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## India Inc's caste census finds ST, SCs missing

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**New Delhi** A first-ever caste census of India Inc's human resources has revealed that the proportion of scheduled caste and scheduled tribe employees in the private sector in some of the most industrialised states hardly reflects their strength in the general population of those states. The only exception is Tamil Nadu, which ranks number one in industrialisation and employment (by number of factories and persons, according to the Annual Survey of Industries 2008-09), where Scheduled Castes (SCs), Scheduled Tribes (STs) account for almost 18% of industrial workforce and 20% of the state's population.

In sharp contrast are some of the other most industrialised states such as Maharashtra, Gujarat, Karnataka, Madhya Pradesh, Rajasthan and West Bengal which show a sharp mismatch between SCs, STs as a percentage of the total workforce in the private sector and SCs, STs as a percentage of the state's total population. For instance, SCs and STs make up 19.1% of Maharashtra's population, but their share in private sector human resources is only 5%. In Gujarat and Karnataka, SCs and STs are just about 9% of the staff strength, but account for 22% and 23%, respectively of the state population.

Living under constant threat that legislation on employment reservation in the private sector may find a place in the government's inclusive growth agenda, the Confederation of Indian Industry, the country's largest industry chamber, undertook a caste census of its members spread across 22 states and union territories to get a better idea of the affirmative action practiced so far by India Inc. The survey is restricted to 8,250 members of the association, which together employ 35 lakh people. But it does give a flavor of the manpower mix in India Inc.

The survey reveals that companies in the least industrialised eastern region, and where jobs are far and few, have the highest percentage of SCs, STs. So, in Bihar – which ranks a distant 17 as per the Annual Survey of Industries 2008-09 – SCs and STs together constitute a fourth of the total workforce, whereas they form just 16.6% of the state's total population. Chhattisgarh is a shade better with more number of factories, but half its workforce comprises SCs, STs, comparable to its total SC, ST population of 43.4%.

The private sector in the western region comes as a surprise. Maharashtra, the hub of India inc, is second only to Tamil Nadu in terms of industrialisation and employment. CII members in the state employ 20.72 lakh people, almost 57% of the total employee base considered in the survey. But SC, ST proportion in the workforce is one-fourth of their percentage in the total population. In Madhya Pradesh that ranks 11 in industrialisation and workforce, SCs and STs account for 11% of the private sector's total staff strength, less than a third of their strength in state's population.

The private sector in Tamil Nadu, Andhra Pradesh and Kerala has on its rolls a remarkably high percentage of SCs and STs. Tamil Nadu – where the politically-driven Dravidian movement significantly empowered the SCs and STs – is distinct because it also ranks number one in terms of number of employees and factories. The SCs and STs who account for 18% of the workforce in CII's member companies constitute 20% of the state's population. In Kerala, for entirely different reasons such as 100% literacy, the percentage of SCs and STs in the private sector is higher than their share in population. In the north, Delhi and Haryana buck the general trend where the gaps between SCs, STs at work and their representation in the population are significantly higher. The CII survey of the private sector's manpower mix in Chandigarh, Punjab and Rajasthan shows that SC, ST proportion is 25-50% lower than their strength in the total population.

STATE	INDUSTRY RANK	SC/ST IN INDUSTRY*	SC/ST IN POPULATION**	GAP
TAMIL NADU	1	17.9	20	2.1
MAHARASHTRA	2	5	19.1	14.1
ANDHRA PRADESH	3	17.1	22.8	5.7
GUJARAT	4	9	21.9	12.9
UTTAR PRADESH	5	17	21.2	4.2
PUNJAB	6	21	28.9	7.9
KARNATAKA	7	8.9	22.8	13.9
RAJASTHAN	8	14	29.8	15.8
WEST BENGAL	9	20	28.5	8.5
KERALA	10	14.2	10.94	-3.26
HARYANA	11	19	19.3	0.3
MADHYA PRADESH	12	11	35.5	24.5
DELHI	13	15	16.9	1.9
UTTARAKHAND	17	22	20.9	-1.1
HIMACHAL PRADESH	21	12	28.7	16.7
PUDUCHERRY	23	13.2	16.2	3

Industrialisation rank based on Annual Survey of Industries 2008-09  
 \* Share in percentage of workforce, based on CII survey  
 \*\* Share in percentage of population, based on Census of India 2001



## India's Missing Inc

**P. Vaidyanathan Iyer** Posted online: Sun Jan 23 2011, 00:37 hrs

It was a wake-up call for India Inc, recalls Jamshed J Irani, Director, Tata Sons, when in early 2006, the then Minister for Social Justice and Empowerment and the Congress party's Dalit face, Meira Kumar, started meeting top CEOs to seek their support for a legislation on employment reservation for Scheduled Castes and Scheduled Tribes in the private sector. In an interview with The Indian Express some time back, Irani who leads the affirmative action plan in the Tata Group that employs some 3.75 lakh people—tacitly admitted that the corporate sector had not quite consciously worked to mainstream the idea till five years ago.

To create more jobs for SCs and STs, Meira Kumar said there was no third way besides voluntary action by India Inc. or a legislation mandating reservation. The idea of a statute gained political traction in the first term of the United Progressive Alliance government, particularly with the Left demanding that the industry play a leading role in empowering the less privileged—the SCs and STs—who account for almost a quarter of the country's population.

Prime Minister Manmohan Singh was, however, more subtle in his message to India Inc. In his address to corporate honchos at the annual meeting of the Confederation of Indian Industry (CII) on April 18, 2006, he asked the industry to assess, at the company level, the diversity in its employee profile and voluntarily commit to broad-base it.

Almost five years later, the CII, India's largest industry chamber, undertook the first-ever caste census of its member firms--numbering 8,250 and employing 35 lakh--across the country. This, arguably, is also representative of India Inc. The survey, at first glance, shows the private sector in poor light, especially in states like Maharashtra, Gujarat and Karnataka, if one looks at its results from a narrow prism of the share of SC/STs in the workforce compared with their strength in the total population. In these two regions, SCs/STs are just about 16 per cent of the workforce. In the northern and eastern regions, they are 22 per cent and 24 per cent, respectively, reflecting the average national

SC/ST population.

With the threat of a legislation looking real, the corporate sector's response, according to Irani, was two-fold, and he explained this in detail to the Prime Minister. "It (quotas) is not really going to help them. Corporate India could challenge it, but would like to avoid this situation. So, let us cooperate. The CII and others will cooperate with the government on affirmative action and this will bring more benefit to SC/STs." The government saw merit in the argument, and in the last five years, India Inc has made progress, but just enough to keep the government off from passing a law.

"If you ask me, if I am satisfied, the answer is 'no'. But the progress is better that what it was four years ago," says Irani, who kick-started a sensitisation drive among the CII members as the first chairman of the CII

Affirmative Action Council. He undertook an all-India tour from Delhi to Bangalore, talking to all companies, enthusing them to see candidates from the disadvantaged sections with a positive bias.

“Within the Tata Group, we saw it as the right thing to do. So, we have a positive discrimination policy. That is, we prefer a disadvantaged community candidate,” he says. Like Tatas, there are others, including Thermax, Maruti, Forbes and Mahindras, who have taken affirmative action seriously...

#### AFFIRMATIVE ACTION, FEW BUYERS

...but the corporate sector is not just a handful of companies. It is hugely divided on the very idea of affirmative action. Sanjeev Bikhchandani, founder and Executive Vice Chairman of naukri.com, a portal which offers a 24.3-million strong database of searchable resumes to job providers, says: “Affirmative action has not really caught on in India. Most private sector companies, at best, regard this as a part of their corporate social responsibility. There are multinational companies that look specifically for women candidates. In fact, some of them have a target too. But caste-based recruitment is not mainstream yet.”

The CII's caste census also bears it out. Maharashtra, Gujarat, Karnataka, Madhya Pradesh, Rajasthan and West Bengal, some of the most industrialised states, show a sharp mismatch between SC/STs as a percentage of the total workforce in the private sector and SC/STs as a percentage of the state's population. In Maharashtra, SCs and STs make up 19.1 per cent of the total state population, but their share in private sector employment is only 5 per cent. In Gujarat and Karnataka, SCs and STs constitute just 9 per cent of the staff strength, but account for 22 per cent and 23 per cent, respectively, of the state population. Ironically enough, these are the states that rank high in the pecking order, both in terms of the number of factories and employment. The only exception is Tamil Nadu, which ranks number one in industrialisation and employment and where SC/STs account for almost 18 per cent of the industrial workforce and 20 per cent of the state's population.

The states in east India, where jobs are far and few, have the highest percentage of SC/STs. So, in Bihar, which has little to show in terms of industrialisation, SCs and STs constitute a fourth of the total workforce, much higher than their 16.6 per cent share in the state's population. Similarly, the private sector in Chhattisgarh has almost half its workforce from the SC/ST community, comparable to their strength in population (See map).

#### SERVICES, THE SILVER LINING

Services today account for almost 60 per cent of the country's economy. In Maharashtra, according to the same CII survey, banks, financial institutions and information technology or software services companies contribute almost 18 per cent to the total employment. And within services, SC/STs account for a quarter of the total workforce. “Most private sector is caste and religion agnostic,” says K Ramkumar, Executive Director, ICICI Bank, who is responsible for human resources in the country's largest private sector bank. “In Maharashtra, Tamil Nadu and Karnataka, a lot more people are eligible to apply for jobs because they are graduates,” he says.

Down south, barring Karnataka, private sector in the other three states—Tamil Nadu, Andhra Pradesh and Kerala—can pull their collars up. Infosys board member Mohandas Pai, who is responsible for human resources in the most-celebrated software company, says, “If you look at fresh hiring at Infosys, much of it is from the disadvantaged section. Both the parents of 17 per cent of our fresh hires in Mysore are non-graduates. Almost 40 per cent of these hires had only one graduate parent.” A silent revolution seems to be happening from the bottom. “And this is happening in high-paying jobs, going right up to the top,” says Pai.

Indeed, according to the CII survey, in all four southern states combined, the share of SC/STs among trainees in the IT and IT-enabled services sector is 10 per cent of the total trainee strength. If you look at the total

employee stock across all levels of management, then it is only 5 per cent. IT and ITeS account for 26 per cent of the total employment in southern India and CII members alone employ about 1.5 lakh in the region.

#### DRAWING THE RIGHT LESSONS

Manish Sabharwal, Chairman, TeamLease Services Ltd, the country's biggest player in the temporary staffing industry, notes that the only macro economic variable that has stayed where it was in 1991 is the high proportion of labour force in the unorganised sector—at 93 per cent. “The organised sector that accounts for a mere 7 per cent of the labour force enjoys disproportionately the fruits of higher incomes. Economic reforms, at the end of the day, is not just about goofy rich guys buying Mercedes.”

Sabharwal and Infosys' Pai are least surprised by India Inc's good show in Tamil Nadu and Andhra Pradesh. These two states have blended huge capacities in higher education with generous scholarships. “Tamil Nadu's 300 colleges have 1,20,000 seats. A larger proportion of disadvantaged population goes through colleges,” says Pai. “Even Karnataka has reservation, but the key is to create large capacities. Otherwise, even from the SC/ST communities, the upward layers crowd out capacities,” he points out. That, in a way, explains the private sector's poor show in affirmative action in Karnataka.

Uttar Pradesh, in another 10 years, will fare better than most other states. Mayawati has started 270 engineering colleges this year. The UP Technical University has added 1,00,000 seats in the last three years. “But the Ayatollahs of education have tried to control quality by controlling quantity,” says Sabharwal.

All this is not to say that India Inc is doing a great job on affirmative action. “But in board rooms, there is serious awareness today,” says Ramkumar, who sits on the board of ICICI Bank. Only better education and skill development will expand the catchment area for SC/ST recruitment. In India, there is no shortage of jobs, only a scarcity of qualified people.

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## **Concern over 'mismatch' in corporate quota jobs**

Special Correspondent

*Reveals CII caste census*

JAIPUR: The Centre for Dalit Rights (CDR) here has expressed concern over a huge gap between the representation of Scheduled Castes and Scheduled Tribes in private sector jobs and their share of population in Rajasthan as revealed in the first-ever caste census in the country undertaken recently by the Confederation of Indian Industry (CII).

The caste survey carried out by the country's largest industry body has disclosed that Dalits and tribals, comprising 29.8 per cent of the population in Rajasthan as per the 2001 Census, have a share of merely 14 per cent in the employment in the private sector.

The gap, reported at 15.8 per cent, is the second highest after that in Madhya Pradesh.

In other words, the proportion of SC/ST in the workforce at private companies and industries is more than 50 per cent lower than their strength in the total population in the State, which enjoys the eighth rank in the country in terms of industrialisation. CII undertook the caste census of its members in 22 States and Union Territories.

Reacting to the "sharp mismatch" in the corporate employment domain, CDR patron P. L. Mimroth said that since the private firms and big corporate houses in Rajasthan were not willing to give proper representation to Dalits and tribals in jobs, the time had come for providing reservation in the private sector to serve the agenda of "inclusive growth".

"It would be in the fitness of things for the private sector to itself arrange for quota in jobs for SC/ST as part of its corporate social responsibility [so as] to bring Dalits and tribals to the mainstream of development," said Mr. Mimroth, who is a lawyer at the Supreme Court in New Delhi, and added that the Dalit rights groups would support any initiative in this regard.

CDR director Satish Kumar said Dalits, tribals and Muslims in the country were the sections "worst-affected" by liberalisation of economy and had failed to keep pace with rapid industrialisation.

"Reservation in the private sector is the only way to compensate for their disability and help them enhance their capacity to earn livelihood."

The Dalit group noted that though a positive scenario of Dalit empowerment had emerged in the southern States such as Kerala, Tamil Nadu and Andhra Pradesh – where a high percentage of Dalits on the private sector rolls had been reported – the conditions were depressing in States like Rajasthan, Gujarat, Maharashtra and Himachal Pradesh.

Mr. Kumar affirmed that with the shrinking job opportunities in the Government and public sector organisations, reservation for SC/ST in the private sector would be "the only feasible method" to include them in the nation's growth.

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