

**GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:3665
ANSWERED ON:10.09.2007
INSURANCE SCHEME FOR ARTISANS
Sugavanam Shri E.G.

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (c) whether the Khadi and Village Industries Commission (KVIC) is undertaking out-sourcing of its activities;
- (d) if so, the details thereof;
- (e) whether the KVIC has launched any scheme to provide insurance cover to the artisans;
- (f) if so, the details thereof;
- (g) the number of persons so far covered under the scheme and the amount of compensation being paid in case of any mishappenings to the artisans; and
- (h) if not, the reasons therefor?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI MAHABIR PRASAD)

(a) & (b): The Khadi and Village Industries Commission (KVIC) has undertaken out-sourcing of its activities mainly in the following fields:

(i) Quality and Design Development: As an endeavour to improve the quality of khadi products, the laboratory infrastructure available with the Textiles Committee (a statutory autonomous body set up by the Ministry of Textiles under the Textiles Committee Act, 1963), is being out-sourced by KVIC for testing the quality of khadi. Further, services of expert textile designers from National Institute of Fashion Technology (NIFTs) are being obtained for Product Development, Design Intervention and Packaging (PRODIP) scheme.

(ii) Economic Research: KVIC has been outsourcing services of different expert organizations in order to conduct surveys and studies of various schemes/programmes.

(iii) Research & Development: Due to the nature of functioning of khadi and village industries (KVI) activities, it was imperative to outsource the research and development infrastructure to reputed Research and Development (R&D) institutes for the benefit of KVI sector. Accordingly, KVIC has entered interfaces with 12 such national level reputed R & D laboratories for availing their R & D input for the benefit of KVI units.

(iv) Publicity: KVIC brings out various periodical publications, the printing of which is outsourced through a group of empanelled printers.

(v) Human Resource Development: KVIC runs 38 training centres in different parts of the country and the faculties for these training centres are outsourced from various organizations like National Bank for Agriculture and Rural Development (NABARD), Banks, District Industries Centres (DICs), Small Industries Service Institutes (SISIs), etc.

(c) & (d): A Group Insurance Scheme for khadi workers, namely, "Khadi Karigar Janashree Bima Yojana" (JBY) was launched through KVIC on 15th August 2003 with Life Insurance Corporation of India (LIC) as insurers. The Scheme covers spinners, weavers, pre-spinning artisans and post-weaving artisans engaged in the khadi sector.

The Shiksha Sahayog Yojana is add-on coverage under JBY, without any additional premium. The wards of the khadi artisans (benefit restricted to two children per member/family) covered under the JBY are entitled to receive upto Rs. 1200 per annum per ward towards tuition fee under the Shiksha Sahayog Yojana. This benefit is only for wards studying in classes IX to XII, including those studying in Industrial Training Institutes (ITI).

The annual premium payable for each khadi artisan insured is @Rs.100/- from the year 2005-06 onwards, which is shared as under:

Share borne by	Amount of
Annual Premium	(Rs.)

Artisan	12.50
Social Security Fund of Government of India	50.00
KVIC	12.50

Khadi Institution concerned (employers of khadi workers) 25.00
Total Premium 100.00

(e) & (f): The year-wise number of khadi artisans covered during X Five Year Plan are given below:

Period Artisans covered
(Number of persons)

1st year - 15.08.2003 to 14.08.2004 1,17,337
2nd year - 15.08.2004 to 14.08.2005 1,76,951
3rd year - 15.08.2005 to 14.08.2006 2,14,128
4th year - 15.08.2006 to 14.08.2007 2,25,900

This scheme provides each artisan with risk cover of upto

- (i) Rs. 30,000 for natural death and Rs. 75,000 for death due to accident,
- (ii) Rs. 75,000 for permanent disability (loss of two eyes/limbs of use) due to accident, and
- (iii) Rs. 37,500 for partial disability.