Muslim community reside in Kotwa Gaon. Mr. Shabir is an artisan and works in a artisan society which employs about 100 such silk saree weavers from the same village. Many such units are working in Kotwa Gaon.

Impact of Economic Recession

During interactions with Mr. Shabir, it was noted that during the economic recession the orders for silk sarees declined. This business was adversely affected by the economic recession. Many skilled weavers had left their job and migrated to Mumbai, and Gujarat in search of better job opportunities and ended up either as rickshaw pullers or construction workers. The cost of production has also been rising but he was not getting higher price for his products.

Marketing problem

For raw material like silk yarn and weaving related items, there is no Government Support/unit to supply these raw materials to weaver artisans at fixed reliable and competitive rate. Weavers are forced to purchase the silk yarn from local private market/Gaddidar at higher rate. Gaddidar purchases the dyed silk yarn at Rs. 1700-1900 Rs/Kg, but they sell it to the artisans at Rs.2500/kg. Weavers do not have enough finance for purchasing silk yarns. They purchase silk yarns from Gaddidars on credit basis and pay very high interest rates.

No Government Unit, Centre, Corporation is available in the vicinity to provide market support to sell the saree at fixed reliable rate. Weavers are forced to sell these sarees to middleman or local business man at lower rates because they give them immediate



payments. Weavers cannot afford to sell sarrees on credit basis as it locks up their money. There is hardly any market penetration.

Income of the weavers

Majority of the weavers are working on piece rate basis. They are given Rs 225-350 for each saree. Normally a weaver takes 3 days to produce a saree. But if he works at his home he completes it in 2 days. It means even after putting too much effort weavers are earning only Rs 130-175 per day. Because of low wages in the sector many weavers are forced to shift to real estate works.

Impact of Government Schemes

Societies are made for the development of weaver artisans socially & economically but they are exploiting the weaver artisans. Government schemes need to reach directly to artisans otherwise societies and officials will keep exploiting the artisans.

There are so many Madarsas in the village. But these Madarsas are not able to provide quality education.

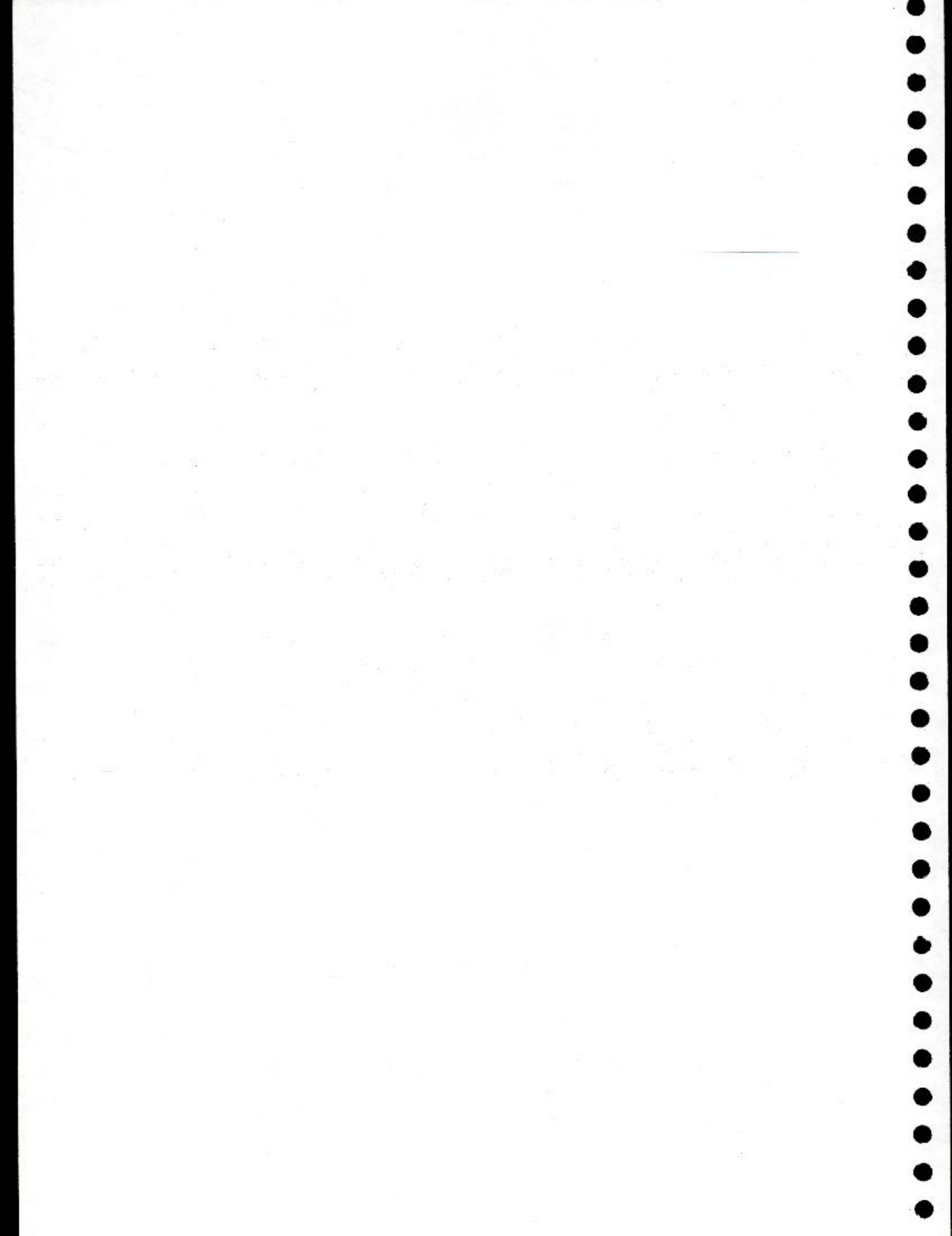
Weavers have been given Bunkar (weavers) card by DC Handlooms office. Weavers face lots of problems in getting these cards. The card holders are charged only Rs 70 per month towards electricity charges per month. But most of the time electricity does not remain there.

Strengthening of Marketing Structure

There is a need to reduce the presence of middlemen in the artisans cluster as they exploit the artisans. There is a need to connect artisans, exporters, importers and retailers in a single supply chain to ensure that they are working together so that business along the supply chain becomes profitable. Each artisan enterprise should be assisted to assess its product and business and to develop actionable marketing plans that define target markets, distribution

Channel strategy, costing and pricing structures, and sales and marketing activities. Targeting local, regional, or export markets, and determining distribution channels require a focused marketing plan.

Artisans new to the global marketplace should be offered a unique opportunity to exhibit in the trade shows like India Handicraft Gift Fair in New Delhi. It is to be ensured that participation in these shows will achieve the highest impact and confidence with buyers.



CHAPTER VIII

RECOMMENDATIONS

8.1 Steps required to cushion the Impact of Economic Recession

Many Muslim artisans are engaged in export oriented units producing Handicraft and Handloom products. The artisans/middlemen faced problems in procuring raw material at reasonable price during the recession period. Due to the decline in market demand especially in the foreign markets during economic recession the artisans/middlemen faced severe problems in selling their finished products. Moreover, the artisans are not much exposed to the marketing of their products so that they can explore markets by themselves. Because of lesser demand of handicraft/handloom products many Muslim artisans/middlemen faced discontinuity in the job orders. Consequently Muslim artisans/middlemen faced the financial crunch and shut down in their units. As a result of the closure of the units many artisans particularly the Muslim artisans lost their jobs and migrated to urban places in search of livelihood.

In order to overcome the Impact of Economic Recession on Muslim artisans various Government interventions are required. Some of the interventions are outlined below:

- Creation of raw material banks/outlet for continuous Raw Material supplies to artisans at reasonable price and quality for catering to timely and perennial supply of the raw material to artisans. Creation of raw material banks at Cluster/state level needs to be undertaken after discussions with respective Artisan Unions/NGOs/SHGs, Ministry of MSME and other concerned government Departments. Scheme for the creation of Special Purpose Vehicle (SPV) is implemented on a cluster basis exists by Ministry of MSME. Benefits of the SPVs may be availed through Artisan Unions/NGOs/SHGs and the facilitation may be undertaken by the state Minority Commission/Ministry of Minority Affairs.

- Many artisans left their traditional artisanal activities and migrated to urban centres for livelihood during Economic Recession. This was due to lesser demand of their products especially in the foreign markets and uncertainties in getting job orders. In order to overcome this problem there is a need to ensure continuous work for the artisans. Special Cells at Cluster/state level needs to be created that would work as facilitating centers for providing assistance in marketing the artisanal products through Artisan Unions/NGOs/SHGs/State Handicraft/Handloom corporations/Cottage Corporation of India and other concerned Government Departments. In order to overcome the problems in selling the products during Economic recession the Special cell should have the provision to buy the artisanal products and sell them when the market condition improves. This would ensure the continuity of job orders for the Muslim artisans.

8.2 Tangible actions and A Way Forward

In the table 8.1 field survey findings, recommendations and a way forward in order to improve the socio-economic conditions of Muslim artisans are provided. Issue wise details regarding productivity, technology infusion, innovation, marketability and income generation are discussed in the table 8.1.

Table 8.1 Field survey findings, recommendations and a way forward

Problem/Issues	Field Findings	Recommendations	A Way Forward
Education			
Illiteracy	<p>Illiteracy is prevalent among Muslim artisans.</p> <p>Children of many Muslim artisans are not attending Madaras/schools</p>	<ul style="list-style-type: none"> ➤ Artisans need to be motivated to send their children to Madaras/schools. ➤ Pre matric scholarships need to be disbursed to students hassle free. ➤ More number of pre matric scholarships need to be sanctioned 	<ul style="list-style-type: none"> ➤ Ministry of Minority Affairs (MoMA) and National Commission for Minorities with the support of community leaders may convince the Board of Madarsa Education in integrating the course curriculum with modern subjects. ➤ Scheme of Pre-Matric scholarship for students belonging to Muslim community would encourage parents from the minority community to send their school going children to school, lighten their financial burden on school education and sustain their efforts to support their children to complete school education

Madarsa education requires better integration with mainstream education	Madarsa education is traditional in nature and lacks elements of mainstream education. Students not able to compete in mainstream job categories.	<ul style="list-style-type: none"> ➤ Madarsa Education requires better and effective integration with modern pedagogy techniques besides religious teachings. The Madarsas need trained mainstream teachers, better coaching of modern subjects (science, computer and humanities) and certainly a modern well structured curricula along with religious teachings so that the employability can be improved. 	<ul style="list-style-type: none"> ➤ Ministry of Minority Affairs (MoMA) and National Commission for Minorities with the support of community leaders may convince the Board of Madarsa Education in integrating the course curriculum with modern subjects. ➤ Further, better integration of modern subjects through free coaching and allied scheme for the Muslim candidates by developing Madarsa to work as institutions for enhancing the skills and capabilities of students to make them employable in all sectors of economy viz. industries, services and government sector. ➤ Concerted Sensitization campaign to send children to schools can also be taken up in Multi Sectoral Development Plan for minority concentration districts instituted by the Ministry of Minority Affairs
Non availability of Govt. Schools for the children of Muslim artisans	Availability of Govt. schooling has been found to be limited in localities/clusters dominated by Muslims.	<ul style="list-style-type: none"> ➤ Priority need to be given to set up more schools in the Areas / localities/clusters with high Muslim artisan density. It will ensure better literacy among the artisan community. 	<ul style="list-style-type: none"> ➤ National Commission of Minorities may take up the matter with the Department/Directorate of School Education at State levels for opening up more schools in the Areas/localities/ clusters with high Muslim artisan density. ➤ The Availability of Govt. school can also be improved through identification of primary and secondary sectors as the high priority sectors in the Multi Sectoral Development Plan for minority concentration districts instituted by the Ministry of Minority Affairs
Madarsa/ school timings not suitable for artisans	Most of the artisans start working as Trainees (shagirds) under the master artisans/ craftsmen at an early age hence discontinue studies.	<ul style="list-style-type: none"> ➤ As most of the artisans start working at an early age, there is a need for incentive in terms of scholarship and stipend which may help in curtailing school dropouts. ➤ Flexible timing can be a major boon for attending madarsa/ schools through a shift system. 	<ul style="list-style-type: none"> ➤ National Commission for Minorities may take up the flexible school timing with the Central and State government Departments. ➤ Schemes like merit cum means scheme instituted at primary and intermediate levels of education can also reduce school dropouts and ensure better literacy.

Non availability of Vocational education	<p>Most of the artisans learnt their skills from their ancestors/masters.</p> <p>Most of the Artisans are producing similar kind of products with minor modifications or without any change.</p>	<p>➤ Vocational training through ITIs, Textile Design & Management Institutions specially in the area of product designing, Apparel Manufacturing, Quality Control needs to be taken up so that skill enhancement and product improvement take place.</p>	<p>➤ National Commission for Minorities needs to pursue the matter with AICTE and Ministry of HRD for providing specialized Vocational training modules through ITIs, Textile Design & Management Institutions specially in the area of product designing, Apparel Manufacturing, Quality Control etc. for the Muslim artisans.</p> <p>➤ Human Resource Development Scheme being provided by Development Commissioner (Handicrafts) under Ministry of Textiles, Govt. of India and Commercial training scheme under NMDFC may be considered for implementation for upgradation of the existing skill as well as to add the additional skill to Muslim Handicrafts artisans through existing vocational institutions/Industrial Training Institutes/Polytechnics etc., who are imparting skill based training for muslim artisans</p> <p>➤ National Minority Development & Finance Corporation (NMDFC) to increase the number of beneficiaries to be covered under the scheme of Education Loan Scheme and Commercial training scheme under NMDFC.</p>
<p>Labour Related</p> <p>Lack of Skill Upgradation</p>	<p>➤ Lack of Trained Manpower</p> <p>➤ Lack of Technical Training</p> <p>➤ Informal training system prevalent in the community</p>	<p>➤ Traditional knowledge and Informal training system may be reinforced with exposure to refresher training programmes, field visits and participatory workshops.</p> <p>➤ There is requirement of involving Artisans through Artisan Unions/NGOs/SHGs and Ministry of MSME for conducting periodic training and workshops in artisan clusters. Further, field visits of exploratory nature would provide exposure to artisans on new production technologies and market requirements.</p>	<p>➤ Human Resource Development Scheme being provided by O/o Development Commissioner (handicrafts) under Ministry of Textiles, Govt. of India and Commercial training scheme under the NMDFC can also be considered for upgrading the existing skill as well as to add the additional skill to Handicrafts artisans through existing vocational institutions/Industrial Training Institutes/Polytechnics etc. who are imparting skill based training for muslim artisans</p> <p>➤ There are scheme such as Guru Shishya parampara implemented by O/o Development Commissioner (Handicrafts) which may be channelized for the skill upgradation of Muslim Artisans.</p> <p>➤ Upgradation of skill through Integrated Handloom Training Programme covered under the Ministry of Textiles, Development Commissioner (handlooms) Technical Training Scheme may also be utilized for the development of artisans</p>

High rate of Attrition & Job Shift (wage workers)	<ul style="list-style-type: none"> ➤ The field survey revealed that the young generation is not finding the artisanal activities attractive. ➤ Many artisans left their traditional artisanal activities and migrated to urban centres for livelihood during Economic Recession. This was due to lesser demand of their products especially in the foreign markets.. 	<ul style="list-style-type: none"> ➤ Youngsters need to be encouraged to take up handloom and handicraft activities as primary source of income. This can be brought about by reduction in drudging of work through the introduction of modern technology, better profit margins and better facilitation. ➤ Marketing Support Services need to be provided to the artisans. 	<ul style="list-style-type: none"> ➤ Human Resource Development Scheme may be channelized for the development of artisans by Training Through Established Institution and by Training in Innovative Designs for the persons involved in Pattern making/Talim writing/Plaster/Rubber Moulds / Block-making etc. ➤ Special Cells at Cluster/state level needs to be created that would work as facilitating centers for providing assistance in marketing the artisanal products through Artisan Unions/NGOs/SHGs and other concerned government Departments and closely monitored by Minority Commission/Ministry of Minority Affairs. ➤ Special Labour laws need to be formulated keeping in mind the need of the artisanal community and standardization of wages on both daily as well as piece rate basis. ➤ Contribution of artisans may be recognized through prize and honorarium to the artisans for their unique products, innovative work, through Artisan Unions/NGOs/SHGs at cluster level. Alternative incentive schemes for sustained higher productivity in terms of artisanal products may be contributed by Ministry of Textiles and National Commission for Minorities. ➤ Bahasahib Ambedkar Hastshilp Vikas Yojana and Deen Dayal Hathkargha Protsahan Yojana covered under the Development Commissioner (handicrafts) and Development Commissioner (handlooms), both under Ministry of Textiles, may also be channelized for the development of muslim artisans
	<ul style="list-style-type: none"> ➤ Salary and wages are not Competitive as compare to manufacturing Sectors 	<ul style="list-style-type: none"> ➤ The present system of wage earnings need to be revised on the basis of value addition in the final product 	
	<ul style="list-style-type: none"> ➤ Lack of HR Policy 	<ul style="list-style-type: none"> ➤ Suitable arrangements for Social Security need to be worked out based on Incentive Schemes for achieving higher productivity 	
	<ul style="list-style-type: none"> ➤ Work Environment 	<ul style="list-style-type: none"> ➤ Availability of proper sanitary and hygiene facilities like rest room, toilets, catering etc 	
	<ul style="list-style-type: none"> ➤ Non-availability of work (sufficient) to labour 	<ul style="list-style-type: none"> ➤ Excess labour (when there is delay in procurement of Raw material) 	
Machinery			
Lack of Automation/Mechanization and need for modernization	<ul style="list-style-type: none"> ➤ Exposure and Adaptability to New Machinery / Technology is a problem 	<ul style="list-style-type: none"> ➤ There is a requirement of transfer of Technology up gradation for reducing drudgery of work. 	<ul style="list-style-type: none"> ➤ Technology Upgradation Fund under the Ministry of Textiles, can be utilized for creation of Technology upgradation may be extended to handloom and handicrafts sector also.

Outdated Technology	<ul style="list-style-type: none"> ➤ Inefficient, High Maintenance Cost, lower productivity 	<ul style="list-style-type: none"> ➤ Exposure to new Energy Efficient Technology and carrying out demonstration of the technology on productivity can help in shifting the artisans from outdated traditional technology to modern one. 	<ul style="list-style-type: none"> ➤ Babasahib Ambedkar Hastshilp Vikas Yojana and Deen Dayal Hathkargha Protsahan Yojana implemented by the O/o Development Commissioner (handicrafts) and Development Commissioner (handlooms), may be utilized to act as catalyst for improving the existing infrastructure available with the artisans for technology upgradation.
Input/Raw Material			
Shortage of Raw material	<ul style="list-style-type: none"> ➤ Requirement of additional raw material banks outlet to supply Raw Material to artisans ➤ Raw materials procurement (Seasonal & affected by natural calamities) ➤ Zamindars/Gaddi dars have been found to exist as middleman and intermediaries in the artisan clusters and have been pocketing major share of price. ➤ Weak Supply Chain Networks 	<ul style="list-style-type: none"> ➤ There is an urgent need for creation of Raw material banks/ outlet for supplying quality raw material to artisans at reasonable price regularly. ➤ Higher concentration of middlemen/market intermediaries have been found existing who influence the artisans working on wage/piece basis. The artisans provide the raw material to the artisans at very high prices and buy finished product. 	<ul style="list-style-type: none"> ➤ Creation of Cluster/state level needs to be undertaken after discussions with respective Artisan Unions/NGOs/SHGs, Ministry of MSME and other concerned government Departments raw material banks/ Govt. outlet for supplying quality raw material to artisans at reasonable price for catering to demand of Artisans. ➤ Mill Gate Price Scheme (MGPS) and Marketing & Export Promotion Scheme (MEPS) implemented by the O/o Development Commissioner (handlooms), under Ministry of Textiles, may also be channelized for the development of muslim artisans. ➤ The influence of Middlemen/market intermediaries may be curtailed through development of suitable formal credit infrastructure such as creation of Artisan Credit Cards, Raw Material banks, Showrooms and proper supply chains. ➤ Scheme for Special Purpose Vehicle (SPV) exists on a cluster basis exists with Ministry of MSME which may be availed through Artisan Unions/NGOs/SHGs and the facilitation may be undertaken by the state Minority Commission/Ministry of Minority Affairs.
High Cost of Raw Material input	<ul style="list-style-type: none"> ➤ Raw material cost has increased substantially in the recent years ➤ Very high (electricity & water), Wages & Salaries 	<ul style="list-style-type: none"> ➤ Ministry of Ministry Affairs along with Ministry of Textiles may regulate the raw material prices in line with Mill Gate Price Scheme. 	
High Cost of Transportation	<ul style="list-style-type: none"> ➤ (Special Vehicles Required) for the transport of raw material and finished products 	<ul style="list-style-type: none"> ➤ Subsidy may be provided to Artisans for the procurement of vehicles for the transportation of raw materials and finished products. 	

Marketing			
Marketing of Finished Products are a problem due to Insufficient Market Information and Knowledge	<ul style="list-style-type: none"> ➤ Artisans are not exposed to the market so that they can identify new markets and understand the market requirements. 	<ul style="list-style-type: none"> ➤ Ministry of Ministry Affairs along with Development Commissioner Handicrafts and Handlooms can evolve appropriate market support mechanisms for Muslim artisans. 	<ul style="list-style-type: none"> ➤ There is requirement of involving Artisans through Artisan Unions/NGOs/SHGs for utilizing the Marketing Support and Services scheme implemented by O/o Development Commissioner (Handicrafts) and Marketing & Export Promotion Scheme (MEPS) implemented by the O/o Development Commissioner (handlooms), under Ministry of Textiles. These schemes may be channelized for the development of Muslim Artisans. ➤ Ministry of Minority Affairs along with National Commission for Minorities may create Special Cells at Cluster/state level in consultation with Artisan Unions/NGOs/SHGs and State Department for Minority welfare. The special cells would work as facilitators for providing assistance in marketing the artisanal products. ➤ National Informatics Centre may be requested to create website for the artisanal clusters and to include a link of such website in the respective district website and the contents of the website may be developed in close coordination with respective Artisan Unions/NGOs/SHGs, Handloom/Handicraft corporations etc. ➤ National Commission of Minorities may direct/suggest the NMDFC to enhance the limit of number of beneficiaries to be covered under the scheme of Marketing help for the handicraft given by National Minority Finance and Development Corporations and State Minority Finance and Development Corporations. ➤ Ministry of Minority Affairs along with the National Commission for Minorities should encourage artisans to constitute Manufacturers and Marketing Cooperatives for marketing their products. ➤ Central & State Handicraft & Handloom Corporations may open their onsite
Poor Marketing and Distribution Networks	<ul style="list-style-type: none"> ➤ Not well developed- Most of the transactions take place with the help of traders and middlemen. 	<ul style="list-style-type: none"> ➤ Suitable Marketing federations and cooperative societies need to be created at the cluster level which may be monitored by State Minority Commissions. There is a requirement of the study of the role of the middlemen in the major artisan clusters engaged in Small, Cottage and Handicraft activities 	
Publicity and Product Promotion	<ul style="list-style-type: none"> ➤ Limited publicity and product promotion strategies being adopted by artisans 	<ul style="list-style-type: none"> ➤ Setting up of Government sponsored showrooms at urban centres with roaster system of product display would enhance the marketability of the products ➤ Crafts Mela, Stand alone shows, road shows mobile display vans etc can also be utilized for the purpose 	

Usage of ICT in Marketing of products from artisans not prevalent	<ul style="list-style-type: none"> ➤ Negligible usage of ICT in Marketing Artisans products 	<ul style="list-style-type: none"> ➤ A dedicated website/ webpage in the district website needs to be Created specifically for each artisan clusters which will portray all the basic features Including: <ul style="list-style-type: none"> • Background of the Sector • Type of handicrafts& handlooms products • Price range • Payment gateway • Product code so that one can place the order online 	<p>procurement centres in the artisan clusters for ensuring market prices for the products made by the artisans</p> <ul style="list-style-type: none"> ➤ National Commission for Minorities may take up the issue with Ministry of Textiles and Ministry of Commerce & Industry, Industry Associations to evolve effective checks on the dumping of cheap substitutes. ➤ National Commission for Minorities may take up the issue with Ministry of Textiles and Ministry of Commerce & Industry, Industry Associations and to encourage artisans to build up brands individually and collectively evolve measures to address this critical issue of import of cheap substitutes and the mechanism to bring the handloom, handicraft and cottage products out of the category of Non Agricultural Market Access (NAMA) provisions
Collective bargaining not existing	<ul style="list-style-type: none"> ➤ Most of the artisans are not aware of the market worth of their products. ➤ The ignorance of market value of their products lead to exploitation by middlemen 	<ul style="list-style-type: none"> ➤ Formation of NGOs, SHGs and cooperative societies so that better prices could be realized by artisans for their products. 	
Unorganised Sector	<ul style="list-style-type: none"> ➤ Most of the artisans sell their products to the middlemen/traders due to unorganized nature of production ➤ Capturing Domestic Market with poor recognition 	<ul style="list-style-type: none"> ➤ There is a requirement of proper marketing of the products made by the Artisans 	
Competition	<ul style="list-style-type: none"> ➤ Demand for handloom and handicraft products are adversely affected by the onslaught of domestic market by cheap Chinese products 	<ul style="list-style-type: none"> ➤ An effective check on the dumping of cheap substitutes from other countries is required for safeguarding the interest of Artisans 	

Product Promotion & Branding Requirements	<ul style="list-style-type: none"> ➤ Currently large numbers of Muslim Artisans are producing quality products but are unable to realize the advantage due to lack of branding. 	<ul style="list-style-type: none"> ➤ An incentive scheme in terms of product branding may be introduced for an initial period of five years. 	
Infrastructure			
Power outages and low voltage	<ul style="list-style-type: none"> ➤ Load shedding, Power outages and low voltage are frequent problems faced by the artisans. 	<ul style="list-style-type: none"> ➤ Uninterrupted power supply is a necessary condition for operation of any manufacturing firm. Care should be taken to provide sufficient and regular power to the industries. State Governments should ensure continuous supply of power ➤ Subsidy may be provided for Silent Diesel Generators 	<ul style="list-style-type: none"> ➤ National Commission on Minorities may pursue the matter with Ministry of Power, GoI, Power Grid corporation of India as well as State Power Grids, State Electricity Boards and Private Power Generating & Distribution Companies for ensuring uninterrupted power supply to artisan clusters
Health, Sanitation & Housing			
Health	<ul style="list-style-type: none"> ➤ During the field visits to the artisans clusters that the health facilities available to the artisans were relatively of poor quality and most of the artisans had health related problems due to the nature of job 	<ul style="list-style-type: none"> ➤ There is an immediate requirement of creating suitable health facilities in the artisan clusters and to ensure healthy work environment 	<ul style="list-style-type: none"> ➤ National Rural Health Mission, Handicrafts Artisans Comprehensive Welfare Scheme, Rajiv Gandhi Shilpi Swasthya Bima Yojana, Bima Yojana for Handicrafts Artisans need to be roped in for creation of Better amenities in the areas with high concentration ➤ The utilization of Pradhan Mantri Gram Sadak Yojana and NREGA through DRDA Ministry of Surface Transport, Ministry of Rural Development, Public Works Department of the respective states and State Governments, Development Authority, Municipality, Ministry of Environment for integrating such basic civic amenities are provided in the artisan clusters ➤ The Availability of Basic amenities can also be through provisions Roads, Water, Sanitation arrangements, Drainage as the high priority subjects in the Multi Sectoral Development Plan (MSDP) for Minority Concentration Districts instituted by the Ministry of Minority Affairs ➤ The Artisans may also be educated about
Physical infrastructure	<ul style="list-style-type: none"> ➤ Roads, Water, Sanitation arrangements, Drainage 	<ul style="list-style-type: none"> ➤ Road Connectivity is not only a key component of Integrated Development in India, it is also recognized as an effective Poverty reduction Programme. Special attention needs to be given towards investment or construction of suitable roads, drinking water availability, waste disposal system 	

Work Place and housing Problem	<ul style="list-style-type: none"> ➤ Most of the Muslim artisans live in Ghettos and there is non availability of adequate Work space and housing facilities 	<ul style="list-style-type: none"> ➤ Present situation of congested housing and poor work space availability affects the health as well as the product quality. There is an imminent need for better and channelized implementation of the housing and workplace improvement schemes available for Muslim Artisans. 	<p>the schemes available for sanitary and hygiene facilities such as Total Sanitation Campaign (TSC) and Nirmal Gram Puraskar (NGP) and also its benefits.</p> <ul style="list-style-type: none"> ➤ There is requirement providing facilities of suitable work place and housing to the Artisan through the Workshed-cum-Housing Scheme covered under the Ministry of Textiles, Development Commissioner (handlooms) ➤ Under the schemes of, Indira Awas Yojana (IAY), Integrated Housing & Slum Development Programme(IHSDP) and Jawaharlal Nehru Urban Renewal Mission(JNURM), the Central Government provides assistance to States/UTs for development of urban slums through provision of physical amenities and basic services the construction of suitable houses may also be undertaken
Finance & Credit Mobilization			
Difficulty in availability of finance and credit	<ul style="list-style-type: none"> ➤ Difficulties in capital mobilization for expansion ➤ Use of informal credit mobilization system from relatives and zamindars etc., ➤ Aversion to formal credit systems due to cumbersome procedures. ➤ NMDFC has term loan scheme but the number of beneficiaries are limited. 	<ul style="list-style-type: none"> ➤ Procedures need to be made more flexible and friendly so that illiterate/less educated artisans can follow. 	<ul style="list-style-type: none"> ➤ NMDFC term loan scheme need to be extended to more number of beneficiaries. ➤ Nationalized banks need to simplify the procedures for loan disbursement.. National Commission for Minorities can guide agencies to simplify it.
Lack of Nationalized banks in Artisans populated areas	<ul style="list-style-type: none"> ➤ Lack of branches of Nationalized banks and ATMs in the areas of high concentration of artisans. 	<ul style="list-style-type: none"> ➤ Requirement of Nationalized banks to open there branches in areas with high concentration of artisan community. Further setting up ATMs would also ensure better penetration of formal credit delivery system among artisans 	<ul style="list-style-type: none"> ➤ RBI may direct the Nationalized banks to open their branches and set up ATMs in areas with high concentration of Artisan community.

Government Policy Related			
Lack of information about Govt. policies	<ul style="list-style-type: none"> ➤ Information about Government schemes is not reaching Muslim artisans ➤ Schemes not publicized in the local language. 	<ul style="list-style-type: none"> ➤ There is an urgent need for revising the information dissemination mechanism about government schemes. 	<ul style="list-style-type: none"> ➤ National Commission for Minorities in collaboration with the Ministry of Minority Affairs should take actions to ensure that the publicity of policies and programmes is undertaken in Urdu while the State Minority Commissions along with the State Department for Minority Welfare should ensure that the publicity of policies and programmes is undertaken in respective regional languages.
Procedural Problems	<ul style="list-style-type: none"> ➤ Procedures followed to issue the fund under the different schemes is difficult and lengthy. 	<ul style="list-style-type: none"> ➤ The procedure for identifying and selecting beneficiary for various schemes needs to be made transparent and flexible. 	<ul style="list-style-type: none"> ➤ Procedures followed to issue the fund under the different schemes need to be made more flexible and friendly to the beneficiaries
Environmental Norms/Regulations	<ul style="list-style-type: none"> ➤ The Handicraft, Handloom and Cottage Sector especially leather, brass based production units are facing a lot of problems in meeting to the environmental norms 	<ul style="list-style-type: none"> ➤ Handicraft, handloom and cottage units should be encouraged and incentivized to adopt adequate pollution control measures. ➤ There is a need to set up new common effluent treatment as per international standards 	<ul style="list-style-type: none"> ➤ Ministry of Environment & Forests can act as a facilitator along with State Pollution Control Boards. They can provide the guidelines and assistance for setting up common effluent Treatment plants
Others Quality Standards	<ul style="list-style-type: none"> ➤ Lack of awareness about implementation process/procedures 	<ul style="list-style-type: none"> ➤ There is an urgent need to improve product quality and efforts should be made to promote quality systems among the handicraft and handloom products manufacturers to ensure sustained product quality. 	<ul style="list-style-type: none"> ➤ Quality Council of India and BIS can provide sufficient support for identifying and establishing quality standards for various products being manufactured by artisans
R&D, Innovation	<ul style="list-style-type: none"> ➤ Emphasis is not laid on strengthening improved design, development and prototyping. 	<ul style="list-style-type: none"> ➤ Proper R&D institutions need to be developed which should provide the knowledge regarding the innovative production techniques, designing and product development at the artisan cluster level. 	<ul style="list-style-type: none"> ➤ There is requirement of involving Artisan through Artisan Unions/NGOs/SHGs and Ministry of MSME for setting up R&D centers for products in artisan clusters. ➤ The O/o Development Commissioner (Handicraft) has the Design & Technical Up-gradation scheme for upgrade artisan's skills through development of innovative designs and prototype products which may be utilized for the development of Muslim artisans.



Need for Database	Various suggested measures like review of policies which involves time to time assessment of strength and weaknesses of the sector, preparation of appropriate detailed policy package and detailed road map etc., are almost impossible to adopt in the absence of coherent statistical data base.	Suitable benchmarking studies and baseline surveys may be carried at the state and central level to prepare coherent statistical data base of cluster wise details of Muslims artisans Muslim Artisans engaged in Small, Cottage and Handicraft activities.	<ul style="list-style-type: none"> ➤ Various suggested measures like review of policies which involves time to time assessment of strength and weaknesses of the sector, preparation of appropriate detailed policy package and detailed road map etc., are almost impossible to adopt in the absence of coherent statistical data base. ➤ Central Statistical Organization under Ministry of Statistical Programme Implementation along with NCM and Industry Associations can work out the details regarding collection, classification, and compilation of required data.
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ANNEXURES

Annexure-1

Checklist for Discussions with Local Artisanal Associations/Societies/Union/Group

1. Name of the Artisanal Associations/Societies/Union/Group _____
2. Name of Representative/Phone _____
3. Address _____
4. Functioning From (Year) _____
5. Number of Membership _____

Year	Number of Members/units Associated			Remarks
	Present	New Members Associated	Closed units/members	
2006-07				
2007-08				
2008-09				
2009-10				

6. Is there any decline in membership due to closure of units etc. during the last four years?

7. Reasons for decline in numbers of members associated, if any

1= Financial Sickness 2= Change in consumers taste (decline in demand) 3= Better Product options available 4= Better work opportunities 5= Economic Recession 6= Decline in Exports-demand 7= Others	Code

8. Association's Estimate of the number of persons employed and their wages by member units

Year	Skilled		Unskilled	
	Number	Wages per employee	Number	Wages per employee
2006-07				
2007-08				
2008-09				
2009-10				

9. Reasons for the closure of units and decline in employment, if any



Annexure-2

Revised Questionnaire

Field Survey of Muslim Artisans engaged in Small, Cottage and Handicrafts activities

(National Productivity Council, an autonomous organization under the Ministry of Commerce and Industry, Government of India, is carrying out a study on "Impact of Economic Liberalization and recent Recession on Muslim Artisans engaged in Small, Cottage and Handicraft activities". The study is being sponsored by Minorities Commission of India. The objective of the study is to find out the impact of economic liberalization and recent recession on Muslim artisans engaged in Small, Cottage and Handicraft activities.)

General Information										
1.0										
1.1	State : (1=Bihar, 2=Rajasthan, 3=Uttar Pradesh)							Code		
1.2	Name of the Cluster									
1.3	Location (1= Rural, 2 = Urban)									
1.4	Name of the Craftsman/Artisan/Units:							Address:		
	Phone/Mobile No.:									
	E-Mail:									
1.5	Member of the family	Age	Education (1=Illiterate, 2=Primary, 3=Senior Secondary, 4= Graduation & Above)	Gender (1= M, 2= F)	Handicraft/Handloom Activities involved	Since When (Year)	Income from Handicraft/Handloom activity per month (Rs.)	Involvement in non Handicraft/Handloom other activity along with details	Income per month from non Handicraft/Handloom other activities (Rs.)	Remarks
	Respondent ()									
1.6	Are you also engaging others (including your family) in artisan activity? If yes, give details									
	Years		Gender				Pay & perks (Rs. per month)			
Male			Female							
			Skilled	Unskilled	Skilled	Unskilled				
	2006-07									
	2007-08									
	2008-09									
	2009-10									



1.6.1	Skills Acquired (1= Self Learning, 2=Inherited from Ancestors, 3=Formal Learning) If formally learnt then please provide the source:				Code	
1.7	What type of artisan activities you are engaged in (1= Brass, 2 = Wood, 3 = Stone, 4= Cloth made Stuff, 5 = Bamboo, 6= Painting Crochet, 7 = Leather footwear, 8= Earthen pots and vessels, 9= Carpets 10=Handlooms 11= Others				Code	
2.0	Impact Evaluation/Assessment on Income & Employment					
2.1	Details of Income					
	Activity	Income				Remarks
		2006-07	2007-08	2008-09	2009-10	
	Artisanal					
	Others (Please specify)					
	Total					
2.2	Type of Employment—Own business/ Job work 1= Wage Earner 2= Self Employment/business 3= Others, please explain				Code	
2.3	Annual Average Cost of Production (in Rs)					
	Year	Raw material	Overheads	Utility	Remarks	
	2006-07					
	2007-08					
	2008-09					
	2009-10					
2.4	Change in consumption pattern during the last four years					
	Year	Annual Expenditure on food items consumed (in Rs)	Annual Expenditure on Items (Refrigerator, Two/Four Wheeler, TV, Mobile/Telephone)	Remarks		
	2006-07					
	2007-08					
	2008-09					
	2009-10					

3.0 Impact of Economic Recession on Production and Market Related Activities							
Year	Sale Value of Goods Produced	Total Realization	Reasons for Fluctuation			Remarks	
2006-07							
2007-08							
2008-09							
2009-10							

3.1 Impact on Area Coverage /Business (%)						
Year	District	State	National	Exports	Remarks	
2006-07						
2007-08						
2008-09						
2009-10						

3.2 Mode for sale of products and share (%)							
Year	Local market	Co-operative Society	Middle man	Own shop	State Handicraft/ Handloom Corporations	Others	Remarks
2006-07							
2007-08							
2008-09							
2009-10							

3.3	What are the difficulties you face in the marketing of your products? (1= Growing Competition, 2= continued low return, 3= scarcity of raw materials, 4 = competition from machine made products, 5= No difficulty 6=Others)	Code
3.4	Do you get bulk orders from Co-operative societies/Middlemen (1= Yes, 2 =No, 3= Not Applicable)	Code
3.4.1	If yes do they provide financial assistance from them (1= Yes, 2= No, 3= Not Applicable)	Code
3.5	Do you find any change in the market of your product? (1=Increased, 2=Decreased, 3=No Change)	Code
4.0 Impact of Economic Recession on Migration from Rural to Urban Area		
4.1	Did you or any of your family member ever migrate from rural area to urban area during the last two years? (1=Yes, 2=No)	Code

4.1.1	If yes please explain:					
	Year	Place From	Activity	Place To	Activity	Remarks/Reasons
4.2	Has there been a change in your/family member/work activity/job undertaken? (1=Yes, 2=No)					Code
If yes please provide the year of job/shifts and reasons..						
4.2.1	Year	Earlier Activity	Present Activity	Remarks/Reasons		
5.0 Impact of Government Programmes on Small, Cottage and Handicrafts activities						
	Type of Assistance	Name of the Scheme	Implementing Source/ Agency	Year in which Provided	Whether it was beneficial (1= Yes 2=No)	Suggestions
	Skill Development/ Training					
	Product Development/ Design Support					
	Financial Assistance					
	Marketing Support					
	Export Promotion					
	Educational Schemes					
	Housing Loan Scheme					
	Multi Sectoral Development Programme					
	Artisans Credit Facilities					
5.1	Do you know about any government schemes available to you? If yes please give details					
	1.					
	2.					
	3.					
	4.					
	5.					
	6.					



5.2	Do you participate in the government sponsored development programme in your area? Please specify 1. 2. 3. 4. 5. 6.	
5.3	What are the new schemes/benefits or changes in the existing system/schemes to be undertaken by the Government that may help in improving living conditions/betterment.	
5.4	Suggestions to improve the small, cottage and handicraft sector in your community especially in the background of recent economic recession and economic liberalization	
5.5	Do you understand Economic Recession? (1=Yes, 2=No)	Code
	If yes please explain?	
5.6	Did you observe the impact of Economic recession on your artisanal activity? If yes how?	

Thank You



Annexure 3

HANDICRAFT CLUSTERS IN UTTAR PRADESH, BIHAR AND RAJASTHAN

1. Handicrafts Artisanal Clusters in Uttar Pradesh

S.No.	State	Location	Product
1	Uttar Pradesh	Agra	Carpets
2	Uttar Pradesh	Agra	Dolls & Toys
3	Uttar Pradesh	Agra	Ivory
4	Uttar Pradesh	Agra	Jewellery
5	Uttar Pradesh	Agra	Pottery & Clay
6	Uttar Pradesh	Agra	Rugs & Duries
7	Uttar Pradesh	Agra	Stone Inlay
8	Uttar Pradesh	Agra	Textiles Hand Embroidered
9	Uttar Pradesh	Agra	Zari
10	Uttar Pradesh	Aligarh	Metalware
11	Uttar Pradesh	Aligarh	Rugs & Duries
12	Uttar Pradesh	Aligarh	Wood Carving
13	Uttar Pradesh	Amroha	Textiles Handlooms
14	Uttar Pradesh	Amroha	Wood Turning & Laquerware
15	Uttar Pradesh	Bahraich	Cane & Bamboo
16	Uttar Pradesh	Bareilly	Musical Instruments
17	Uttar Pradesh	Bareilly	Rugs & Duries
18	Uttar Pradesh	Bareilly	Zari
19	Uttar Pradesh	Basti	Textiles Handlooms
20	Uttar Pradesh	Bhadohi	Carpets
21	Uttar Pradesh	Bijnor	Textiles Handlooms
22	Uttar Pradesh	Chunar	Pottery & Clay
23	Uttar Pradesh	Farrukhabad	Textiles Hand Printed
24	Uttar Pradesh	Farrukhabad	Textiles Handlooms
25	Uttar Pradesh	Firozabad	Jewelry
26	Uttar Pradesh	Gorakhpur	Terracotta
27	Uttar Pradesh	Hathras	Metalware
28	Uttar Pradesh	Hathras	Stone Inlay



S.No.	State	Location	Product
29	Uttar Pradesh	Hathras	Stone Carving
30	Uttar Pradesh	Hathras	Textiles Handlooms
31	Uttar Pradesh	Jaunpur	Carpets
32	Uttar Pradesh	Jaunpur	Zari
33	Uttar Pradesh	Jehangirabad	Textiles Hand Printed
34	Uttar Pradesh	Kanpur	Cane & Bamboo
35	Uttar Pradesh	Kanpur	Leather Footwear
36	Uttar Pradesh	Kanpur	Textiles Hand Printed
37	Uttar Pradesh	Kashipur	Textiles Handlooms
38	Uttar Pradesh	Khurja	Metalware
39	Uttar Pradesh	Khurja	Wood Carving
40	Uttar Pradesh	Lucknow	Dolls & Toys
41	Uttar Pradesh	Lucknow	Ivory
42	Uttar Pradesh	Lucknow	Jewellery
43	Uttar Pradesh	Lucknow	Leather Other articles
44	Uttar Pradesh	Lucknow	Musical Instruments
45	Uttar Pradesh	Lucknow	Hand Embroidered
46	Uttar Pradesh	Lucknow	Textiles Hand Printed
47	Uttar Pradesh	Lucknow	Wood Carving
48	Uttar Pradesh	Lucknow	Zari
49	Uttar Pradesh	Mathura	Dolls & Toys
50	Uttar Pradesh	Mathura	Jewellery
51	Uttar Pradesh	Mathura	Textiles Hand Printed
52	Uttar Pradesh	Mathura	Theatre, Costumes & Puppets
53	Uttar Pradesh	Mathura	Wood Carving
54	Uttar Pradesh	Meerut	Jewellery
55	Uttar Pradesh	Meerut	Musical Instruments
56	Uttar Pradesh	Meerut	Textiles Hand Printed
57	Uttar Pradesh	Mirzapur	Textiles Hand Printed
58	Uttar Pradesh	Moradabad	Metalware
59	Uttar Pradesh	Moradabad	Textiles Hand Printed
60	Uttar Pradesh	Mubarakpur	Textiles Handlooms
61	Uttar Pradesh	Pilibhit	Musical Instruments
62	Uttar Pradesh	Pilkhuwa	Textiles Hand Embroidered



S.No.	State	Location	Product
63	Uttar Pradesh	Pilkhuwa	Textiles Handlooms
64	Uttar Pradesh	Ramnagar	Theatre, Costumes & Puppets
65	Uttar Pradesh	Saharanpur	Furniture
66	Uttar Pradesh	Saharanpur	Pottery & Clay
67	Uttar Pradesh	Saharanpur	Wood Carving
68	Uttar Pradesh	Shahjahanpur	Carpets
69	Uttar Pradesh	Tanda	Textiles Handlooms
70	Uttar Pradesh	Varanashi	Cane & Bamboo
71	Uttar Pradesh	Varanashi	Carpets
72	Uttar Pradesh	Varanashi	Dolls & Toys
73	Uttar Pradesh	Varanashi	Ivory
74	Uttar Pradesh	Varanashi	Jewellery
75	Uttar Pradesh	Varanashi	Leather Other articles
76	Uttar Pradesh	Varanashi	Metalware
77	Uttar Pradesh	Varanashi	Rugs & Duries
78	Uttar Pradesh	Varanashi	Stone Carving
79	Uttar Pradesh	Varanashi	Textiles Hand Embroidered
80	Uttar Pradesh	Varanasi	Wood Turning & Laquerware
81	Uttar Pradesh	Varanasi	Zari
82	Uttar Pradesh	Agra	Artistic chappals by hand
83	Uttar Pradesh	Agra	Bangles
84	Uttar Pradesh	Agra	Durries and Rugs by hand
85	Uttar Pradesh	Agra	Earthier & plaster statues
86	Uttar Pradesh	Agra	Furniture & Fixtures
87	Uttar Pradesh	Agra	Woolen Carpets by hand
88	Uttar Pradesh	Aligarh	Brass and copper Art ware
89	Uttar Pradesh	Aligarh	Durries and Rugs by hand
90	Uttar Pradesh	Aligarh	Earthen & plaster statues
91	Uttar Pradesh	Aligarh	Embroidery by hand
92	Uttar Pradesh	Aligarh	Glassware
93	Uttar Pradesh	Aligarh	Jute / hemp Rope & cordage
94	Uttar Pradesh	Aligarh	Lead based articles
95	Uttar Pradesh	Aligarh	Printing of cloth by hand
96	Uttar Pradesh	Aligarh	Woolen Carpets by hand



S.No.	State	Location	Product
97	Uttar Pradesh	Aligarh	Zari work by hand
98	Uttar Pradesh	Allahabad	Containers
99	Uttar Pradesh	Allahabad	Earthen & plaster statues
100	Uttar Pradesh	Allahabad	Embroidery by hand
101	Uttar Pradesh	Allahabad	Printing of cloth by hand
102	Uttar Pradesh	Allahabad	Woolen Carpets by hand
103	Uttar Pradesh	Azamgarh	Printing of cloth by hand
104	Uttar Pradesh	Ballia	Containers
105	Uttar Pradesh	Ballia	Durries and Rugs by hand
106	Uttar Pradesh	Ballia	Earthen & plaster statues
107	Uttar Pradesh	Ballia	Furniture & Fixtures
108	Uttar Pradesh	Ballia	Woolen Carpets by hand
109	Uttar Pradesh	Barabanki	Embroidery by hand
110	Uttar Pradesh	Barabanki	Stone Artware
111	Uttar Pradesh	Barabanki	Zari work by hand
112	Uttar Pradesh	Bareilly	Durries and Rugs by hand
113	Uttar Pradesh	Bareilly	Embroidery by hand
114	Uttar Pradesh	Bareilly	Furniture & Fixtures
115	Uttar Pradesh	Bareilly	Zari work by hand
116	Uttar Pradesh	Basti	Earthier & plaster statues
117	Uttar Pradesh	Bhadohi	Woolen Carpets by hand
118	Uttar Pradesh	Bijnore	Containers
119	Uttar Pradesh	Bijnore	Durries and Rugs by hand
120	Uttar Pradesh	Bijnore	Earthen & plaster statues
121	Uttar Pradesh	Bijnore	Furniture & Fixtures
122	Uttar Pradesh	Bijnore	Jute hemp Rope & cordage
123	Uttar Pradesh	Bijnore	Printing of cloth by hand
124	Uttar Pradesh	Bulandshahr	Containers
125	Uttar Pradesh	Bulandshahr	Earthen & plaster statues
126	Uttar Pradesh	Bulandshahr	Earthenware & Pottery
127	Uttar Pradesh	Bulandshahr	Embroidery by hand
128	Uttar Pradesh	Bulandshahr	Furniture & Fixtures
129	Uttar Pradesh	Bulandshahr	Jute/hemp Rope and cordage
130	Uttar Pradesh	Bulandshahr	Lead based articles



S.No.	State	Location	Product
131	Uttar Pradesh	Bulandshahr	Wooden carpets by hand
132	Uttar Pradesh	Bulandshahr	Zari work by hand
133	Uttar Pradesh	Deoria	Earthen & plaster statues
134	Uttar Pradesh	Etah	Metal Jewellery
135	Uttar Pradesh	Faizabad	Bleach/ Dye/ Print Jute textile
136	Uttar Pradesh	Farukhabad	Agarbatti
137	Uttar Pradesh	Farukhabad	Zari work by hand
138	Uttar Pradesh	Fatehpur	Earthen & plaster statues
139	Uttar Pradesh	Ferozabad	Bangles
140	Uttar Pradesh	Gazipur	Jute/hemp Rope and Cordage
141	Uttar Pradesh	Ghaziabad	Earthen & plaster statues
142	Uttar Pradesh	Ghaziabad	Embroidery by hand
143	Uttar Pradesh	Ghaziabad	Furniture & Fixtures
144	Uttar Pradesh	Ghaziabad	Jute/ hemp Rope and Cord age
145	Uttar Pradesh	Ghaziabad	Printing of cloth by hand
146	Uttar Pradesh	Ghaziabad	Woolen Carpets by hand
147	Uttar Pradesh	Ghaziabad	Zari and Related Items
148	Uttar Pradesh	Ghaziabad	Zari work by hand
149	Uttar Pradesh	Gonda	Earthen & plaster statues
150	Uttar Pradesh	Gorakhpur	Containers
151	Uttar Pradesh	Gorakhpur	Earthen & plaster statues
152	Uttar Pradesh	Hardoi	Cotton carpets by hand
153	Uttar Pradesh	Hardoi	Embroidery by hand
154	Uttar Pradesh	Hardoi	Zari work by hand
155	Uttar Pradesh	Jampur	Cotton Carpets by hand
156	Uttar Pradesh	Jhansi	Earthen & plaster statues
157	Uttar Pradesh	Kanpur	Earthen & plaster statues
158	Uttar Pradesh	Kanpur	Embroidery by hand
159	Uttar Pradesh	Kanpur	Zari work by hand
160	Uttar Pradesh	Kanpur Dehat	Zari work by hand
161	Uttar Pradesh	Lakhnimpur	Earthen & Plaster statues
162	Uttar Pradesh	Lakhnimpur	Jute/ heming work and cordage
163	Uttar Pradesh	Lalitpur	Containers
164	Uttar Pradesh	Lalitpur	Earthen & plaster statues



S.No.	State	Location	Product
165	Uttar Pradesh	Lucknow	Embroidery by hand
166	Uttar Pradesh	Lucknow	Zari work by hand
167	Uttar Pradesh	Man	Earthen & plaster statues
168	Uttar Pradesh	Man	Zari work by hand
169	Uttar Pradesh	Mathura	Furniture & Fixtures
170	Uttar Pradesh	Meerut	Artistic chappals by hand
171	Uttar Pradesh	Meerut	Containers
172	Uttar Pradesh	Meerut	Devices and Rugs by hand
173	Uttar Pradesh	Meerut	Earthen & plaster statues
174	Uttar Pradesh	Meerut	Furniture & Fixtures
175	Uttar Pradesh	Meerut	Jute/hump Tope and cordage
176	Uttar Pradesh	Meerut	Metal Jewellery
177	Uttar Pradesh	Meerut	Zari and Related Items
178	Uttar Pradesh	Mirzapur	Artistic chappals by hand
179	Uttar Pradesh	Mirzapur	Bleach/bye/Print Silk textiles
180	Uttar Pradesh	Mirzapur	Blench/Dye Print Jute textiles
181	Uttar Pradesh	Mirzapur	Containers
182	Uttar Pradesh	Mirzapur	Durries and Rugs by hand
183	Uttar Pradesh	Mirzapur	Earthen & plaster statues
184	Uttar Pradesh	Mirzapur	Furniture & Fixtures
185	Uttar Pradesh	Mirzapur	Glassware
186	Uttar Pradesh	Mirzapur	Metal Jewellery
187	Uttar Pradesh	Mirzapur	Woolen Carpets by hand
188	Uttar Pradesh	Moradabad	Brass and copper Artware
189	Uttar Pradesh	Moradabad	Containers
190	Uttar Pradesh	Moradabad	Cotton Carpets by hand
191	Uttar Pradesh	Moradabad	Earthen & plaster statues
192	Uttar Pradesh	Moradabad	Feather Brushes & Dusters
193	Uttar Pradesh	Moradabad	Furniture & Fixtures
194	Uttar Pradesh	Moradabad	Horn/Shell Jewelry
195	Uttar Pradesh	Moradabad	Printing of cloth by hand
196	Uttar Pradesh	Moradabad	Woolen Carpets by hand
197	Uttar Pradesh	Muzaffernagar	Earthen & plaster statues
198	Uttar Pradesh	Partapgarh	Earthen & plaster statues



S.No.	State	Location	Product
199	Uttar Pradesh	Partapgarh	Furniture & Fixtures
200	Uttar Pradesh	Pithoragarh	Woolen Carpets by hand
201	Uttar Pradesh	Raibareilly	Containers
202	Uttar Pradesh	Raibareilly	Durries and Rugs by hand
203	Uttar Pradesh	Raibareilly	Earthen & plaster statues
204	Uttar Pradesh	Raibareilly	Embroidery by hand
205	Uttar Pradesh	Rampur	Zari work by hand
206	Uttar Pradesh	Saharanpur	Artistic chappals by hand
207	Uttar Pradesh	Saharanpur	Brass and Copper Art ware
208	Uttar Pradesh	Saharanpur	Furniture & Fixtures
209	Uttar Pradesh	Saharanpur	Silver jewellery
210	Uttar Pradesh	Senbhadra	Woolen Carpets by hand
211	Uttar Pradesh	Shahjahanpur	Earthen & Plaster statues
212	Uttar Pradesh	Shahjahanpur	Furniture & Fixtures
213	Uttar Pradesh	Shahjahanpur	Printing of cloth by hand
214	Uttar Pradesh	Shahjahanpur	Woolen Carpets by hand
215	Uttar Pradesh	Shahjahanpur	Zari work by hand
216	Uttar Pradesh	Sitapur	Earthen & plaster statues
217	Uttar Pradesh	Sultanpur	Durries and Rugs by hand
218	Uttar Pradesh	Sultanpur	Embroidery by hand
219	Uttar Pradesh	Sultanpur	Jute/hemp Rope and Cordage
220	Uttar Pradesh	Sultanpur	Woolen Carpets by hand
221	Uttar Pradesh	Unnao	Embroidery by hand
222	Uttar Pradesh	Unnao	Zari work by hand
223	Uttar Pradesh	Varanasi	Artistic Chappals
224	Uttar Pradesh	Varanasi	Bleach/ Dye print silk textiles
225	Uttar Pradesh	Varanasi	Containers
226	Uttar Pradesh	Varanasi	Durries and Rugs by hand
227	Uttar Pradesh	Varanasi	Furniture & Fixtures
228	Uttar Pradesh	Varanasi	Glassware
229	Uttar Pradesh	Varanasi	Lead based articles
230	Uttar Pradesh	Varanasi	Woolen Carpets by hand
231	Uttar Pradesh	Varanasi	Zari work by hand

2. Handicrafts Artisanal Clusters in Bihar

S.No.	State	Location	Craft Cluster
1.	Bihar	Arrah	Textiles Hand Printed
2.	Bihar	Aurangabad	Clay & Ceramics Earth ware & Plaster Statues
3.	Bihar	Aurangabad	Wood Furniture & Fixtures
4.	Bihar	Aurangabad	Woolen Carpets by hand
5.	Bihar	Begusarai	Cane & Bamboos other containers and products.
6.	Bihar	Begusarai	Earthen & plaster statues
7.	Bihar	Begusarai	Embroidery by hand
8.	Bihar	Betiah	Textiles Hand Printed
9.	Bihar	Bhagalpur	Cane & Bamboo
10.	Bihar	Bhagalpur	Containers
11.	Bihar	Bhagalpur	Dolls & Toys
12.	Bihar	Bhagalpur	Earthen & plaster statues
13.	Bihar	Bhagalpur	Furniture & Fixtures
14.	Bihar	Bhagalpur	Textiles Hand Printed
15.	Bihar	Bhagalpur	Textiles Handlooms
16.	Bihar	Biharshariff	Textiles Hand Printed
17.	Bihar	Biharshariff	Textiles Handlooms
18.	Bihar	Champanan	Containers
19.	Bihar	Champanan	Embroidery by hand
20.	Bihar	Chandi	Stone Carving
21.	Bihar	Chelagi	Jewellery
22.	Bihar	Chhapra	Containers
23.	Bihar	Chhapra	Earthen & plaster statues
24.	Bihar	Darbhangha	Containers
25.	Bihar	Darbhangha	Dolls & Toys
26.	Bihar	Darbhangha	Earthen & plaster statues
27.	Bihar	Darbhangha	Embroidery by hand
28.	Bihar	Darbhangha	Jute, hamp, roap and cordage
29.	Bihar	Darbhangha	Lead based articles
30.	Bihar	Darbhangha	Terracotta
31.	Bihar	Darbhangha	Textiles Hand Embroidered



S.No.	State	Location	Craft Cluster
32.	Bihar	Dumraon	Textiles Hand Printed
33.	Bihar	Dumraon	Wood Turning & Laquerware
34.	Bihar	Gaya	Agarbatti
35.	Bihar	Gaya	Earthen & plaster statues
36.	Bihar	Gaya	Embroidery by hand
37.	Bihar	Gaya	Stone Artware
38.	Bihar	Gaya	Wood Inlay
39.	Bihar	Godda	Earthen & plaster statues
40.	Bihar	Gopalganj	Earthen & plaster statues
41.	Bihar	Gumala	Earthen & plaster statues
42.	Bihar	Hajipur	Grass, Leaf, Reed & Fibre
43.	Bihar	Hajipur	Textiles Hand Printed
44.	Bihar	Hajipur	Cane & Bamboo
45.	Bihar	Jahanabad	Agarbatti
46.	Bihar	Katihar	Containers
47.	Bihar	Khagaria	Containers
48.	Bihar	Khagaria	Earthen & Plaster statues
49.	Bihar	Khagaria	Furniture & Fixtures
50.	Bihar	Khunti	Dolls & Toys
51.	Bihar	Khunti	Metalware
52.	Bihar	Lalganj	Wood Turning & Laquerware
53.	Bihar	Madhepura	Containers
54.	Bihar	Madhepura	Earthen & plaster statues
55.	Bihar	Madhubani	Containers
56.	Bihar	Madhubani	Dolls & Toys
57.	Bihar	Madhubani	Earthen & Plaster statues
58.	Bihar	Madhubani	Embroidery by hand
59.	Bihar	Madhubani	Folk Paintings
60.	Bihar	Madhubani	Furniture & Fixtures
61.	Bihar	Madhubani	Grass, Leaf, Reed & Fibre
62.	Bihar	Madhubani	Jute/hamp/rope & Cordage
63.	Bihar	Madhubani	Lead based articles
64.	Bihar	Madhubani	Miniature Paintings
65.	Bihar	Madhubani	Novelties



S.No.	State	Location	Craft Cluster
66.	Bihar	Madhubani	Printing of cloth by hand
67.	Bihar	Madhubani	Textiles Hand Embroidered
68.	Bihar	Madhubani	Textiles Hand Printed
69.	Bihar	Madhubani	Textiles Handlooms
70.	Bihar	Monghyr	Jewellery
71.	Bihar	Monghyr	Textiles Hand Printed
72.	Bihar	Munger	Earthen & Plaster statues
73.	Bihar	Muzaffarpur	Textiles Hand Printed
74.	Bihar	Muzaffarpur	Wood Turning & Laquerware
75.	Bihar	Muzaffarpur	Containers
76.	Bihar	Muzaffarpur	Earthen & plaster statues
77.	Bihar	Nalanda	Earthen & Plaster statues
78.	Bihar	Obra	Carpets
79.	Bihar	Patharkati	Stone Carving
80.	Bihar	Patna	Carpets
81.	Bihar	Patna	Containers
82.	Bihar	Patna	Earthen&Plastic statues
83.	Bihar	Patna	Embroidery by hand
84.	Bihar	Patna	Furniture & Fixtures
85.	Bihar	Patna	Gold/ Silver gift Items
86.	Bihar	Patna	Lead based articles
87.	Bihar	Patna	Metal Jewellery
88.	Bihar	Patna	Metalware
89.	Bihar	Patna	Wood Carving
90.	Bihar	Patna	Woolen Carpets by hand
91.	Bihar	Purnia	Containers
92.	Bihar	Purnia	Earthen & plaster statues
93.	Bihar	Purnia	Furniture & Fixtures
94.	Bihar	Purnia	Jute/Hemp /Rope/Cordage
95.	Bihar	Rohtas	Earthen & Plaster statues
96.	Bihar	Saharsa	Containers
97.	Bihar	Saharsa	Earthen & Plaster statues
98.	Bihar	Samastipur	Containers
99.	Bihar	Samastipur	Earthen & Plaster statues

S.No.	State	Location	Craft Cluster
100.	Bihar	Samastipur	Furniture & Fixtures
101.	Bihar	Samastipur	Lead based articles
102.	Bihar	Samastipur	Woolen Carpets by hand
103.	Bihar	Seraikella	Dolls & Toys
104.	Bihar	Seraikella	Stone Carving
105.	Bihar	Shahabad	Textiles Hand Embroidered
106.	Bihar	Shahabad	Textiles Hand Printed
107.	Bihar	Shahabad	Textiles Handlooms
108.	Bihar	Shahabad	Wood Turning & Laquerware
109.	Bihar	Shahabda	Grass, Leaf, Reed & Fibre
110.	Bihar	Sitamarhi	Containers
111.	Bihar	Sitamarhi	Earthen & Plaster statues
112.	Bihar	Sitamarhi	Embroidery by hand
113.	Bihar	Sitamarhi	Jute/Hemp/Rope/Cordage
114.	Bihar	Sitamarhi	Lead based articles
115.	Bihar	Siwan	Embroidery by hand
116.	Bihar	Siwan	Pottery & Clay
117.	Bihar	Siwan	Textiles Hand Embroidered
118.	Bihar	Snipaul	Containers
119.	Bihar	Snipaul	Earthen & Plaster statues

3. Handicraft Artisanal Clusters in Rajasthan

S.No.	State	Location	Product
1	Rajasthan	Ajmer	Carpets
2	Rajasthan	Ajmer	Ivory
3	Rajasthan	Ajmer	Textiles Handlooms
4	Rajasthan	Alwar	Jewellery
5	Rajasthan	Alwar	Leather Footwear
6	Rajasthan	Alwar	Leather Other articles
7	Rajasthan	Alwar	Pottery & Clay
8	Rajasthan	Alwar	Textiles Handlooms
9	Rajasthan	Banswara	Cane & Bamboo
10	Rajasthan	Banswara	Musical Instruments
11	Rajasthan	Barmer	Furniture
12	Rajasthan	Barmer	Leather Footwear



S.No.	State	Location	Product
13	Rajasthan	Barmer	Rugs & Duries
14	Rajasthan	Barmer	Textiles Hand Printed
15	Rajasthan	Barmer	Textiles Handlooms
16	Rajasthan	Barmer	Wood Carving
17	Rajasthan	Bharatpur	Leather Footwear
18	Rajasthan	Bharatpur	Leather Other articles
19	Rajasthan	Bhilwara	Folk Paintings
20	Rajasthan	Bhilwara	Textiles Handlooms
21	Rajasthan	Bikaner	Carpets
22	Rajasthan	Bikaner	Folk Paintings
23	Rajasthan	Bikaner	Jewellery
24	Rajasthan	Bikaner	Leather Other articles
25	Rajasthan	Bikaner	Rugs & Duries
26	Rajasthan	Bikaner	Textiles Hand Embroidered
27	Rajasthan	Bikaner	Textiles Hand Printed
28	Rajasthan	Bikaner	Textiles Handlooms
29	Rajasthan	Bikaner	Wood Carving
30	Rajasthan	Bundi	Folk Paintings
31	Rajasthan	Bundi	Textiles Hand Printed
32	Rajasthan	Bundi	Textiles Handlooms
33	Rajasthan	Chaksu	Carpets
34	Rajasthan	Chittorgarh	Textiles Hand Printed
35	Rajasthan	Chittorgarh	Wood Carving
36	Rajasthan	Churu	Textiles Handlooms
37	Rajasthan	Dungarpur	Stone Carving
38	Rajasthan	Fatehpur	Textiles Hand Printed
39	Rajasthan	Jaipur	Carpets
40	Rajasthan	Jaipur	Jewellery
41	Rajasthan	Jaipur	Metal Images Classical
42	Rajasthan	Jaipur	Metalware
43	Rajasthan	Jaipur	Pottery & Clay
44	Rajasthan	Jaipur	Handblock Print Textile
45	Rajasthan	Jaipur	Zari
46	Rajasthan	Jaisalmer	Textiles Hand Printed

S.No.	State	Location	Product
47	Rajasthan	Jaisalmer	Textiles Handlooms
48	Rajasthan	Jhunjhunu	Textiles Hand Embroidered
49	Rajasthan	Jodhpur	Ivory
50	Rajasthan	Jodhpur	Jewellery
51	Rajasthan	Jodhpur	Leather Footwear
52	Rajasthan	Jodhpur	Leather Other articles
53	Rajasthan	Jodhpur	Metalware
54	Rajasthan	Jodhpur	Stone Carving
55	Rajasthan	Jodhpur	Textiles Hand Printed
56	Rajasthan	Jodhpur	Textiles Handlooms
57	Rajasthan	Jodhpur	Wood Carving
58	Rajasthan	Jodhpur	Zari
59	Rajasthan	Khandela	Textiles Hand Printed
60	Rajasthan	Khandela	Wood Turning & Laquerware
61	Rajasthan	Khandela	Zari
62	Rajasthan	Kota	Folk Paintings
63	Rajasthan	Kota	Textiles Hand Embroidered
64	Rajasthan	Kota	Doria Handlooms
65	Rajasthan	Makrana	Stone Carving
66	Rajasthan	Makrana	Textiles Hand Printed
67	Rajasthan	Markana	Wood Carving
68	Rajasthan	Molela	Terracotta
69	Rajasthan	Nagaur	Ivory
70	Rajasthan	Nagaur	Textiles Hand Embroidered
71	Rajasthan	Nagaur	Textiles Handlooms
72	Rajasthan	Napesar	Textiles Handlooms
73	Rajasthan	Nathdwara	Folk Paintings
74	Rajasthan	Nathdwara	Jewellery
75	Rajasthan	Nathdwara	Metalware
76	Rajasthan	Nathdwara	Textiles Hand Printed
77	Rajasthan	Pali	Textiles Hand Printed
78	Rajasthan	Pipar	Wood Carving
79	Rajasthan	Pokran	Pottery & Clay
80	Rajasthan	Pratapgarh	Jewellery



S.No.	State	Location	Product
81	Rajasthan	Sanganer	Textiles Hand Printed
82	Rajasthan	Sawaimadhopur	Wood Carving
83	Rajasthan	Sawaimadhopur	Wood Turning & Laquerware
84	Rajasthan	Shahpur	Folk Paintings
85	Rajasthan	Shahpur	Jewellery
86	Rajasthan	Tonk	Carpets
87	Rajasthan	Tonk	Leather Other articles
88	Rajasthan	Tonk	Rugs & Duries
89	Rajasthan	Tonk	Textiles Hand Embroidered
90	Rajasthan	Tonk	Textiles Hand Printed
91	Rajasthan	Udaipur	Dolls & Toys
92	Rajasthan	Udaipur	Folk Paintings
93	Rajasthan	Udaipur	Jewellery
94	Rajasthan	Udaipur	Textiles Hand Printed
95	Rajasthan	Udaipur	Wood Carving
96	Rajasthan	Udaipur	Wood Turning & Laquerware

Annexure 4

Handloom Clusters in Uttar Pradesh, Bihar and Rajasthan

DISTRICT WISE CLASSIFICATION OF HANDLOOMS AS PER CENSUS 1995-96						
No. of Looms	Up to 1000	1000-5000	5,000 - 10,000	10,000-25,000	25,000 - 50,000	Above 50,000
STATE: BIHAR						
	Muzafferpur	Siwan	Bhagalpur			
	East-Champaran	Sahebganj				
	West Champaran	Hazaribagh				
	Gopalganj	Ranchi				
	Sitamarhi	Nawada				
	Vaishali	Banka				
	Saran	Patna				
	Sheohar	Godda				
	Darbhanga	Madhubani				
	Samastipur	Gaya				
	Madhepura	Aurangabad				
	Supaul	Nalanda				
	Purnia					
	Kishanganj					
	Araria					
	Katihar					
	Munger					
	Jamui					
	Lakhisarai					
	Shaikhpura					
	Khangaria					
	Begusarai					
	Bhojpur					
	Rohtas					
	Bhabhua					
	Dumka					
	Deoghar					
	Pakur					
	Chatra					
	Giridih					
	Dhanbad					
	Dhanbad					
	Bokaro					
	Gumla					



	Lohardagga					
	Palamu					
	Garhwa					
	East-Singhbhum					
	West Singhbhum					
	Jahanabad					

DISTRICT WISE CLASSIFICATION OF HANDLOOMS AS PER CENSUS 1995-96

No. of Looms →	Up to 1000	1000-5000	5,000 - 10,000	10,000-25,000	25,000 - 50,000	Above 50,000
	1	2	3	4	5	6

STATE : RAJASTHAN

	Ajmer	Bharatpur	Badmer			
	Alwar	Dausa				
	Banswada	Jaislmer				
	Baran	Kota				
	Bundi	Nagaur				
	Bhilwara	Tonk				
	Chittaurgarh	Bikaner				
	Dungarpur	Churu				
	Dhaulpur	Jodhpur				
	Sri-Ganganagar	Jaipur				
	Hanumangarh	Swai-Madhapur				
	Jalore					
	Jhalwad					
	Jhunjhunu					
	Pali					
	Rajsamand					
	Sirohi					
	Sikar					
	Udaipur					

DISTRICT WISE CLASSIFICATION OF HANDLOOMS AS PER CENSUS 1995-96

No. of Looms →	Up to 1000	1000-5000	5,000 - 10,000	10,000-25,000	25,000 - 50,000	Above 50,000
	1	2	3	4	5	6

STATE : UTTAR PRADESH

	Almora	Etawa	Azamgarh	Bijnore		Varanasi
	Allahabad	Unnao	Gorkhpur			



Uttarkashi	Kanpur (City)	Basti			
Kanpur (Rural)	Jhansi	Barabanki			
Gonda	Bareilly	Meerut			
Chamoli	Mathura	Moradabad			
Jalaun	Saharanpur	Mirzapur			
Tehri	Siddharth Nagar	Sitapur			
Garhwal	Sultanpur				
Dewaria	Agra				
Dehradun	Eta				
Pratapgarh	Ghaziabad				
Paurigarhwal	Bulandshahar				
Pilibhit	Hardoi				
Fatehpur	Rampur				
Faizabad	Aligarh				
Farukhabad	Ghazipur				
Ferozabad	Pithoragarh				
Badayun	Muzaffarnagar				
Nainital					
Padrauna					
Banda					
Ballia					
Behraich					
Bhadoi					
Mahoba					
Maharajganj					
Mainpuri					
Raebareli					
Lucknow					
Lakimpur-Kheri					
Lalitpur					
Sonbhadra					
Hamirpur					
Haridwar					
Shahjahanpur					
Udhamsingh Nagar					
Ambedkarnagar					

Annexure 5

District wise distribution of Muslim Population in Bihar, Rajasthan and Uttar Pradesh

State	No. Dist.	State wise Districts	Total population	Muslim population	Muslims (%)
Bihar	1	Patna	4,718,592	366,164	7.8
	2	Bhagalpur	2,423,172	423,246	17.5
	3	Nalanda	2,370,528	176,871	7.5
	4	Gaya	3,473,428	403,439	11.6
	5	West Champaran	3,043,466	646,597	21.2
	6	Darbhanga	3,295,789	748,971	22.7
	7	Rohtas	2,450,748	246,760	10.1
	8	Muzaffarpur	3,746,714	573,951	15.3
	9	East Champaran	3,939,773	755,005	19.2
	10	Bhojpur	2,243,144	163,193	7.3
	11	Kishanganj	1,296,348	876,105	67.6
	12	Purnia	2,543,942	935,239	36.8
	13	Araria	2,158,608	887,972	41.1
	14	Katihar	2,392,638	1,017,495	42.5
	15	Saran	3,248,701	337,767	10.4
	16	Siwan	2,714,349	494,176	18.2
	17	Munger	1,137,797	89,791	7.9
	18	Aurangabad	2,013,055	196,030	9.7
	19	Nawada	1,809,696	204,457	11.3
Rajasthan	1	Jaipur	5,251,071	515,124	9.8
	2	Nagaur	2,775,058	356,405	12.8
	3	Jodhpur	2,886,505	310,114	10.7
	4	Sikar	2,287,788	261,714	11.4
	5	Churu	1,923,878	210,446	10.9
	6	Kota	1,568,525	183,716	11.7
	7	Jhunjhunun	1,913,689	197,707	10.3
	8	Ajmer	2,181,670	244,341	11.2
	9	Bikaner	1,674,271	172,372	10.3
	10	Tonk	1,211,671	124,440	10.3
	11	Udaipur	2,633,312	88,262	3.4
	12	Bhilwara	2,013,789	112,802	5.6
	13	Pali	1,820,251	114,088	6.3
	14	Chittaurgarh	1,803,524	98,426	5.5
	15	Sawai Madhopur	1,117,057	126,145	11.3
	16	Jhalawar	1,180,323	78,962	6.7
Uttar Pradesh	1	Moradabad	3,810,983	1,735,381	45.5
	2	Lucknow	3,647,834	748,687	20.5
	3	Kanpur Nagar	4,167,999	653,881	15.7
	4	Bareilly	3,618,589	1,226,386	33.9
	5	Meerut	2,997,361	975,715	32.6
	6	Bijnor	3,131,619	1,306,329	41.7
	7	Muzaffarnagar	3,543,362	1,349,629	38.1
	8	Varanasi	3,138,671	497,516	15.9
	9	Ghaziabad	3,290,586	782,915	23.8
	10	Saharanpur	2,896,863	1,132,919	39.1
	11	Aligarh	2,992,286	531,956	17.8



12	Rampur	1,923,739	945,277	49.1
13	Allahabad	4,936,105	627,735	12.7
14	Badaun	3,069,426	654,797	21.3
15	Bulandshahar	2,913,122	613,660	21.1
16	Agra	3,620,436	323,634	8.9
17	Jyotiba P. Nagar	1,499,068	590,308	39.4
18	Shahjahanpur	2,547,855	455,049	17.9
19	Mau	1,853,997	353,003	19.0
20	Firozabad	2,052,958	260,414	12.7
21	Sitapur	3,619,661	696,126	19.2
22	Etah	2,790,410	319,386	11.4
23	Hardoi	3,398,306	445,419	13.1
24	Gorakhpur	3,769,456	344,960	9.2
25	Bahraich	2,381,072	829,361	34.8
26	Azamgarh	3,939,916	593,907	15.1
27	Barabanki	2,673,581	589,197	22.0
28	Pilibhit	1,645,183	390,773	23.8
29	Unnao	2,700,324	296,780	11.0
30	Kheri	3,207,232	612,638	19.1
31	Ambedkar Nagar	2,026,876	332,212	16.4
32	Jaunpur	3,911,679	399,186	10.2
33	Jhansi	1,744,931	129,785	7.4
34	Kannauj	1,388,923	219,104	15.8
35	Mathura	2,074,516	167,628	8.1
36	Farrukhabad	1,570,408	232,599	14.8
37	Rae Bareilly	2,872,335	340,129	11.8
38	Jalaun	1,454,452	146,317	10.1
39	Bhadohi	1,353,705	161,962	12.0
40	Fatehpur	2,308,384	307,047	13.3
41	Faizabad	2,088,928	304,434	14.6
42	Gaut. Budh. Nagar	1,202,030	156,415	13.0
43	Gonda	2,765,586	532,585	19.3
44	Baghpat	1,163,991	287,871	24.7
45	Ghazipur	3,037,582	300,327	9.9
46	Etawah	1,338,871	95,926	7.2
47	Balrampur	1,682,350	617,675	36.7
48	Hathras	1,336,031	134,851	10.1
49	Mirzapur	2,116,042	158,204	7.5
50	Sultanpur	3,214,832	524,642	16.3
51	Ballia	2,761,620	181,553	6.6
52	Pratapgarh	2,731,174	374,126	13.7
53	Deoria	2,712,650	308,731	11.4
54	Mainpuri	1,596,718	84,577	5.3
55	Hamirpur	1,043,724	83,064	8.0
56	Sant Kabir Nagar	1,420,226	341,154	24.0
57	Chandauli	1,643,251	168,281	10.2
58	Kushinagar	2,893,196	487,674	16.9
59	Kaushambi	1,293,154	174,698	13.5
60	Siddharthnagar	2,040,085	600,336	29.4