

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

UNSTARRED QUESTION NO:445
ANSWERED ON:27.07.2010
ARTISAN WELFARE FUND
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Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) the total number of Artisan Welfare Fund Trusts (AWFTs) in the country, State-wise;
- (b) the details of works undertaken by the AWFTs during each of the last three years, State-wise;
- (c) the steps taken by the Government to cover all artisans, under AWFTs; and
- (d) the steps taken by the Government to check proper utilisation of funds and working of the AWF?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI DINSHA PATEL)

(a): The State-wise number of Artisans' Welfare Fund Trusts (AWFTs) functioning in the country, is given at Annex.

(b) to (d): Khadi Institutions registered with the Khadi and Village Industries Commission(KVIC) / Khadi and Village Industries Boards (KVIBs) of States / Union Territories are required to create Artisans Welfare Fund (AWFs) with a view to extending security and other help in the hour of need to the artisans. Khadi institutions are required to contribute 12 per cent of wages of artisans to AWF whose benefit is extended to all artisans except those who are salaried employees of khadi institutions. The main functions of the AWFTs include investing the funds to more productive avenues for better returns as well as providing financial security as and when required by the artisans such as daughter's marriage, medical treatment, etc. Amount accruing to AWF is kept in fixed deposits in nationalized Banks. Separate accounts in respect of each artisan showing the subscriptions made by him / her together with the contribution made by the institution are maintained. Each artisan, subscribing to this fund is issued a pass book by the khadi institution. In the case of death of an artisan, the entire amount to his/her credit in AWF is paid to his/her legal heirs or nominees.

With a view to achieving universal coverage of artisans under AWFTs, the cost chart mechanism has an in-built provision of additional 12% of the wages as a part of the prime cost. The membership of the respective AWFTs is mandatory for all 'A+', 'A', 'B' and 'C' category khadi and polyvastra producing institutions.