KHADI AND VILLAGE INDUSTRIES COMMISSION

DIRECTORATE OF KHADI CO ORDINATION

3, IRLA ROAD, VILE PARLE (WEST), MUMBAI-400 056.

Tel/@Fax No 26/15860 Email sksinha@kvic gov in No.DKC/SSM/4th phase/2006-07/

Date: 13-12-2006

To
The Director,
State/Divisional Office,
Khadi & V.I. Commission,

Sub: - Enhanced benefits under Khadi Karigar Janashree Bima Yojana

Sir,

Executive Director (P & GS) LIC of India has informed vide his letter No.P&GS/CO dated 30.11.2006 (copy enclosed). The benefits under Janashree Bima Yojana have been enhanced w.e.f 15-08-2006 as mentioned hereunder:-

| 1 | On Natural Death | Rs.30,000/- |
|---|---|-------------|
| 2 | On Death or total permanent disability due to accident. | Rs.75,000/- |
| 3 | On partial permanent disability | Rs.37,500/- |

These enhanced benefits are also available to the Khadi Karigars, both for fresh and renewal cases, without any additional cost either to the beneficiary or to the Government of India.

This may be brought to the notice of all concerned.

Yours faithfully,

DIRECTOR (KHADI CO ORDINATION) 8 5 07

Encl: As above

Copy to: - (1) Director (Publicity), with a request to publish the contents of the

letter in ensuing Jagtriti

(2) Director (IT), with a request to place the consequence of XVIC website. I

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KHADI AND VILLAGE INDUSTRIES COMMISSION IRLA ROAD, VILE PARLE(WEST), MUMBAI-400 056.

No.DKC/SSM/2003-04

Date 16.06 2003

All State/Regional Director, Khadi & V.I.Commission,

Sub: Introduction of Group Insurance Scheme for Khadi Artisans

Sir,

Now here is a challenge for all of us. The E.F.C. meeting held at Udyog Bhavan on 6.6.2003 has cleared the Group Insurance Scheme for Khadi Artisans. The Secretary, Govt. of India, Ministry of ARI has directed that the scheme is to be launched on the eve of Independence Day on 15th of August, 2003. This is the challenge. The following details are being provided in order to help you to understand the scheme:-

1. The Group Insurance Scheme for Khadi Artisans would stand as follows during the remaining years of the 10th Five Year Plan. The financial implications would be of the following order:-

| No. of Artisans to be covered (in lakhs) | 2003-04 3.00 | 2004-05 3.30 | 2005-06 3.60 | 2006-07 4.00 |
|--|-----------------|-----------------|-----------------|-----------------|
| Total amount of annual premium (Rs.) | 200.00 | 2:00.00 | 200.00 | 200.00 |
| To be drawn by L.I.C. from Social Security Fund of Govt. of India (2) Rs.100/- | 300.00 | 330.00 | 360.00 | 400.00 |
| Contribution by Khadi Institutions with which the spinners/weavers are registered @ Rs.50/- | 150.00 | 165.00 | 180.00 | 200.00 |
| Contribution by the Khadi Artisans (a) Rs.25/- | 75.00 | 82.50 | 90.00 | 100.00 |
| Contribution by the Commission/Govt. of India @ Rs.25/- | 75.00 | 82.50 | 90.00 | 100.00 |
| Total | 600 | 660.00 | 720.00 | 800,00 |

What has to be done by you Since the L.I.C would be issuing one policy in the name of KVIC on account of Group Insurance for Khadi Artisans the following details in the form of a statement will have to be furnished by you so that the same could be compiled in respect of all the States and made available to the L.I.C. for issuing a Group Insurance Policy. The statement to be furnished by you must conform to the details as per Annexure 'A':-

4. The deadline for furnishing the details in the form of the statement is 15th of July, 2003 repeat 15th of July 2003 since the scheme has got to be launched on the eve of Independence Day i.e. 15th of August, 2003.

5. Artisans between the age of 18 years & 59 years as on 15.8.2003 will be eligible for coverage under the scheme. The coverage to be provided by the Group Insurance Scheme will be as follows:-

| (i) | Natural death | Rs.20,000/- |
|-------|---|-------------|
| (ii) | Death due to accident | Rs.50,000/- |
| (iii) | Permanent total disability (loss of 2 eyes/2 limbs due to accident) | Rs.50,000/- |
| (iv) | Permanent partial disability (loss of one eye/one limb due to accident) | Rs.25,000/- |

6. In addition to the above coverage that will be available to the artisans under Group Insurance Scheme, the Policy will have add-on facility without any additional premium. The benefit will cover up to two childrens' educational expenses from Class IXth to Class XIIth. The benefit will be dispensed in the form of scholarship of Rs.300/- per quarter or Rs.1200/- per annum per child

Since time at our disposal is short it has been decided to cover such A & B category of directly aided institutions of the KVIC as receive rebate as a first phase coverage under the Group Insurance Scheme for Khadi Artisans. Later on, the second phase will cover all the eligible institutions ('C' category) & of State Khadi & V.I.Boards as well. The overall targets in respect of the coverage proposed have already been indicated in the table under point No.(1) of this letters

The artisans will be not only spinners and weavers registered with the institutions but also such artisans as are engaged in pre-spinning activities and post-wear agactivities on piece rate of wages

The institution with whom the Khadi Artisans are registered will be the nodal agency for claiming various benefits under the Group Insurance Scheme Therefore, the individual applications (Annexure 'B') will remain in the custody of the institutions themselves and shall be made available to the Insurance Company at the time of claiming the benefits. In case the Khadi artisans under the institutions do not have an identity No (Pass Book No.), you may assign a distinct number (as illustrated at Annexure 'A'-Col 2) to the Khadi Artisans in the statement to be furnished by you. The institution of course will have the same distinct number as has been circulated by the Directorate of 1 T.

Thanking you,

Yours faithfully.

Chief Executive Officer

AIDE - MEMOIRE

- 1. PLEASE REMEMBER THAT THE DEADLINE OF 15.07.2003 FOR FURNISHING THE STATEMENT IS INVOILABLE.
- 2. FOR THE DEADLINE TO LAUNCH THE SCHEME IS 15.08.2003. THE INDEPENCE DAY.
- USE ALL THE AVAILABLE STAFF & OFFICERS UNDER YOUR CONTROL FOR COLLECTION OF DETAILS OF ARTISANS FROM INSTITUTIONS. RITUAL WAY OF WRITING LETTERS WILL NOT BE A PRODUCTIVE METHOD OF COLLECTION IN VIEW OF THE RISK OF DEADLINE SLIPPING.

Copy to:-

- (1) Executive Director (P & GS), Life Insurance Corporation of India. "Yogakshema", Jeevan Bima Marg, Mumbai-400 021
- (2) Zonal Dy Chie Executive Officers, KVIC
- (3) Secretary to Chairman. KVIC
- (4) Director (Publicity) for publishing in the Jagriti.
- (5) Dy Director I/C (DIT) for WEBSITE

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STATEMENT OF DETAILS ON KHDI ARTISANS

A

(To be left blank - for Identity No Class IX to generate ATTISAN DIT Relationsh child of the ip Artisan, Nominee of the Artisan Name of the XII (2002-04 as the base year) studying (upto S.O.R.O ... 6 or Name 00 of of Artisan Birth Date Age 1 District 6 Name of Address of the Artisan 4 P O Village me & Address of the Institution AMISAN stitution's Code No the specifi P.11-1 P11. PS-2 Serial ATISA PS-1 1.7 1. 7. 3 1.11 01 -ur 7

.S. for Spinner before Serial N. Eg.

· Please Use





We have been giving simple interest @5% P.A for the other Govt of India / State Govt sponsored Group Insurance Schemes such as Handloom Weavers, Handicraft Artisans etc. Hence we propose to extend the same to the above surplus fund held by us wife. I 13.08.05 being the date of receipt of premium.

In case you are agreeable for the above proposal, kindly inform us in writing so that we may proceed further

Thanking you and assuring you of our best services at all times.

Yours faithfully,

Chief(SBU:P&GS)





भारतीय जीवन बीमा निराम Life Insurance Corporation of India



केंद्रीय कार्यालय, ''योगक्षेम'', जीवन बीमा मार्ग, पो. बा. नं. 19953, मुंबई - 400 021 Central Office, "Yogakshema", Jeevan Bima Marg, P. B. No. 19953. Mumbai 406 021

P&GS/CO

30 11 06

The Director (Khadi Coordination)
Office of the Commissioner For
Khadi and Village Industries,
3, Irla Road, Vile Parle (West),
MUMBAI – 400 056.

Dear Sir

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Re: Enhanced benefits under Khadi Karigar Janashree Bima Yojana

The benefits under Janashree Bima Yojana have been enhanced wef 15.8.2006 as follows:

| On Natural Death | Rs. 30,000/- |
|---------------------------------|--------------|
| On Death or Total Permanent | |
| Disability due to accident | Rs. 75,000/- |
| On Partial Permanent Disability | Rs. 37,500/- |

These enhanced benefits are also available to the Khadi Karigars, both for fresh and renewal cases, without any additional cost either to the beneficiary or to the Government of India.

Yours faithfully

EXECUTIVE DIRECTOR (P&GS)

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BY speed post



KHADI AND VILLAGE INDUSTRIES COMMISSION DIRECTORATE OF KHADI CO-ORDINATION 3, IRLA ROAD, VILE PARLE (WEST), MUMBAI-56 Phone/Fax +91-22-2671 5860 E-mail Sk5inha@kvic.gov.in Web www.kvic.org.in

No.DKC/JBY/EFC Note/2007-08/wy

Date: 05.07.2007

Joint Secretary, Govt. of India, Ministry of A&RI, Udyog Bhavan, New Delhi.

Sub: Regarding Khadi Karigar Janashree Bima Yojana for Khadi artisans and extension of the scheme for the next five year plan period.

Ref: Ministry's letter No. 4(12)/2001-KVI dated 19/21.06.2007

Sir,

As desired, vide letter referred above, the DPR for this scheme has already been sent to the Ministry vide this office letter dated 27.03.2007. The scheme for its extension during the XIth plan has been prepared in the EFC format and the same is enclosed. It is requested to take necessary steps for approval of the scheme and its continuation in XIth plan. As the present policy has to be renewed on 15th August 2007, the approval may be communicated to KVIC at the earliest.

Encl: As above

Yours faithfully,

CHIEF EXECUTIVE OFFICER

SIL

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NOTE FOR CONSIDERATION OF THE EXCENDITURE FINANCE COMMITTEE (EFC) FOR KHADI KARIGAR JANASHREE BIMA YOJANA SCHEME

SUBJECT: KHADI KARIGAR JANASHREE BIMA YOJANA

- 1. Sponsoring Ministry/Department: Ministry of Micro, Small and Medium Enterprises
- Statement of Proposal:
- Introduction:

August 15th is the Independence Day for the Country. It is also a social security day for Khadi artisans. KVIC has launched a Group Insurance Scheme for Khadi artisans on 15th August 2003. The Scheme renewed on 15th August 2004, 15th August 2005 and 15th August 2006. The Scheme is known as "Khadi Karigar Janashree Bima Yojana". The Scheme covers spinners, weavers, pre-spinning artisans and post-weaving artisans.

Benefit(s):

a) Natural death
b) Death or Total Permanent Disability due to accident Rs.75,000/c) Partial Permanent Disability Rs.37,500/-

Educational benefits (Shiksha Sahayog Yojana) – The two children of Khadi Artisan those who are studying IXth Std. to XIIth Std. including ITI are eligible for scholarship of Rs.300/- per quarter.

a) Whether Central Sector or Centrally Sponsored Scheme? In case of new CS or CSS with changed parameters, funding pattern, etc. Whether approval of full Planning Commission has been obtained:

The scheme viz. Khadi Karigar Janashree Bima Yojana has been under implementation by KVIC in association with LIC of India with patronage of Social Security Fund of Central Government. The scheme was launched on 15.08.2003 during the remaining 10th Five Year Plan period. The original scheme got approval from Planning Commission and Ministry of Finance.

The present proposal is for extension of the scheme during the 11th Five Year Plan.

The proposal for approval of this scheme by Planning Commission has been mooted through Ministry of MSME.

There is a slight modification in the funding pattern of the scheme as a result of downsizing of premium amount from Rs.200/- to Rs.100/-. At the time of launching of the scheme, the premium under the scheme was as follows:

• The cost of premium was Rs.200/- per artisan per annum. The apportionment of premium was as under:

| Subscription by Khadi artisans | | Rs.25/- |
|---|---|----------|
| Contribution by the Khadi institutions (NGOs) | | Rs.50/- |
| Contribution by KVIC | | Rs.25/- |
| Contribution from Social Security Fund - Govt. of India | | Rs.100/- |
| Total | : | Rs.200/- |

During the year 2005-06, the LIC of India has reassessed the scheme and volunteered to reduce the amount of premium from Rs.200/- to Rs.100/- as a result the premium of the scheme per lives covered for artisans shall be as follows:

| Subscription by Khadi artisans | | Rs.12.50 |
|---|---|-----------|
| Contribution by the Khadi institutions (NGOs) | | Rs.25.00 |
| Contribution by KVIC | | Rs.12.50 |
| Contribution from Social Security Fund - Govt. of India | | Rs.50.00 |
| Total | : | Rs.100.00 |
| I VIII | | |

b) Whether there are schemes with overlapping objectives and coverage in other Ministries and States? If so, the details of such schemes and the scope for integration

KVIC is the apex organization in Khadi Sector implementing the KVI Scheme through different Khadi and Village Industries Board and institutions (NGOs). The Scheme does not have any overlapping objective and the Khadi artisans are covered only under this scheme. The Khadi artisans covered under this scheme are registered with institutions financed by KVIC and KVIBs. Thus there is no room for overlapping objectives or duplication of the scheme.

c) New Proposal/Modified/Revised Cost Estimate:

Details given in the DPR.

2.1 Development " outcomes" and " outputs " of the Scheme/ Project

During the 10th Five Year Plan period, the number of artisans actually covered under this scheme are as follows:

| Period | Artisans covered |
|---|------------------|
| 1st year - 15.08.2003 to 14.08.2004 | 1,17,337 |
| 2 nd 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 |

In addition to the coverage of risk of lives of Khadi artisans, their children are provided with educational benefits as associate benefit under the scheme.

Under the associate benefits, since inception of the scheme, claims to the tune of 16700 claims has been settled by LIC of India towards educational claims called under Shiksha Sahayoq Yojana.

Considering the past trend of coverage of artisans under this scheme. KVIC has projected coverage of lives of artisans during the 11th Five Year Plan Period is as follows:

| | | | | (| Rs. in lakhs |
|---|---------|---------|---------|---------|--------------|
| Year | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 |
| No.of Artisans to be covered (in lakhs) | 2.50 | 2.75 | 3.00 | 3.25 | 3.50 |
| Total amount of annual premium (Rs.) | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| To be drawn by L.I.C. from Social Security Fund of Govt. of India @ Rs.50/- | 125.00 | 137.50 | 150.00 | 162.50 | 175.00 |
| Contribution by Khadi Institutions with which the spinners/weavers are registered @ Rs.25/- | 62.50 | 68.75 | 75.00 | 81.25 | 87.50 |
| Contribution by the Khadi Artisans @ Rs.12.50 | 31.25 | 34.38 | 37.50 | 40.63 | 43.75 |
| Contribution by the Commission/Govt. of India @ Rs.12.50 | 31.25 | 34.38 | 37.50 | 40.63 | 43.75 |
| Total | . 250 | 275.01 | 300 | 325.01 | 350 |

3. a) Reasons and justification for proposal, indicating historical background, circumstances in which the needs have arisen, whether other alternatives have been considered and what detailed studies have been made in regard to the proposal for establishing its need, its economies and other relevant aspects.

The Khadi artisans are self-employed groups and they have no other social security welfare other than this Khadi Karigar Janashree Bima Yojana. They mostly belong to BPL group and living in rural areas. In order to extend social security against their lives continuation of this scheme is very much essential since no other alternative scheme is exist which are suitable for Khadi artisans.

If it is location specific, basis for selection of location.

The scheme is implemented across the country through Khadi institutions wherever they exists.

c) Has the proposal been included in the Five Year Plan and what are the provisions in the Five Year Plan and in the Current Annual Plan? Is any modification proposed?

The annual plan during the currency of 11th Five Year Plan as stated at Point – 2.1.

d) What is the estimated yield from the Project and what are the economic implications?

The yield of the scheme is the actual lives covered and the projected coverage during the 11th Five Year Plan period has been mentioned in previous paragraphs.

e) In case of ongoing scheme project, present status and benefits already accrued to the beneficiaries may also be furnished:

Already mentioned in this E.F.C.

f) Have other Ministries concerned and Planning Commission been consulted and if so, with what results:

The Ministry of MSME has initiated necessary steps for obtaining approval of Ministry of Finance and Planning Commission.

g) Whether any evaluation has been done? If so, broad findings of such evaluation studies may be given:

The interaction with Khadi artisans and khadi institutions shows overwhelming interest among the artisans. There is demand for extension of the scheme during 11th Five Year Plan period as well as beyond that also.

h) Has the proposal or its variant been gone into by any Committee, Departmental or Parliamentary? If so, with what result and what decisions have been taken.

The scheme performance is periodically reviewed by KVIC and Ministry of MSME and the Standing Parliamentary Committee has also noted the performance of this scheme.

- 4. Programme Schedule:
- a) Has the project/scheme been worked out and listed in Para 3(c)

The scheme is a continuation scheme.

b) What is the schedule for construction, indicating the position separately relating to plant and machinery and civil works, raw materials, manpower etc. together with year-wise phasing?

Not applicable.

c) Whether physical and financial targets match with each other,
Yes.

d) What is the target date for completion and when will the expected benefits commence?
Not applicable.

- e) If the project involves dislocation of human settlement, the resettlement costs should be included fully in the project cost. The resettlement plan should also be indicated in the project implementation schedule. The resettlement cost may be worked out on the following basis:
- (i) Cost of land required to resettlement would be as indicated by the District/State Authorities.



(ii) Compensation to be paid to the displaced persons. This compensation cost is dependent on the rates indicted by District/State Authorities. Thus the total compensation cost may be worked out on the basis of these rates.

(1(5) PF.11/96 dated 6.8.97)

Not applicable.

- Expenditure Involved
- a) What is the total expenditure (non-recurring and recurring) Indicate the position yearwise and also whether any budget provision has been made and if not, how it is proposed to be arranged? Has any expenditure been incurred already?

As detailed earlier the total expenditure from the Ministry of MSME during the five year period will be Rs.187.51 lakhs.

b) Details of the scheme of financing clearly bringing out the financial obligations undertaken by the PSU/Ministry with or without the proposal under consideration. In order words, details of commitment on account of ongoing projects to be funded from internal resources of PSU may be given in the EFC Note along with the requirement and availability of funds for the project under consideration. In case of schemes/programmes, Five Year Plan Outlay for the Ministry/Department and commitments on ongoing schemes/programmes along with the requirement and availability of funds for the scheme/programme may be furnished (1(7) PF.II/92 dated 23.2.92)

Not relevant and the details are as furnished earlier.

c) What is the foreign exchange component (separately for non-recurring any recurring expenditure)? What are the items of expenditure involving foreign exchange and expenditure on foreign experts? Hs clearance of E.A.D. obtained and has availability of credit facilities been explored and if so, with what result?

Not applicable.

Components of Foreign Exchange or Loan, if any :

- a) (i) Phasing of expenditure (non-recurring and recurring) on constant prices
- (ii) On completion cost (1(5)PF-II/96 dated 6.8.97)

Not applicable.

b) Reference date and basis of cost estimates of various components.

Not applicable.

- 6. Reliability of cost estimates and other parameters
- a) Has pre-project investigations been arrived out in detail and details of area where changes in project parameters could be anticipated?

Not applicable.

b) To what extent cost estimates are firmed up?

The cost has been based on present cost of premium per artisan. Any change in the cost of premium will have its effects on the total cost of the scheme which cannot be predicted at this stage.

- 7. Operational Capabilities
- a) Operational capabilities of PSU/Department Implementing Agency/Ministry to undertake the tasks required for the implementation of the proposal under consideration. For this purpose track record of the PSU in respect of the projects already implemented/under implementation may be highlighted and also steps proposed for ensuring timely execution of the project under consideration.

Not applicable.

b) In case of RCE proposals, variance analysis of cost increase due to price escalation variation in exchange rates/custom and other statutory duties and levies change in scope, under estimation, addition/alteration. Etc./is to be given (1(5)PF-II-96 dated 6.8.97.

The question of cost escalation arise only when LIC increases the premium cost.

In case of continuing Social Sector Schemes of:

- (i) Estimate of committed liabilities at the end of previous plan
 - Not applicable.
- (ii) Whether this has been transferred to States/non-plan head

 Not applicable.
- 8. Add Statement Showing:
- (i) The number of posts required and the pay scales, together with basis adopted for staffing, both in current year and future years: No additional staff requirement has been proposed. The existing staff of the Ministry will be utilized for providing Secretariat assistance for this Scheme.

The scheme shall be administered through the manpower available with KVIC and Khadi institutions. Therefore, additional expenditure on account of staffing does not arise.

- (ii) Expenditure on buildings and other works and its basis and phasing and
- (iii) Expenditure on stores and equipment.

Not applicable.



9. Viability

Information is to be given if benefits accruable from the projects / schemes and can be translated in monetary term (1 (5) PF-II/96 Dated 06.08.97).

The scheme is a continuation scheme

- a) Financial IRR
- (i) At constant prices.
- (ii) On completion cost basis.
- b) Economic IRR
- (i) at constant prices.
- (ii) on completion cost basis.

Not relevant.

10. Whether Nodal Officer (Chief Executive for the project) has been appointed. If yes, give details about his status, post experience in implementing such projects, number of years left for superannuating, etc. (Ministry of Rural Development – 12016/5/9 – PAMD dated 29.12.9)

The Nodal Officer of the scheme will be the existing officers of KVIC and LIC who are dealing with the scheme. They have sufficient knowledge about the scheme.

For RCE Proposals

Not applicable

11. Date of approval of original cost or firmed up cost.

The scheme was originally approved for implementation from 15th August 2003.

12. Original or firmed up approved cost together with FE component.

Continuation scheme.

Present cost (Completion cost together with FE component (1(5) PF- II/96 dated 6.8.97)
 As mentioned at Para 2.1.

14. Earlier project completion schedule.

Not applicable.

15. Revised project completion schedule.

Not applicable.

16. Brief reasons for time over run in clear terms.

Not applicable

- 17. Variance analysis * of increase in completion cost under : (1 (15) PF II / 96 dated 6.8.97)
- a) Escalation.
- b) Exchange rate variation.
- c) Change in scope.
- d) Statutory levies.
- e) Addition / Deletion.
- f) Under estimation.
- g) Other (Specify)
 - (*) Variance analysis should be worked out with reference to latest instruction contained in OM No. (6)/ PF-II/97 dated 2.4.1992).

As stated already variations in cost of the scheme does not arise so long as the LIC does not increase the premium cost.

- Quantification of increase in cost on account of time over run.
 Not applicable.
- Present status of physical progress of the project Already reported.
- 20. Expenditure incurred and commitments made so far Already furnished.
- 21. Effect of revision in capital cost estimates on cost of production and profitability with reference to earlier approved capital cost of the project.
 Not applicable
- Whether at the stage when funds to the extent of 50% of the approved cost were released, the mandatory review of the cost estimates was done by the project authorities and the administrative ministry? If so (1(6)/PF-II/87 dated 16.11.1987 and 1(6)/PF-II/91 dated 24.08.92).
- The date when as a result of mandatory review project authorities and the administrative Ministry became aware that the cost of the project is likely to be exceeded by more than 50% of the originally approved cost due to reasons other than price escalation, exchange rate variations statutory levies etc. and the date when RCE was drawn up and brought before EFC. (1(6)/PF-II/87 dated 16.11.1987 and 1(6)/PF-II/91 dated 24.08.91)
- A statement showing commitments made by the project authority/Administrative Ministries in the EFC/PIB Memorandum regarding reliability of cost estimates, preproject investigations land acquisition, completion schedule etc. and during the PIB meeting with regard to the project (1(I)/PF-II/85 dated 14-10-98)
- c) Have the reasons for the tune and cost over run been gone into thoroughly and responsibility fixed? If so, details in this regard be indicated. (1(IO/PF-II/85 dated 17.09.91)

Not applicable.

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23. Whether the issue of cost and tune and cost over run was brought before EC/QPR? (M-12016/5-97-PAMD dated 29-12-97), if so, details of decision taken in EC/QPR and further follow up action

Not applicable.

24. For EFC proposals requiring CCEA approval, report/recommendations of the Standing Committee and action taken report may be appended

Not applicable.

25. Whether on EFC Memo Financial Advisor concurrence/comments have been obtained? If so, details may be attached

(The Ministry of MSME may reply.)

26. Supplementary Information

Entire Details are available in the DPR.

- 27. Points on which decisions/sanctions are required
- The scheme expires by 31st March 2007 i.e. by completion of 10th Five Year Plan. It needs to be extended to 11th Five Year Plan in view of abundant benefits to poor artisans.
- As per the present scheme, the artisans in the age group of 18-59 years are eligible for coverage under the scheme. Whereas, Khadi artisans who are employed traditionally in these activities are above the age of 59 years also, therefore, considering the ground realities, the scheme may be extended to the artisans above the age group of 59 years also in order to increase coverage.
- Under Shiksha Sahayog Yojana, the male and female children of artisans (restricted to two) are provided scholarship for the Std. IX to XII. It is proposed that the said scholarship may be made applicable to the girl child right from Std. I to XII. This will help in achieving the social objective of eradication of illiteracy particularly among the girl children and promote women empowerment. LIC may arrange extension of the facility under the scheme.

(Seshkumar Pulipaka)
Joint Secretary to the Government of India
F.No.

DETAILED PROJECT REPORT ON KHADI KARIGAR JANASHREE BIMA YOJANA

- KVIC in collaboration with LIC of India is implementing Jana Shri Bima Yojana, a Group Insurance Scheme. The tenure of the scheme will be over by 31.3.2007. The same needs extension. However, the tenure of the present policy will be over by 14.08.2007.
- Permission is also required for coverage of higher / increased number of artisans proposed in the existing scheme. LIC of India has brought down the premium amount and participation in the payment of premium needs to be finalized.
- KVIC have requested Govt. of India to bear the share of artisan in the premium amount on the occasion of Golden Jubilee year of its establishment.
- Consent of the Ministry to exhort LIC of India to cover all girl children from Std. I to XII under Shiksha Sahayog Yojana is required.

1. INTRODUCTION:

August 15th is the Independence Day for the Country; it is also a social security day for Khadi artisans. KVIC has launched a Group Insurance Scheme for Khadi artisans on 15th August 2003. The Scheme renewed on 15th August 2004, 15th August 2005 and 15th August 2006. The Scheme is known as "Khadi Karigar Janashree Bima Yojana". The Scheme covers spinners, weavers, pre-spinning artisans and post-weaving artisans.

2. BENEFIT(S):

a) Natural death : Rs.30,000/b) Death or Total Permanent Disability due to accident : Rs.75,000/c) Partial Permanent Disability : Rs.37,500/-

Educational benefits (Shiksha Sahayog Yojana) – The two children of Khadi Artisan those who are studying IXth Std. to XIIth Std. including ITI are eligible for scholarship of Rs.300/- per quarter.

3. PREMIUM:

 The cost of premium was Rs.200/- per artisan per annum. The apportionment of premium is as under:

Subscription by Khadi artisans

Contribution by the Khadi institutions (NGOs)

Contribution by KVIC

Contribution from Social Security Fund - Govt. of India

Total

Rs.25/
Rs.25/
Rs.25/
Rs.20/
Rs.200/-

• The cost of premium is revised by LIC after reviewing the scheme and premium amount reduced to Rs.100/- instead of Rs.200/-. This revised cost of premium is applicable from 15.08.2005 onwards. Now the apportionment of premium is as under:

| 0 1 1 1 1 1 1 1 1 1 1 1 | | |
|---|---|-----------|
| Subscription by Khadi artisans | | Rs. 12 50 |
| Contribution by the Khadi institutions (NGOs) | | Rs.25.00 |
| Contribution by KVIC | | Rs.12.50 |
| Contribution from Social Security Fund - Govt. of India | | Rs.50.00 |
| Total | : | Rs.100.00 |

 Since, KVIC is celebrating golden jubilee year in 2006, it is proposed that the share of premium of artisan of Rs.12.50 will be borne by KVIC.

4. COVERAGE OF BENEFICIARIES AND COST OF COVERAGE

(Rs. in lakhs)

| Period | Artisans covered | Premium paid to LIC |
|---|------------------|---------------------|
| 1st year - 15.08.2003 to 14.08.2004 | 1,17,337 | 117.34 |
| 2 nd year – 15.08.2004 to 14.08.2005 | 1,76,951 | 176.95 |
| 3 rd year - 15.08.2005 to 14.08.2006 | 2,14,128 | 107.06 |
| 4th year 15.08.2006 to 14.08.2007 | 2,25,900 | 112.95 * |

^{*} By adjustment

5. AGE-WISE COVERAGE OF ARTISANS FOR THE THIRD PHASE

| 18 to 25 years | 27073 |
|----------------|--------|
| 26 to 35 years | 57184 |
| 36 to 45 years | 70452 |
| 46 to 59 years | 59419 |
| Total | 214128 |

6. MONETARY BENEFITS

| Total Educational claims settled since 2003-04 | 16679 Nos. |
|--|-----------------|
| Total Death claims settled since 2003-04 | 310 Nos |
| Total monetary benefits | Rs.264.45 lakhs |

SCHEME MANAGEMENT

- The scheme launched is of first kind in the country covering such a big number of artisans in the unorganized sector and made successful.
- Of course, there were certain problems initially to mobilize good number of artisans from all over India as well as preferring the claims by number of Khadi institutions. However, the progress achieved is commendable.



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LIFE INSURANCE CORPORATION OF INDIA (P&GS), CENTRAL OFFICE, YOGAKSHEMA, JEEVAN BIMA MARG, MUMBAI – 400 021



Directorate of Khadi Coordination
OFFICE OF THE COMMISSIONER FOR
KHADI & VILLAGE INDUSTRIES
3, IRLA ROAD, VILE PARLE (WEST),
MUMBAI – 400 056

No DKC/SSM/3rd Phase/2005-2006/ 541

Date: 05.07.2005

14

JOINT COMMUNIQUÉ

Ref: Khadi Karigar Janashree Bima Yojana Scheme (No. GI/JBY / 611893)

Khadi Karigar Janashree Bima Yojana was launched on 15th August, 2003. The Scheme is centrally operated covering artisans throughout the country. It has been decided to issue a common centrally operated covering artisans throughout the country. It has been decided to issue a common communication intended for both organizations (CKVI & LIC) for operational convenience and effective implementation of the scheme.

- The Office of the Commissioner for Khadi & Village Industries identified its field offices for the purpose of operating the scheme. Life Insurance Corporation of India has also identified the purpose of operating the scheme. Life Insurance Corporation of India has also identified the purpose of operating the scheme. Life Insurance Corporation of India has also identified the purpose of operating the scheme. Life Insurance Corporation of India has also identified the purpose of operating the scheme. Life Insurance Corporation of India has also identified the purpose of operating the scheme. Life Insurance Corporation of India has also identified the purpose of operating the scheme. Life Insurance Corporation of India has also identified the purpose of operating the scheme. Life Insurance Corporation of India has also identified the purpose of operating the scheme. Life Insurance Corporation of India has also identified the purpose of operating the scheme. Life Insurance Corporation of India has also identified the purpose of operating the scheme. Life Insurance Corporation of India has also identified the purpose of operating the scheme. Life Insurance Corporation of India has also identified the purpose of India has also identified the India has also id
- List of artisans covered under Khadi Karigar Janashree Bima Yojana for the year 2004-05 will be handed over to designated P&GS Units of LIC. State/Divisional Director will countersign the handed over to designated P&GS Units for settling the claims. Even if the name of the these lists. This list will be treated as the final list for settling the claims. Even if the name of the members is not appearing in the sof; copy but is appearing in the hard copy, the claim is to be settled. If the hard copy has not been provided to LIC, it will be provided within a week's time.

 Settled. If the hard copy has not been provided to LIC, it will be provided within a week's time.
 - A quarterly meeting to be arranged between LIC and KVIC officials at field offices level and claims received, settled and outstanding are to be reviewed in the said meeting. A quarterly statement showing the number of claims lodged, settled, outstanding (with reasons) will be prepared and signed both by LIC & CKVI officials of field offices. One copy is to be sent to LIC Central Office by the officials CKVI, Central Office and one copy is to be sent to LIC Central Office by the officials respectively. The first quarterly meeting is to be held in the month of July 2005 for review of claim settlement up to 30th June 2005 for each policy anniversary. Subsequent meetings are to claim settlement up to 30th June 2005, January 2006 and April 2006 for review of claim be held in the months October 2005, January 2006 and April 2006 respectively.
 - 4. The data for the year 2005-06 for renewal will be given to LIC by 2nd October 2005 and all the Shiksha Sahayog Yojana claims for the year 2005-06 are to be lodged by 2nd October 2005.

5. In case the field offices of LIC or CKVI find any difficulty in implementing the scheme, the contact persons at Central Office are as follows:-

| LIC of India | CKVI |
|-------------------------------|---|
| Mr. A. Rajagopal Rao, | Mr. V. G. Raut, |
| Secretary (P&GS), | Assistant Director, |
| LIC of India, | Khadi Coordination, |
| Yogakshema, | Office of he Commissioner for Khadi and |
| Jeevan Bima Marg, | Village Industries. |
| Mumbai – 400 021. | 3 Irla Road, Vile Parle (West), |
| | Mumbai 400 056. |
| Tel.No. 022-56598592/22028493 | Tel. No. 022 - 2 6715860 |
| Fax No. 022-22828853 | Fax No. 022 - 2 6715860 |
| Email: co_pgs@licindia.com | Email: skslinha@kvic.gov.in |

Reviewing the scheme – A built in provision is available in the scheme for yearly review of the scheme. 50% of surplus available will be adjusted towards payment of premium for prospective group & 50% of the amount will go to the Social Security Fund. The policy will be reviewed immediately after receipt the claims statement from the Units.

(R. VENUGOPAL)

EXECUTIVE DIRECTOR (P&GS)

CENTRAL OFFICE, MUMBAI -- 21 (S. K. SWHA)

DIRECTOR (KHADI COORDINATION)
OFFICE OF THE COMMISSIONER FOR
KHADI & VILLAGE INDUSTRIES
CENTRAL OFFICE, MUMBAI – 56

To

1. All Directors, State/Divisional Offices, Khadi & Village Industries Commission

All Regional Managers (P&GS) of LIC of India.

3. All Managers, P&GS Units of LIC of India. ..

(27 pser auly)

Copy to:

1. P.A. to Cornmissioner for KVI.

2. P.A. to Jt. Chief Executive Officer, CKVI

P.A. to Dy. CEOs of the Commission, CKVI

Director (IT), CKVI along with floppy for piacing the circular in CKVI's website.

5. Dy. Director I/c. (Publicity), CKVI for publishing the same on the ensuing issue of 'Jagriti'.

Misc. File of K.C., CKVI



OF INDIA - (P&GS),
CENTRAL OFFICE,
YOGAKSHEMA, JEEVAN BIMA MARG,
MUMBAI - 400 021



Directorate of Khadi Coordination KHADI & VILLAGE INDUSTRIES COMMISSION 3, IRLA ROAD, VILE PARLE (WEST), MUMBAI - 400 056

0. DKC/SSM/2nd Phase/2004-2005/

Date: 15.09.2004

JOINT COMMUNIQUÉ

Re: Khadi Karigar Janashree Bima Yojana Scheme

Khadi & Village Industries Commission (KVIC) an autonomous body promoting Khadi and Village Industries for the purpose of providing rural employment. The KVIC, as a Social Security Measure to artisans engaged in the Khadi activity, introduced a Group Insurance Scheme captioned "Khadi the Khadi activity, introduced a Group Insurance Scheme designed by Life Karigar Janashree Bima Yojana". This is a unique scheme designed by Life Karigar Janashree Bima Yojana". This is a unique scheme designed by Life Insurance Corporation of India (LIC) specifically for Khadi artisans and Insurance Corporation of India (LIC) specifically for Khadi artisans and Insurance covering launched on 15th August 2003. The Scheme is centrally operated covering launched on 15th August 2003. The Scheme is renewable every year concerned. The insurance cover under the Scheme is renewable every year concerned. The insurance cover under the Scheme is renewable every year as well as expandable coverage of number of artisans year after year. This common communication by LIC of India & KVIC intends operational common communication both organizations (KVIC & LIC) and effective convenience in the scheme based on past one year experience in ministering the seheme.

- 1. The Khadi & Village Industries Commission identified its field offices (State/Divisional Offices) for the purpose of operating the Scheme. Life Insurance Corporation of India has also identified its counter-parts (P&GS Units) to deal with each field office of KVIC. This system is developed to establish one to one contact. The detailed list of addresses of field Officers of both organizations is as per Annexure-I.
- 2. Director, State/Divisional Office, KVIC will obtain list of artisans for proceeding under Khadi Karigar Janashree Bima Yojana from Khadi covering under Khadi Karigar Janashree Bima Yojana from Khadi institutions affiliated to both KVIC and KVIBs and hand over to designated P&GS Units of LIC. State/Divisional Director countersigns these lists.
- 3. The field office of KVIC will furnish a statement of artisans covered in the enclosed format (Annexure-II) to the Directorate of Khadi Coordination to collect/recover the share of premium of Khadi institutions as well as Khadi artisans concerned from any outgo to the institutions as was done in the past.

- 4. The LIC of India agreed with KVIC for providing a cushion-time 31.10.2004 for inclusion of new artisans in the master policy to effective from 15.08.2004.
- 5. In the first week of November 2004, the State/Divisional Office has to confirm the final number of artisans for the purpose of settlement of premium to LIC of India as well as recovery of share of premium from Khadi institutions.
- 6. The State/Divisional Offices are to furnish quarterly progress report as to the preferring of claims as well as settlement of claims in the format mentioned in the Annexure-III to the Directorate of Khadi Coordination. Similarly, the P&GS Units of LIC are needed to furnish similar progress reports to the Head Office, LIC (P&GS Department). These reports are to be submitted in the month of April, July, October and January. The Central Offices of LIC and KVIC will revie the progress periodically
- 7. The pending claims in respect of artisans covered for the period from 15,08,2003 to 14.08.2004 are to be settled by the P&GS Units of LIC of India designated for this purpose during the year 2003-04. State/Divisional Directors, KVIC will be required to contact such Units only for the purpose of settlement of pending claims. The Director State/Divisional Office may certify the lists of artisans for the purpose of settlement of claims wherever necessary. P&GS Units should collect such certified lists from Director, State/Divisional Office of KVIC.

8. JOINT PUBLICITY:

Publicity of the Scheme among Khadi artisans needs to be undertake jointly by LIC and KVIC. The LIC of India will arrange to prepare to material for awareness programmes such as posters, leaflet etc. regional languages. The programmes are to be chalked out offices of both LIC and KVIC jointly. LIC of India may also participating the exhibitions conducting by KVIC, in promoting their production particularly the Khadi Karigar Janashree Bima Yojana.

9. In case the field offices of LIC and/or KVIC finds any difficulty implementing the scheme, may contact at Central Offices to following addresses:-

| TYO SYndia | KVIC |
|-----------------------|--|
| Dy. Secretary (P&GS), | Mr. V. G. Raut, Assistant Director; Khadi Coordination, Khadi & Village Industries Commission, 3 Irla Road, Vile Parle (West), Mumbai - 400 056. Tel. No. 022 - 2 6715860 Fax No. 022 - 2 6715860 Email: sksinha@kvic.gov.in |

DUE DATE FOR PREFERRING THE CLAIMS WITH LIC (P&GS

The claims in respect of artisans covered on 15.08.2003 should reach UNIT): latest by 14.2.2005 to the LIC (P&GS Unit) concerned. The claims in respect of artisans covered on 15.08.2004 should reach latest by 14.2.2006 to the LIC (F&GS Unit) concerned.

REVIEWING THE SCHEME: 11.

Government of India through Social Security Fund subsidizes premium under Janasree Bima Yojana. Out of total premium, a 50% comes from that Fund A built-in provision is available in the scheme for yearly review of the scheme. Any surplus i.e. Premium - (Benefit + Administrative expenses of LIC), if available, 50% of the amount will go to the Social Security Fund and the remaining 50% will be refunded to KVIC or shall be adjusted towards payment of premium for prospective group. It was agreed that the policy in force from 15 August 2003 to 14th August 2004, would be reviewed in the month of February 2005, as such KVIC has to intimate about all the claims before review.

CHIEF (SBU-P&GS) LIC OF INDIA, MUMBAI - 21

DIRECTOR (KHADI COORDINATION) KHADI & V.I.COMMISSION, MUMBAI - 56

All Directors, State/Eivisional Offices, Khadi & Village Industries

All Regional Managers P&GS) of LIC of India. Commission

All Managers, P&GS Units of LIC of Ir.dia.

Copy to:

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Secretary to Chairman, KVIC

P.A. to C.E.O., KVIC

P.A. to F.A., KVIC

P.A. to Jt. Chief Executive Officer, KVIC

Dy. Director I/c (IT), KVIC alongwith floppy for placing the circular ir KVIC's P.A. to Dy. CEOs of the Commission, KVIC

Director (Publicity), KVIC for publishing the same on the ensuing issue of 'Jagriti'.

Misc. File of K.C., KVIC

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