

Imagine the following scenario: One fine morning, the Delhi government suddenly declares that not more than 50,000 cars and scooters will be allowed in the entire territory of our capital city, without ensuring an effective public transport system to make up for private vehicles. It also lays down that the ability to buy a car does not entitle you to own it. People have to have special government permits to own a car or scooter. Also that no family can get a license for more than one vehicle. Imagine further, that the government enacts a law stipulating that the person who is issued such a permit to own a car, a scooter, a bus or a truck has to drive that vehicle himself. If he allows someone else to drive it, the vehicle is liable to be forcibly seized by the Municipal Corporation and sold as junk, after being hammered to pulp. The corporation further legislates that in order to check the number of illegal vehicles, or those without permits on Delhi roads, the corporation employees and police have the right to carry out routine raids, stop any and every car/scooter driver and impound his vehicle, irrespective of whether he/she is able to produce his/her license or not. It then empowers itself to confiscate and destroy at random, as many cars as and when as it pleases under the pretext of facilitating smooth flow of traffic.

And that in order to save this seized vehicle from being destroyed, the owner licensee has to prove within 15 days of seizure, that he himself was driving the seized vehicle. That even if there is clear evidence that the seizure was *mala fide* and that the municipal or traffic police inspector had confiscated several duly licensed vehicles simply to extract bribes, the owners of seized cars still have to pay a minimum fine of Rs 40,000 each, or

## PART ONE

# License-Quota-Raid Raj

## Economic Warfare against Rickshaw Owners and Pullers

**Madhu Kishwar**

10 to 20 percent of the cost of their cars to get their respective vehicles released. That in addition, the owner licensee of the car has to pay Rs 1,000 per day as store charges for the number of days that his vehicle remains confiscated.

Most educated and informed citizens would dismiss the above scenario as an impossibility. They would argue that such economic tyranny does not prevail even under outright dictatorial and fascist regimes, let alone in a democracy like India.

And yet the situation I have just described does not represent any futuristic nightmare. It is the daily live experience of lakhs of citizens in our capital city—a situation legitimised by

none other than the Supreme Court of India. The reason no one has taken any note of it is that the victims are one of the poorest and marginalised groups of our society — the pullers and owners of cycle rickshaws in Delhi.

### **A Vital Public Service**

Cycle rickshaws were introduced in to Delhi in the 1940's when they were seen as a major technological advancement over the hand-pulled rickshaws. One would have expected them to disappear with the fast growth of modern, motorised transport. But their number has grown phenomenally in the last couple of decades, testifying to a vibrant and increasing demand for this service. Mr. Parreira, the Commissioner of Traffic



**Daily victims of police brutality**

police, says there are about ten lakh rickshaws in the entire region of Delhi. More conservative estimates put the figure at six lakhs. In addition, there are at least 20,000 mechanics servicing this sector. Delhi has several thousand contractors owning anything from five or ten to a few hundred rickshaws. Add to it thousands of those in the small scale sector who are involved in the manufacture of various components used in assembling of rickshaws. On an average, the earning of a rickshaw puller supports five or six others. Thus, at least 50 to 60 lakh people's livelihood is dependant on the labour of Delhi's rickshaw pullers.

Cycle rickshaws provide a much needed and valuable public service, especially for the low income groups in our cities. Even today, a kilometre long ride in a cycle rickshaw costs no more than five rupees. An auto rickshaw charges Rs 15 to 20 for the same distance. In the old city area and in some of the congested colonies meant for the poor, where the lanes and by-lanes are too small for motorised vehicles, cycle rickshaws are the only available means of transport. During my childhood one saw them mostly in old Delhi and in lower middle class colonies in the trans-Yamuna area, as well as in some of the peripheral semi-urban settlements around Delhi. But now, barring a few V.I.P zones of Lutyens New Delhi, where their presence is altogether banned, cycle rickshaws have proliferated in every nook and corner of Delhi, including many of the posh South Delhi colonies. This is because they are the only available means of public transport for short distances, especially within the various colonies which are spread over large geographical areas. In addition, they are convenient and available virtually at your doorstep.

**The rest are declared illegal. But even the one licensed vehicle out of 14 rickshaw is tied up in a web of illegality through other devious laws.**

### **Provides Instant Livelihood**

Most rickshaw pullers in Delhi are seasonal migrants whose families are still based in their villages. A good proportion of them are from agricultural families with small and shrinking land holdings. The rest are from impoverished landless or artisanal households. With the growing pauperisation of India's traditional artisans and technologists like weavers, *lohars*, *kumhars*, *sthapatis* (builders), leather workers and so on, millions are deserting their age old occupations and gravitating towards occupations like rickshaw pulling, simply because entry into this occupation is easy, requires no capital and provides immediate instant income without any financial risk. Rural migrants in search of work can hire a rickshaw within hours of reaching the city and start earning money almost instantly. They hire these vehicles from small or big contractors in Delhi on a daily charge ranging from Rs 18 to 22, depending on the state of the vehicle. Even new migrants can hire rickshaws without giving any money deposit, solely on the guarantee of some known rickshaw puller introducing them to the contractor. The rental has to be paid either at the end of the day or on a weekly/monthly basis, depending on the equation between the owner and puller.

A new rickshaw costs Rs 3,500 and a second-hand one can be purchased for as low as Rs 800 to Rs 2,000, depending on the condition of the vehicle. Thus the Rs 600 hire

charge that a rickshaw puller pays to the rickshaw contractor from whom he hires the vehicle represents nearly one sixth the cost of a new vehicle or half the price of a second-hand vehicle. The reason for such high rental is not so much due to the 'greed' of exploitative contractors, but more due to the fact that the corporation laws make owning and hiring a rickshaw a very high risk venture and routinely inflict heavy losses on the owners for operating in this sector.

### **Unrealistic Quotas**

The rickshaw licensing policy was first formalised in 1960 with the introduction of special Bye-laws for this sector. Phase one lasted till 1975. Under this, the MCD had initially decided on a quota of 600 rickshaws. Later they added another 150 rickshaws for the Shahdara area, bringing the total sanctioned number of rickshaws to 750.

Despite all attempts at controlling the number of rickshaws, they kept registering a steady increase. Thus, the MCD has had to review the sanctioned quota every few years. In 1975, the MCD carried out a survey of this sector that resulted in the implementation of a new policy in 1976, which also resulted in a raised quota of 20,000 rickshaws for all of Delhi. In 1993, the license quota was raised to 50,000—still far short of the actual number of rickshaws plying in the city. In response to a case filed in the Supreme Court by the Rajdhani Cycle Rickshaw Operators Union challenging the arbitrary actions of the MCD, the then Commissioner of Police, Mukund Upadhyay, submitted to the court that as against the 50,000 licenses granted by the MCD, there were 4.5 lakh rickshaws in actual operation in Delhi.

In December 1998, the MCD was compelled to raise the quota of

sanctioned rickshaws to 99,000 because of the persistent demands of rickshaw operators. However, the deliberate slowness with which the licenses began to be issued can be gauged from the fact that even up to this day, only 73,000 licenses have been issued. For the last year or so, the MCD has stopped issuing new licenses altogether, even though the existing insufficient quota is not yet filled. If we take the figure of 10 lakhs provided by Police Commissioner Maxwell Parreira, in effect it means that only one in 14 rickshaws is licensed. The rest are declared illegal. But even the one licensed vehicle out of 14 rickshaw is tied up in a web of illegality through other devious laws.

The MCD justifies its policy of “controlling” the number of rickshaws in Delhi by pointing to the growing congestion on Delhi roads due to increasing traffic. The reasoning appears farcical when one considers that there is no comparable limit imposed on the number of cars or other motorised vehicles allowed in the city of Delhi. Two lakh motorised vehicles are being added to Delhi’s traffic every year, without any attempt at control. Petrol and diesel driven vehicles have increased at a much faster rate, despite the fact they constitute a serious environmental hazard. By contrast, the cycle rickshaw is a pollution free, inexpensive vehicle. In a city like Delhi, which is reeling under the impact of air pollution due to an explosion in the number of petrol-diesel based vehicles, this eco-friendly vehicle should have found governmental support and encouragement. Instead, the Delhi government has used archaic and draconian laws to treat people working in this sector as though they are criminals and used the full might of the state to harass, fleece and hound them through bizarre regulations.

**If a person is found driving a driving car without a license, he/she is liable to pay a fine of a few hundred rupees. But a person plying a rickshaw without a puller’s license invites confiscation of the vehicle.**

### **Owner Must be Puller**

Apart from attempting to restrict the total number of rickshaws on Delhi roads, government regulations also extend to who can get a license and the number of rickshaws a person can own. Article 3(1) of the Cycle Rickshaw Bye-laws of 1960, framed under Section 481 of the Delhi Municipal Corporation Act of 1957, makes the absurd stipulation that “No person shall keep or ply or hire a cycle-rickshaw in Delhi unless he himself is the owner thereof and holds a license granted in that behalf by the Commissioner on payment of the fee that may from time to time, be fixed under sub section (2) of Section 430.” Delhi’s municipal law further stipulates down that “No person will be granted more than one such license.” However, some exceptions are allowed. The commissioner may grant more than one license to a widow or a handicapped person subject to the limit of five licenses. If a person is found driving a driving car without a license, he/she is liable to pay a fine of a few hundred rupees. But a person plying a rickshaw without a puller’s license invites confiscation of the vehicle.

The blatant injustice inherent in this legal provision becomes obvious when juxtaposed against the fact that a person or company may own a whole fleet of cars, trucks, buses or even aeroplanes but no one is legally permitted to own more than one cycle rickshaw! This, when a new rickshaw costs no more than Rs. 3,500 and a

second hand one can be purchased for Rs 800 to 2,000. Thus, someone who owns even a hundred rickshaws — new and old—would not have invested more than two to two and a half lakh rupees. In other words, he is still a petty entrepreneur by any standards. This provision was enacted under the pretense of “protecting” the poor and hapless pullers from the greed of the contractor-businessmen. But in actual fact, this and other draconian restrictions imposed on rickshaw ownership in Delhi have facilitated a vast extortion racket in Delhi.

Despite laws that mandate that licenses will only be issued to owners who pull their own rickshaws, very few rickshaw pullers own their own vehicles. The vast majority of rickshaws are owned by petty entrepreneurs who own small or big fleets ranging from five to a couple of hundred rickshaws. These entrepreneurs are disparagingly referred to as *thekedars* or contractors. The owners are forced to enter into an unofficial agreement with the MCD employees who issue them licenses in bulk in the name of real or imaginary rickshaw pullers, provided they are adequately bribed. The bribe rate varies from Rs 300 to 600 per license.

### **Web of Illegality**

However, even after bribes, no contractor is given licenses for his full fleet. A person who owns 100 rickshaws is not likely to have more than 15 to 20 licensed vehicles. The rest remain illegal. A certain agreed amount of “monthly” payment per rickshaw is given to the MCD inspectors as well as the local police as “protection money”. But this does not save their rickshaws from confiscation. By declaring their very existence illegal, the municipal and police authorities hold the rickshaw

owners hostage to increasing extortion and blackmail.

A person who lets out his rickshaw on hire is treated as a legal offender. If a person gives his rickshaw on hire or allows his brother, son or any other relative to ply it, the law allows the municipality to seize and confiscate his vehicle. The gross absurdity of this provision glares at us if we consider that a bus, truck or car owner can hire any number of different drivers to ply his vehicle. But not so a rickshaw owner. This provision has been challenged repeatedly by the rickshaw operators in the court as well as through appeals to policy makers. They rightly feel that by legislating against their right to own and operate more than one vehicle, the government has violated their very right to livelihood.

The ownership licenses issued are valid only for a period of three years but have to be renewed every year. After three years, an owner has to obtain a fresh license. The going bribe rate for getting a new license varies from Rs 200 to Rs 600, though the official fee is only Rs 50. Renewal costs another 25 Rs as official fee and Rs 150 to Rs 200 as grease money.

An owner puller is supposed to have two kinds of licences—one for owning the rickshaw, the other one for pulling it. Even getting a driving license is so difficult that most pullers ply their vehicles without a puller's license. So they too are dubbed as illegal, thus inviting confiscation of the vehicle.

Even with a bribe, MCD officials are extremely reluctant to give licences to individual pullers. They are far more inclined to give them to contractors who own a fleet of rickshaws. This is an important reason why very few rickshaws in Delhi are owned by the actual pullers. The reluctance to give licenses to

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individual pullers can best be understood by recognising the logistics of bribe collection. The MCD and police officials do not allow a rickshaw to be operated in the city without the owners paying a monthly bribe ranging from Rs 50 to Rs 100 per rickshaw depending on the area. Both these worthies find it much easier to collect bribes from *owners* who rent a fleet of rickshaws because they have to operate from a fixed location. By contrast, collecting monthly bribes from six lakh individual pullers is a daunting task. Therefore, the few individual pullers who dare approach the MCD staff for licenses are shooed away, unless they come with political *sifarish* of the local corporator or MLA. The owner displays in bold and prominent letters a code word (often his own name) as a “password” so that the MCD employees know those particular rickshaws are paying regular

patronage money. Whether the vehicle is ‘legal’ or ‘illegal’, the MCD officials expect and extort a certain sum as monthly bribe for each rickshaw he owns. Lower amounts are paid for ‘legal’ ones and higher for the ‘illegal’ ones. Thus the officials have acquired a vested interest in keeping the number of illegal vehicles as high as possible.

The license is granted for a limited zone in the city, earmarked by colour coding of the rickshaw. In all, M.C.D. has carved out 12 zones of areas under its jurisdiction. Moving out of that fixed and small zone also invites confiscation of the vehicle. Therefore, owners have to bribe the inspectors of at least three or four contiguous zones to buy a measure of “protection”.

### **Fines, Seizures, Destruction**

A far deadlier change in the policy was introduced in 1998 by laying down that all the ‘illegal’ rickshaws would be confiscated and destroyed. Up until then, the rule was that a certain number of rickshaws were routinely seized under the guise of eliminating “illegal” rickshaws in the city, but the pre 1998 policy allowed for the release of seized rickshaws



**“Phool Chand” used as a code mark to indicate settlement with MCD**



**Seized rickshaws being brought in a West Delhi municipal yard**

after the owner paid the stipulated official fine and a little grease money. Until 1997, the MCD charged a penalty of Rs 100 plus store charges at Rs 3 per day for as long as the rickshaw stayed in the municipality yard. As if that was not steep enough, in 1998, the MCD raised the fine to a minimum of Rs 300 plus Rs 25 per day as store charges for the number of days that the vehicle stay confiscated in the MCD yard. This policy change introduced in November-December 1998 also lays down that “unlicensed” rickshaws can not be officially released. Even with licensed vehicles, if an owner fails to get the vehicle released within 15 days, by “proving” that he is indeed the owner puller, the MCD has the right to destroy the vehicle and auction it as junk.

It is a common allegation that the MCD employees deliberately delay release of seized rickshaws and that maximum number of rickshaws are seized on Friday and not released before next Tuesday, thus inflicting store charges of Rs. 125, in addition to Rs 300 as penalty. On an average, it costs Rs 500 to get the seized vehicle back. This does not include the time wasted in meeting all the legal

formalities, grovelling, greasing palms and pleading to get the vehicle released. If we calculate the loss of income to an owner puller at Rs 100 a day for the average of four days it would take to get the rickshaw released, the total financial drain would come to Rs 825. This when a second hand rickshaw can easily be purchased for Rs 1,000-1,200. Not surprisingly, many owners do not take the trouble to retrieve a vehicle, especially if it is old.

Since December 2000, the Lt. Governor has empowered the traffic police to seize rickshaws without the involvement of MCD under the pretense of decongesting city roads. Therefore, a good number of these vehicles reach police stations. Getting a rickshaw released from police custody is a far more complicated process and requires higher payoffs.

**If a car goes into a ‘No Entry’ area, it is subjected to a mild fine of Rs 100. But for rickshaw owners, the punishment is nothing short of seizure of the vehicle**

The penalties for traffic offences are no less draconian. Even within the zone allotted to a rickshaw, there are a numerous forbidden zones. “No Entry” areas are declared arbitrarily. For example, the very popular Central Market in Lajpat Nagar is a forbidden zone for these vehicles, but not for cars, scooters and other motorised vehicles. There is a total ban on rickshaws on the Ring Road. This has created a peculiar problem for a large community of rickshaw pullers living in the slums of Yamuna Pushta, on the banks of river Yamuna. They cannot move out of their area without crossing the Ring Road. Therefore, the traffic police makes good money by charging them Rs 5 to 10 each time the puller has to cross the Ring Road.

Rickshaws are altogether banned to enter the New Delhi Municipal Corporation area, the Delhi of the *sarkari* V.I.Ps. Any rickshaw caught there is to be seized, crushed and sold as junk. The law does not allow for its release even after paying a fine.

If a car goes into a ‘No Entry’ area, it is subjected to a mild fine of Rs 100. But for rickshaw owners, the punishment is nothing short of seizure of the vehicle. It can be legally released after paying a minimum fine of Rs 325, that is if it is a permit holding rickshaw driven by a licensed puller. This in effect means, a fine amounting to 10 per cent of the cost of new rickshaw or 30-40 per cent of the cost of a second-hand vehicle. In the case of non-licensed rickshaws, the MCD staff enter into an informal agreement with the owner and take anything from Rs 200—400 (depending on the value of the vehicle) for release the vehicle.

#### **Only Rickshaws Congest?**

Even duly licensed rickshaws driven by actual owners are routinely seized under one pretext or the other. People in the trade allege that owner driven rickshaws and licensed

rickshaws are targeted for confiscation more vigorously because the MCD officials want to discourage individual ownership.

The most common pretext for seizing rickshaws is “decongesting” the road. The municipal authorities along with the traffic police enact this drama routinely. They arbitrarily swoop down on busy areas and start seizing both licensed and unlicensed rickshaws on the excuse that these vehicles are cluttering up the road. Some of these seized vehicles are released before they reach the municipal yards by the owners being asked to pay Rs 200-300 per vehicle. But those that are entered in the municipal records involve the usual fine of Rs 325 plus store charges plus the cost of affidavits and other paper work required to get the vehicle released. Even if it turns out that the seizure was illegal or male fide, as per the MCD rules and provisions, and that the vehicle was being driven by a duly licensed owner, the *sarkari* inspectors are not held accountable for it and the owner has to pay a minimum of Rs 350 for release of the vehicle.

Even though the rickshaws are forcibly snatched from pullers, in police and municipal records they are invariably entered as ‘*lawaris*’, found without owner or claimant.

### Licenses Not Given

Among the many tactics used for discouraging individual ownership is that MCD does not accept applications for licenses all year round on the other hand, licenses for cars, buses or trucks can be applied for and procured year round. But for cycle rickshaws, the municipal licensing authority invites applications only for two months in a year. Notifications to this effect are issued in newspapers but since most pullers are illiterate or barely literate,

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they rarely find out about it. Many complain that even if they do know, the MCD officials make it very hard for them to get application forms which are sold on the black market and given to the favoured few. By the time, people become aware, officials have already made their deals with select *thekedars* and let them apply for licenses in bulk. The rest are kept dangling and insecure year after year.

How this small strategem adds to the risk of owning a rickshaw becomes obvious from the following account: On April 22, 2001 Deepak Suri, (age 45) a very poor, rickshaw puller from West Delhi purchased a second-hand rickshaw for Rs 1,200. On August 21, 2001, it was seized by the MCD during one of its routine

raids to decongest the city roads. Even though he was the owner puller, they would not release his rickshaw without a bribe of Rs 400 on the ground that he did not possess an owner’s license. His argument that they made it impossible for him to get a license considering that applications for getting an official permit are accepted only in October-November, not year round, fell on deaf ears. Since he did not have Rs 400 to give them, he grew so desperate that he borrowed Rs 20 for buying petrol and threatened to burn himself to death if they refused to release the only bit of property he owned in the world. Needless to say, his pleas fell on deaf ears and he would have probably carried out his threat but for MANUSHI’s intervention. We forcibly took away his rickshaw by raiding the municipal yard in a large group. For this act, the MCD inspector threatened to lodge a case of dacoity against us, but did not go ahead because the whole episode was recorded on film.

All this fleecing plus the soul destroying harassment means that very often the owner does not claim



**Deepak Suri with a bottle of petrol threatening self immolation**

the rickshaw, especially if it is an old vehicle. If the MCD employees can show that no one came to claim the rickshaw within 15 days, they have the right to junk it all sell it as scrap. The whole exercise of cutting up rickshaws after 15 days of seizure provides additional opportunities for corruption. A large proportion of confiscated rickshaws are sold in the market after the MCD employees inflict token damage to the vehicles to show in their records that they are dutifully seizing 'illegal' vehicles.

The Cycle Rickshaw Operator's Union secured a Supreme Court order which spells out clearly that any time a rickshaw is confiscated, the owner should be given a proper *challan* (receipt). But many operators allege that often MCD employees refuse to give official receipts. Thousands of rickshaws are seized every year without any entry in official records.

The MCD admits to destroying more than 60,000 rickshaws in the last three years. In the year 2000-2001, 23,000 vehicles are shown as being destroyed in municipal records. In addition, 33,000 rickshaws are recorded as seized and released after paying fines. However, people in this trade allege that at least 50,000-60,000 rickshaws per year are not returned to the owners. While 20,000 odd are entered in records, the rest are surreptitiously sold by MCD staff. The Supreme Court has repeatedly instructed the MCD not to seize licensed vehicles. But these orders are being violated every single municipal working day in Delhi. This serves a dual purpose: they can show on record that they are actively engaged in performing their duty of removing "illegal" vehicles from the road, at the same time the *babus* are able to issue a powerful threat to rickshaw owners that they can stay in business only if they placate the all powerful agents

of *mai-baap sarkar* through regular offerings. Virtually every one of the contractors I interviewed asserted that the licensed rickshaws are specially targeted so that the owners are not lulled into complacency and begin assuming that no bribes need be paid for legal rickshaws. Many allege that there is, in fact, less chance of the "illegal" rickshaws being seized as long as the owner is paying a fixed monthly bribe to the corporation because there is an assured income from it for them. By contrast, people with genuine licenses offer relatively greater resistance to paying bribes. Thus the MCD employees have acquired a deep vested interest in encouraging the proliferation of "illegal" rickshaws.

MANUSHI's survey of rickshaw pullers and rickshaw owners indicates that police and MCD employees are taking nearly Rs 10 crores per month by way of bribes from the sector. This is not counting the losses incurred due to junked and destroyed rickshaws.

### In Conclusion

Over 90 percent of India's work force is in the informal sector. Rickshaw operators are among the most visible groups of self employed people of our country. They provide a vital service for the city. Their entrepreneurial activity should have received all possible encouragement from the government, especially considering that neither the government, nor the organised sector generate enough jobs to absorb the existing work force in our country. The existing policy of trying to either "control" the number of people who enter this trade, or abolish this sector altogether—as many policy makers want to do—will only add to the large army of unemployed people in our country, which in turn will lead to increase in crime rate.

Those who are worried about increasing congestion in Delhi, would do well to remember that if these migrants are not able to earn and send their savings to their village-based families, their survival in the village will become unviable and lead to further depression in agricultural production, since these small cash incomes provide the needed investments for the small and marginal farm holdings. In such a situation, whole families will begin migrating to cities, causing much greater congestion than at present.

Demands of this Sector

❑ Abolish the license-quota system and replace it with on the spot registration, as given in the prime minister's policy draft.

❑ Stop seizure of rickshaws and punitive fines.

❑ Abolish restrictions on the number of rickshaws a person can own. Renting rickshaws as a commercial activity should be legalised.

❑ Create separate tracks for cycles, rickshaws and other slow moving vehicles so that they do not have to compete for road space with fast moving traffic.

❑ Declare all congested market areas 'No Entry' zones for motorised vehicles and allow only cycle rickshaws to operate in such areas. This will reduce pollution and congestion far more effectively than the present policy of banning entry of rickshaws.

The new policy drafted by the PMO responds to many of these concerns. Therefore, we demand its sincere implementation with small amendments to include some of the points missed out in the PMO's draft.

**[Part II of this article will appear in the next issue]**