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# **SOCIAL SECURITY SCHEMES AND LAWS OF PETTY TRADERS: A COMPARATIVE ANALYSIS AMONG THE STATES IN INDIA**

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K. Mahalakshmi, LLM, School of Excellence in Law, The Tamil Nadu Dr. Ambedkar Law University, Chennai

## **ABSTRACT**

The concept of Social Security emerges as society emerges, and it is a dynamic concept that changes as society changes. In the first instance, the concept of Social Security is provided within the community for the unfortunate contingencies met out by the person within the community. Later, it emerges into a dynamic concept to meet expenses arising out of the unfortunate contingencies of an individual. Further, when the concept of social security emerged, it was only given to the organised sector people, and the unorganised sector people, which includes petty traders, were left out. Later, the circumstances necessitated that an hour was needed to protect the unorganised sector people from the unfortunate contingencies that happened to them. Thus, Central and State Governments enacted and introduced various legislations and schemes for the welfare of the unorganised sector people to meet their expenses. This article focuses primarily on the social welfare schemes given to petty traders who come under the unorganised sector among the states. The author further concentrates on how the legislations and schemes differ from state to state.

**Keywords:** Social Security, Contingency, Welfare Measures, Unorganised Sector, Petty Traders.

## INTRODUCTION:

The workers across the globe are of two sects one is Organised sector, and the other is Unorganised sector. According to Economic Survey conducted in the year 2021- 22, about to 90% of the entire workforce in India are in Unorganised sector<sup>1</sup>. Further the informal labour force also contributing 50 % to the GDP of the country<sup>2</sup>, which is expressed in the report of “*National Commission for Enterprises in the Unorganised Sector*” published in the year 2008. Further most of the informal sector workers are in rural regions of the nation rather than in the urban area. That apart the informal workforce of the nation not in India but across the globe is very important in the growth and development of the nation. Thus, it is essential to ensure Social Security and welfare measures to the informal workforce of the country from the social and economic ordeal faced by them.

Further the informal sector viz., the unorganised sector of the country includes Petty traders as well. For the purpose Petty Traders means the person who is selling multi products which is essential for day-to-day life in the market. It is essential to provide them social welfare measures to meet their expenses and unfortunate contingencies faced by them. All states almost created social security schemes and legislations to protect them after the enactment of the Unorganised Workers Act 2008 by the Union Government. That apart this article focuses upon the laws, schemes that enacted to protect the social security rights of the Petty traders among the states. For the comparative purpose the author selected certain states viz., Kerala, Karnataka, Andhra Pradesh, Rajasthan and Tamil Nadu.

## SOCIAL SECURITY MEASURES IN KERALA:

### **Kerala Self Employment Scheme for the Registered Unemployed (KESRU)**

KESRU<sup>3</sup>, also known as the Kerala Self Employment Scheme for the Registered Unemployed, is a government initiative aimed at promoting self-employment among job seekers in Kerala. Implemented by employment exchanges, this scheme encourages entrepreneurship and offers financial assistance to individuals seeking to start their own businesses.

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<sup>1</sup>MOLE, “Economic Survey 2021- 2022” 398 (2022)

<sup>2</sup> National Commission for Enterprises in the Unorganised Sector, “Report on Definitional and Statistical Issues Relating to Informal Economy” 64 (2008)

<sup>3</sup> KESRU, *available at* <https://employment.kerala.gov.in/en/kesru/> (last visited on 24.3.2024)

## **Loan Sanction and Subsidy**

Under the KESRU scheme, unemployed individuals can avail themselves of bank loans of up to Rs. 1,00,000 to initiate their self-employment ventures. The government provides a subsidy of up to 20% of the loan amount, reimbursed through the Employment Department. Beneficiaries are not required to contribute any funds, and collateral is not mandatory. However, a guarantor, usually the spouse or parents of the beneficiary, is necessary.

## **Eligibility Criteria**

To qualify for the KESRU loan, individuals must be unemployed and registered with the Employment Exchanges. Their family income should not exceed Rs. 1 lakh per year, and they should be between the ages of 21 and 50. Educational qualifications should align with the chosen project, with preference given to those with professional or technical expertise, women with graduation, and beneficiaries of unemployment. Students are ineligible for this scheme.

## **Procedure for the Application**

The Applicants should fill out the KESRU application and send it to the relevant Employment Exchange, with a project report and a village officer's income certificate. After preliminary verification, eligible applications are forwarded to the District Employment Exchange for further scrutiny. The District Committee, chaired by the District Panchayat President and convened by the Employment Officer (Self Employment), sanctions loans through various banking institutions.

## **Appeal Process**

In cases of rejected applications, applicants have the option to appeal to the Regional Deputy Director of Employment. Upon thorough investigation, the appellate authority may reconsider and approve the loan, paving the way for the commencement of the business venture.

## **Monitoring Mechanism**

The Director of Employment oversees the functioning of the KESRU scheme, with Employment Officers (Self Employment) at District Employment Exchanges responsible for monitoring. They ensure that loan funds are utilized appropriately for the intended purpose and

assess the progress and stability of the businesses established under the scheme. Efficient and transparent utilization of loan funds is a key focus of the monitoring process<sup>4</sup>.

### ➤ **Kudumbashree Scheme**

Kudumbashree<sup>5</sup> is a poverty eradication and women empowerment program initiated by the Kerala Poverty Eradication Mission (SPEM) of the Kerala. The name “Kudumbashree” translates to ‘prosperity of the family’ in Malayalam, signifying its objective of uplifting households out of poverty. The program encompasses both the Kudumbashree Community Network and the Kudumbashree Mission, serving as a comprehensive initiative for social and economic development.

### **Establishment and Background**

Founded in 1997 based on the recommendations of a task force appointed by the State government, Kudumbashree emerged in the context of decentralization efforts and the Peoples' Plan Campaign in Kerala. The program aimed to empower local communities through the devolution of powers to Panchayat Raj Institutions (PRIs) and grassroots planning initiatives.

### **Three-Tier Structure**

Kudumbashree operates on a three-tier structure comprising Neighbourhood Groups (NHGs) at the grassroots level, Area Development Societies (ADS) at the ward level, and Community Development Societies (CDS) at the local government level. This hierarchical setup facilitates community participation and decision-making, ensuring effective implementation of poverty alleviation and empowerment initiatives.

### **Expansion and Recognition**

The Kudumbashree community network expanded statewide in three phases between 2000 and 2002, encompassing the entire population of Kerala. Membership in Kudumbashree is open to all adult women, with each family limited to one membership. In 2011, the Ministry of Rural Development, Government of India, recognized Kudumbashree as the State Rural Livelihoods

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<sup>4</sup> Kerala Self Employment Scheme for the Registered Unemployed, *available at* <https://employment.kerala.gov.in/en/kesru/> (last visited on 1.4.2024)

<sup>5</sup> Kudumbashree, *available at* <https://www.kudumbashree.org/pages/7> (last visited on 1.4.2024)

Mission (SRLM) under the National Rural Livelihoods Mission (NRLM), further validating its role in rural development and poverty reduction.

Kudumbashree functions as one of the largest women's networks globally, focusing on poverty eradication and women empowerment. Its key features include democratic leadership and robust support structures formed within the Kudumbashree family. Through collaborative efforts and community participation, Kudumbashree endeavors to uplift households, promote sustainable livelihoods, and foster inclusive development across Kerala.

### ➤ **KSWCFC**

Samunnathi, previously known as the Kerala State Welfare Corporation for Forward Communities<sup>6</sup> Ltd (KSWCFC), is a government undertaking in Kerala, India, committed to fostering the holistic development and welfare of economically disadvantaged sections from forward communities within the state. The corporation's primary objective is to promote the socio-economic well-being of economically backward members belonging to forward communities in Kerala.

### **Establishment and Legal Framework**

Incorporated under the Companies Act, 1956, Samunnathi was established on November 8th, 2012. Its primary objective is to address the socio-economic challenges faced by economically disadvantaged members of forward communities. By leveraging affirmative action, Samunnathi aims to improve the educational status, living conditions, and financial stability of its beneficiaries.

### **Objectives**

Samunnathi, previously known as the Kerala State Welfare Corporation for Forward Communities Ltd (KSWCFC), is an organization dedicated to promoting the overall development and welfare of economically backward sections belonging to forward communities in Kerala, India. Established under the Companies Act, 1956, Samunnathi focuses

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<sup>6</sup> KSWCFC, available at <https://www.kswcfc.org/> last visited on (1.4.2024)

on addressing socio-economic challenges faced by economically disadvantaged members of these communities.

**The core objectives of Samunnathi include:**

- Inclusive upliftment and empowerment of economically backward members of forward communities.
- Implementation of various schemes and programs specifically designed to meet the needs of these communities.
- Enhancement of awareness about its initiatives among the beneficiaries.
- Facilitation of medical assistance to deserving members.
- Promotion of socio-economic schemes that contribute to the well-being of its constituents.

Further, Samunnathi works towards ensuring that economically disadvantaged individuals from forward communities have access to necessary resources and opportunities for their socio-economic development and upliftment.

- **Deendayal Antyodaya Yojana-National Urban Livelihoods Mission (DAY-NULM):**

The goal is to enable urban low-income families to obtain opportunities for skilled wage employment and gainful self-employment, thereby reducing their poverty and vulnerability. By building strong grassroots-level institutions, our goal is to secure lasting improvements in livelihoods. This will be accomplished by gradually providing shelters and essential services to urban homeless individuals. Furthermore, our mission tackles the livelihood challenges encountered by urban street vendors, enabling them to access appropriate spaces, institutional credit, social security, and the skills needed to seize emerging market opportunities<sup>7</sup>.

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<sup>7</sup> DAY- NULM available at <https://nulm.gov.in/> last visited on 1.4.2024 (last visited on 1.4.2024)

## SOCIAL SECURITY MEASURES IN ANDHRA PRADESH:

### ➤ **Mukhyamantri Yuvanestham Scheme**

In 2019, the Andhra Pradesh government introduced the Mukhyamantri Yuva Nestham Yojana<sup>8</sup>, also known as the Nirudyoga Bruthi Scheme, aimed at assisting the state's unemployed youth. The program's goal is to give unemployed youth monthly financial support for skill development to lessen their financial burden and increase their employment opportunities.

### **Key Features**

#### **Monthly Allowance:**

Under the Mukhyamantri Yuva Nestham Scheme, all unemployed youth in Andhra Pradesh are entitled to receive a monthly allowance from the State Government. The program aims to provide unemployed youth with financial independence by reducing their dependence on others for daily expenses through the allowance.

The Andhra Pradesh government has expedited the implementation process of this policy in an open and equitable manner. Further beneficiaries will receive the assistance payment in their bank accounts directly, ensuring efficient and direct disbursement of funds.

### ➤ **Rajiv Yuva Kiranalu**

Rajiv Yuva Kiranalu<sup>9</sup> (RYK) stands as the flagship program of the State of Andhra Pradesh, leveraging funds from various GOI initiatives. To supplement funding needs, the state government has established a skill development fund dedicated to financing sub-missions, program awareness campaigns, post-placement tracking, and IT-based monitoring systems. Alongside unemployment training, RYK also focuses on equipping youth with self-employment skills. The core strategy of RYK involves pre-identifying private sector job opportunities, providing requisite training, and facilitating placements.

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<sup>8</sup> Mukhyamantri Yuvanestham Scheme, available at <http://coreuat.ap.gov.in/cmdashboard/UserInterface/YuvaNestham/YuvaNestham.aspx> (last visited on 1.4.2024)

<sup>9</sup> Rajiv Yuva Kiranalu available at <http://www.abhayam.net/YuvaKiranalu.html> last visited on 1.4.2024

## **Program Features**

**Cost-Free Training:** RYK offers free-of-cost training to participants, and no fees are charged for placements. Before commencement of training, counseling sessions are conducted to provide comprehensive details regarding job prospects, salaries, working conditions, perks, and shifts.

**Private Sector Placements:** RYK exclusively facilitates placements in the private sector, with no government job offerings post-training. Additionally, direct placements and job melas are organized as part of placement services.

**Post-Placement Support:** Candidates receive post-placement support services, including accommodation/hostel facilities, assistance in opening salary accounts, insurance coverage, access to health services, and counselling services.

**Biometric Attendance Monitoring:** To ensure effective attendance monitoring, the state of Andhra Pradesh has introduced a biometric system for candidates.

Further an online web portal has been introduced for program implementation and monitoring. The process begins with identifying industry demand and growth potential. Ground staff, including assistant project managers, job resource persons, community facilitators, community organizers, and resource persons, mobilize unemployed youth, including through Self-Help Groups (SHGs). Mobilization efforts extend to villages and slum areas to reach the bottom-most level of the population pyramid.

**Candidate Registration and Training:** Interested candidates are electronically registered for training, followed by mapping job opportunities. Industry-specific skill training is imparted at RYK-affiliated training centers. The program bridges the gap between demand and supply by facilitating placements. Post-placement follow-up ensures candidate retention and addresses grievances effectively.

### ➤ **Mahatma Jyothiba Phule BC Corporation**

The “Mahatma Jyothiba Phule Overseas Vidya Nidhi<sup>10</sup>” scheme, initiated by the Backward

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<sup>10</sup>Mahatma Joytiba Bhule BC Corporation, available at <https://www.gyandhan.com/blogs/mahatma-jyothiba-phule-overseas-vidya-nidhi> (last visited on 1.4.2024)



Classes Welfare Department, Government of Telangana, aims to support meritorious students belonging to Backward Classes and economically Backward Classes in pursuing higher studies abroad. Initially, the scheme will cater to 300 BC & EBC students annually, providing an opportunity for eligible graduates to pursue postgraduate studies overseas.

**Financial Support for Fees:** The scheme covers fees payable to institutions in two installments:

Instalment-I: Upon production of the landing permit/I-94 card (Immigration Card)/VISA Stamping/Boarding pass, an amount of ₹10.00 Lakhs is payable to the institution/students.

Instalment-II: Upon production of the 1st Semester results, an additional amount of ₹10.00 Lakhs is payable to the institution/students.

**Sanction Proceedings:** Candidates selected by the Selection Committee receive sanction proceedings specifying an amount of ₹20.00 Lakhs towards fees and living expenses. This grant assists in obtaining a Visa from the respective Embassy.

Educational Loan: Eligible students are entitled to an educational loan of ₹10.00 lakhs from any Nationalized bank at prevailing rates of interest.

The scheme's implementation includes a rigorous selection process conducted by the Selection Committee to ensure that deserving candidates receive financial assistance to pursue higher education abroad. With a focus on supporting educational aspirations and promoting academic excellence among backward and economically backward communities, the "Mahatma Jyothiba Phule Overseas Vidya Nidhi" scheme contributes to the holistic development of deserving students.

## **SOCIAL SECURITY MEASURES IN KARNATAKA:**

### ➤ **Janashree Insurance Scheme**

The Janashree Bima Yojana<sup>11</sup> (JBY) was introduced on August 10, 2000, as a government-sponsored social insurance initiative. Developed in partnership with the Central Government

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<sup>11</sup> Janashree Insurance Scheme, available at <https://www.acko.com/health-insurance/janashree-bima-yojana-jby/> (last visited on 1.4.2024)

and the Life Insurance Corporation (LIC), this scheme offers life insurance coverage to individuals living below or just above the poverty line in both rural and urban regions. Currently, the scheme extends coverage to 45 different occupational groups.

### **Eligibility Criteria:**

To qualify for the Janashree Bima Yojana policy, individuals must meet the following criteria:

- Age between 18 to 59 years
- Membership in any nodal agency approved occupation or vocational group
- Marginally above or below the poverty line
- Minimum membership size of 25 individuals

### **Features**

Under this scheme, members are required to pay a premium of Rs 200 per head. Half of the premium is contributed by the members or the State Government/Nodal Agency upon proposal submission, while the remaining 50% is drawn from the Social Security Fund. Nodal Agencies encompass Self Help Groups (SHGs), NGOs, Panchayats, or other institutional arrangements.

### **Women SHG Groups**

Janashree Bima Yojana extends a special scheme to women SHG members, offering term life insurance coverage of Rs 30,000 for one year. The premium of Rs 200 per year is divided between the SHG member and LIC, with Rs 100 contributed by the member and the remaining Rs 100 borne by LIC.

#### ➤ **Shiksha Sahyog Yojana**

This program offers supplementary social security benefits called the Shiksha Sahyog Yojana<sup>12</sup>(SSY) for children whose parents are enrolled under JBY. Under this scheme, eligible

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<sup>12</sup> Shiksha Sahyog Yojana, available at [https://www.csrbox.org/India\\_CSR\\_Project\\_National-Mineral-Development-Corporation-Ltd-\(NMDC\)-Shiksha-Sahyog-Yojana-Karnataka\\_165](https://www.csrbox.org/India_CSR_Project_National-Mineral-Development-Corporation-Ltd-(NMDC)-Shiksha-Sahyog-Yojana-Karnataka_165) (last visited on 1.4.2024)

students studying in classes 9 to 12, including those in ITI, receive a scholarship of Rs 600 every six months. Each family can benefit for up to two children.

## Benefits

Janashree Bima Yojana offers various benefits:

- Rs 30,000 as death benefit in the event of natural death
- Rs 75,000 compensation for total permanent disability or death caused by an accident
- Rs 37,500 compensation for partial permanent disability due to an accident

With its array of benefits and provisions, the Janashree Bima Yojana played a significant role in providing financial security and assistance to eligible individuals and their families in times of need<sup>13</sup>.

### ➤ **Karnataka State Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014.**

The Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014, was enacted to safeguard street vendors from harassment and ensure the continuity of their livelihoods. According to this law, local authorities such as the BBMP are mandated to conduct surveys every five years to identify street vendors. Those identified through the survey will be issued licenses to operate legally.

According to Section 3(3) of the Act<sup>14</sup>, “*No street vendor shall be evicted or, as the case may be, relocated till the survey specified under sub-section (1) has been completed and the certificate of vending is issued to all street vendors*”.

The BBMP has not conducted this survey since February this year. Most of the licenses that were given out in 2017, during the first street vendors survey, have expired.

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<sup>13</sup> Janashree Bima Yojana, available at <https://www.india.gov.in/insurance-khadi-karigar-scheme-janashree-bima-yojna?page=3> (last visited on 1.4.2024)

<sup>14</sup> Karnataka State Street Vendors (Protection of Livelihood and Regulation of Street Vending) Act, 2014, s. 3(3)

This technically means that the civic body cannot undertake evictions without a new survey being conducted. Despite this, several hundreds of vendors were evicted over the past few months in areas like Jayanagar, Malleswaram and Banashankari.

➤ **Karnataka State Rural Livelihood Promotion Society (KSRLPS)**

The Karnataka State Rural Livelihood Mission, inaugurated on 2nd December 2011, serves as arm of the Deendayal Antyodaya Yojana-National Rural Livelihood Mission (DAY-NRLM) in Karnataka. Registered under the Karnataka Societies Registration Act, 1960, the Karnataka State Rural Livelihood Promotion Society operates as an autonomous agency tasked with driving NRLM initiatives at the state level. Currently operating under the Skill Development, Entrepreneurship, and Livelihoods Department of the Government of Karnataka, the organization has plays a significant role in transforming rural livelihoods across the state.

**Key Achievements**

Over the past decade, the Karnataka State Rural Livelihood Mission has achieved significant milestones:

- Establishment of community-based institutions such as Self-Help Groups, Gram Panchayat, and Taluka level federations.
- Formation of various producer groups and entrepreneurs' clusters catering to the needs of rural women and vulnerable populations.
- Empowerment of over 28 lakh rural women through participation in the National Rural Livelihood Mission.
- Facilitation of more than 50,000 micro and small enterprises among impoverished women, leading to economic empowerment and sustainable livelihoods.
- Promotion of diversified agricultural activities among rural women, enhancing their engagement in agriculture-based livelihoods.
- Formation of producer groups aimed at empowering rural women through collective action and enterprise development.

With its steadfast commitment to rural development and poverty alleviation, the Karnataka State Rural Livelihood Mission continues to be a beacon of hope for millions of marginalized individuals and families across the state<sup>15</sup>.

➤ **Chief Minister's Self-Employment Scheme (CMSES)**

The State of Karnataka brought up the Karnataka CM Self Employment Scheme to foster entrepreneurship and provide financial support to unemployed youth in rural areas. Further this scheme can be availed by the eligible beneficiaries and aims to provide them interest subsidies on loans for manufacturing and service activities, with a maximum project cost of Rs 10 lakh.

**Key Features of the Scheme:**

1. Interest Subsidies: Beneficiaries can receive interest subsidies on loans, with a maximum subsidy of 25% for general category beneficiaries (up to Rs 2.50 lakh) and 35% for special category beneficiaries (up to Rs 3.50 lakh).
2. Promoter's Contribution: General category promoters are required to contribute 10% of the project cost, while special category promoters need to contribute 5%.
3. Eligibility Criteria: The scheme is open to unemployed youth in rural areas alone.

**Objectives and Impact:**

The primary objectives of the Karnataka CM Self Employment Scheme are:

- To promote entrepreneurship among unemployed youth.
- To provide financial assistance and interest subsidies for self-employment ventures.
- To generate employment opportunities and reduce the unemployment rate in the state.

By incentivizing self-employment through interest subsidies on loans, the scheme aims to:

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<sup>15</sup> KSRLPS, available at <https://ksrlps.karnataka.gov.in/info-1/About+Us/en> (last visited on 1.4.2024)

- Motivate unemployed youth to explore self-employment opportunities.
- Foster economic empowerment and self-reliance among beneficiaries.
- Stimulate economic growth and development at the grassroots level.
- Reduce dependency on traditional employment avenues and encourage innovation and enterprise.

The Karnataka CM Self Employment Scheme is a proactive initiative by the government to empower youth and promote economic self-sufficiency. By providing financial support and interest subsidies, the scheme seeks to unlock the entrepreneurial potential of unemployed youth and drive socio-economic progress in rural areas of the state. Through effective implementation and targeted interventions, the scheme has the potential to create a positive impact on livelihoods and contribute to the overall development of Karnataka<sup>16</sup>.

#### **SOCIAL SECURITY MEASURES IN RAJASTHAN:**

##### ➤ **Mukhya Mantri Yuva Sambal Yojana (MMYSY)**

The Government of Rajasthan has initiated the Mukhyamantri Yuva Sambal Yojana<sup>17</sup> to provide monthly financial assistance to unemployed graduates in the state. With a focus on enhancing employment opportunities and facilitating skill development, this scheme aims to empower the youth and integrate them into various departments of the State Government.

#### **Key Benefits of the Scheme:**

**Monthly Financial Assistance:** Eligible applicants will receive monthly financial aid from the State Government, with women receiving INR 3500 and men receiving INR 3000.

**Skill Development Training:** Beneficiaries will have the opportunity to undergo skill development training tailored to their chosen department, enhancing their employability and

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<sup>16</sup> Chief Minister's Self Employment scheme, available at <https://pmmodiyojana.in/karnataka-cm-self-employment-scheme> (last visited on 1.4.2024)

<sup>17</sup> Mukhya Mantri Yuva Sambal Yojana, available at <https://www.rajyadesh.com/mukhyamantri-yuva-sambal-yojana/> (last visited on 1.4.2024)

job readiness.

**Direct Bank Transfer:** The financial assistance will be directly credited to the beneficiary's bank account, ensuring transparency and efficiency in disbursement.

**Eligibility Criteria:**

To qualify for the Mukhyamantri Yuva Sambal Yojana, applicants must meet the following criteria:

- **Age:** Applicants must be between 18 to 35 years old.
- **Residency:** Applicants should be residents of Rajasthan.
- **Employment Status:** They must be unemployed and registered as jobseekers, enrolled in employment bank.
- **Education:** Applicants must hold a graduate degree.
- **Income:** The annual family income of the applicant should not exceed Rs. 3 lakhs.
- **Employment Status:** Beneficiaries should not be currently employed in any government or private sector job.
- **Duration of Benefits:** The scheme provides assistance for 2 years, during which beneficiaries can avail themselves of financial aid and skill development opportunities to enhance their employability and socio-economic status.

The Mukhyamantri Yuva Sambal Yojana reflects the government's commitment to addressing unemployment and empowering the youth of Rajasthan. By providing financial assistance and skill development training, the scheme seeks to equip unemployed graduates with the necessary tools and resources to secure gainful employment and contribute to the state's development. Through inclusive policies and targeted interventions, the scheme aims to create a brighter future for Rajasthan's youth and foster socio-economic growth across the state.

➤ **Rajasthan Unorganized Workers Social Security Act 2008.**

The Rajasthan Act is a legislation enacted by Rajasthan state to provide social security benefits to unorganized labourers in their state. The act aims to address the vulnerabilities faced by the workers whose condition is not regulated and who lack access to traditional forms of welfare measures such as pensions, health insurance, and maternity benefits.

**Importance of the Act:**

- **Coverage:** The act applies to unorganized workers engaged in various sectors such as construction, agriculture, domestic work, street vending, and other informal occupations.
- **Registration:** It mandates the registration of unorganized workers with the state government to avail of social security benefits. This registration process helps in identifying eligible workers and providing them with the necessary support.
- **Social Security Benefits:** The act provides a range of social security benefits to registered unorganized workers, including health insurance, maternity benefits, disability assistance, and old age pension. These benefits are intended to protect employees and their families from undesirable financial situations in the event of sickness, injury, or old age.
- **Welfare Fund:** The law sets up a welfare fund to support the social security benefits offered by the act. Funding for this fund can be sourced from the state government, employers of unorganized workers, and other contributors.
- **Implementation and Administration:** The act outlines the responsibilities of various government departments and agencies in implementing and administering the social security schemes. It also establishes mechanisms for monitoring and evaluating the effectiveness of these schemes.

Thus, the Rajasthan Unorganized Workers Social Security Act represents an important step towards extending social security coverage to vulnerable workers in the informal sector. By providing essential benefits and support, the act aims to improve the quality of life and well-



being of unorganized workers and their families in the state of Rajasthan.

➤ **Chief Minister's Small Business Loan Scheme**

The Rajasthan government has allocated over Rs 180 crore for the Mukhyamantri Laghu Udyog Protsahan Yojana<sup>18</sup> during the 2023-24 financial year. This scheme aims to provide subsidised loans through banks to support small entrepreneurs in the state and create employment opportunities.

**Loan Assistance and Interest Subsidy:**

- a. Entrepreneurs can access loans ranging from Rs 25 lakh to Rs 10 crore for establishing new enterprises or expanding existing ones under this scheme.
- b. An interest subsidy of 5-8 per cent is provided to borrowers, making the loans more affordable and encouraging entrepreneurship.

**Implementation and Eligibility:**

Launched officially in December 2019, the scheme has benefited numerous individuals and institutions, including self-help groups, societies, partnership firms, and companies. Further the applicants must be residents of Rajasthan and aged 18 or above to qualify for the scheme.

**Job Fairs and Employment Generation:**

The state government is also conducting job fairs to facilitate employment opportunities for the youth in private companies. Since January 2023, six mega job fairs have been organised, resulting in over 21,000 youth securing appointments.

**Government Initiatives and Future Goals:**

Over the past four years, the government has facilitated jobs for 150,000 youth, with plans to recruit an additional 100,000 youth this year. Further these initiatives underscore the

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<sup>18</sup> Mukhyamantri Laghu Udyog Protsahan Yojana, available at <https://invest.rajasthan.gov.in/policies/rajasthan-small-industries-promotion-scheme> (last visited on 1.4.2024)

government's commitment to fostering entrepreneurship, creating employment opportunities, and driving financial development in Rajasthan.

➤ **Rajasthan Skill and Livelihoods Development Corporation (RSLDC)**

Rajasthan took the lead in addressing unemployment challenges by establishing the first state mission for livelihoods in September 2004. The mission aimed to ensure gainful and sustainable employment for the poor and vulnerable population through innovative strategies<sup>19</sup>.

**Focus on Skill Development:**

Recognizing the significance of skill development in enhancing employability, the Rajasthan Mission on Skill and Livelihoods formulated specific action plans in 2009-10 to provide further momentum to skill training initiatives.

**Incorporation as a Section 25 Company:**

In August 2010, the mission was incorporated as a Section 25 Company (Not for Profit), with the Chief Secretary appointed as the Chairman. This step aimed to streamline operations and governance structure.

**Conversion into a Corporation:**

Following the budget announcement in 2011-12, the cabinet approved the conversion of the mission into a corporation in November 2011. By May 2012, the transition was completed, marking a significant milestone in its evolution.

**Operational Strategies:**

- The Rajasthan Skill and Livelihood Development Corporation (RSLDC) currently employs multipronged strategies to engage stakeholders from various sectors. This includes industries, training institutes, educational bodies, associations, and government entities.

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<sup>19</sup> RSLDC, available at <https://livelihoods.rajasthan.gov.in/rsldc/#/home/dptHome> (last visited on 1.4.2024)

- Active Skill Development Centres executing these strategies, facilitating skill enhancement and employment opportunities for the state's workforce.

## **SOCIAL SECURITY MEASURES IN TAMIL NADU**

### **Tamil Nadu Manual Workers (Regulation of Employment and Conditions of Work) Act 1982:**

The Tamil Nadu Manual Workers (Regulation of Employment and Conditions of Work) Act, 1982 is a significant piece of legislation enacted to regulate the employment and improve the conditions of manual workers in various industries within the state of Tamil Nadu, India. The Act aims to safeguard the interests of manual workers by ensuring fair wages, reasonable working conditions, and certain welfare measures<sup>20</sup>. The act further envisages that every employer in an establishment engaging manual workers is required to register the establishment with the Competent Authority appointed by the state and registration process typically involves submitting specific details about the establishment and its workers.

Further the act also entrusts that the State Government may establish a board which consists of the member appointed by the Government representing employers, manual labourers and the Government. Further the board is set up for the purpose of administering the scheme created for the scheduled employees under the Manual Worker Act of 1982. That apart the act also set up the Advisory Committee in advising the matters relating to the administration of the act and any such schemes provided for any of the schedule employment.

The Tamil Nadu Manual Worker act schedule 61 type of employment<sup>21</sup> within its schedule which includes Street vending and shop and establishment. Further the act also set up 17 kinds of Welfare Boards for the upliftment of the social condition of the scheduled employee under the act. Further the Welfare boards through schemes providing Social Security to the scheduled employees which includes Petty shop keepers.

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<sup>20</sup> Tamil Nadu Manual Worker (Regulations of Employment and Conditions of Work) Act (Act 33 of 1982), s. Preamble

<sup>21</sup> Tamil Nadu Manual Worker (Regulations of Employment and Conditions of Work) Act (Act 33 of 1982), s. THE SCHEDULE

## **Tamil Nadu Street Vending and Shop and Establishments Workers Welfare Scheme 2010:**

The Tamil Nadu Street Vending and shop and establishment Board was set up in the Budget Speech presented by the Honourable Finance Minister on February 17, 2009, in the Tamil Nadu Legislative Assembly<sup>22</sup>. Further on the day it was declared that the government will create a distinct welfare board for small-scale traders such as hawkers and those who sell goods on pavements by transporting them using baskets or carts and small-scale retailers viz., the Petty Traders.

### **Registration Process under the Scheme:**

Any labourer over 18 years old but under 60 years old can enrol in the Scheme by registering with the Board through the Labour Officer (Social Security Scheme) in their district. They should also submit a certificate of employment from a specified person or officer as follows.,

- From the employer
- From the authorised person of Trade Union
- From the VAO and for metropolitan city can get certificate from the Revenue Inspector<sup>23</sup>

### **Social Security Measures given under the Scheme:**

- **Accident and Funeral Relief:**
  - **Personal Accident Relief:**

Every registered employee under the scheme while met with an accident which results in death can get an amount of Rs. 1,00,000/-, if it is Permanent total disablement, he can avail a claim of Rs. 25,000/-. Further if the injury results in loss of hands feet and if he lost his eyesight

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<sup>22</sup> G.O. (Ms). No. 8 of 2010, Labour and Employment Department

<sup>23</sup> The Tamil Nadu Street Vending and Shop and Establishment Scheme 2010 (G.O.MS.No. 24 of 2010), Clause 9

permanently, he could avail a claim of Rs. 1,00,000/-. That apart if it is a loss of eyesight in one eye, he can claim an amount Rs. 50,000/-.

- **Natural Death**

If the registered Manual worker dies due to natural death, the nominee can get Rs. 15,000/- as benefit.

- **Funeral Expenses**

The nominee of the registered Manual Worker can get a sum of RS. 2,000/- as a funeral expense if the registered Manual Worker dies.

➤ **Educational assistance under the scheme:**

The labour officer of every district can sanction the educational assistance mentioned as in the table given below:

- If the girl child of the Beneficiary is studying 10<sup>th</sup> standard, 11<sup>th</sup> standard or 10<sup>th</sup> passed, they will get a sum of Rs. 1,000/- as educational assistance.
- If the girl child is studying or passed 12<sup>th</sup> they will get Rs. 1500/-.
- If the children of beneficiary, either boy or a girl is pursuing bachelorette degree, they will get a sum of Rs. 1500/- in case of Days scholar and Rs.1750/- in case of Hosteller. Further if they are pursuing postgraduate, they will get a sum of Rs. 4000/- in case of the day's scholar and Rs. 5000/- in case of the Hosteller.
- If the children of the beneficiary is pursuing bachelor degree in any professional course, they will get a sum of Rs. 4,000/- in case of Days scholar and Rs. 6,000/- in case of Hosteller. Further if the children are pursuing Masters in any professional course they will get a sum of Rs. 6,000/- in case of the Days scholar and Rs. 8,000/- in case of the Hosteller.
- Further if the child of the registered member is studying ITI or polytechnic

course, they will get Rs. 1000/- in case of the Days scholar and RS. 1,200/- in case of the hosteller for every academic year

Further the above-mentioned amount is sanctioned for the students every academic year by the state.

➤ **Marriage assistance:**

The registered Manual Worker for the marriage of his or her son can get a sum of Rs. 3,000/- as marriage assistance. Further for the marriage of the daughter he or she can claim a sum of Rs. 5,000/- as a marriage assistance. That apart the registered manual worker can get Rs. 3,000/- as a marriage assistance if he is a man and Rs. 5,000/- can be given in case of women.

➤ **Maternity Benefits:**

The registered Manual Worker if she is pregnant, she can avail Rs. 6,000/-. If suppose she got miscarriage, she can avail Rs. 3,000/- as a benefit and, she can get Rs. 3,000/- for the Termination of Pregnancy.

➤ **Assistance to buy Spectacles:**

The registered manual worker can get Rs. 500/- for buying spectacles as benefit.

➤ **Pension Benefits:**

If the registered employee is attaining 60 years of age, is entitled to get a pension. The old age protection is Rs. 1000/-

**Enhancement of Benefits under the Scheme**

The State of Tamil Nadu on April 9, 2021, during the demand for grants 2021–2022 on the Assembly floor. The introduction/enhancement of the Welfare Scheme Assistance to the registered workers of the Tamil Nadu Manual Workers Social Security & Welfare Board, and 16 other Welfare Boards has been announced by the Hon'ble Minister for Labour on September

4, 2021<sup>24</sup>. The enhanced benefits are as follows:

- a. The value of Natural Death Assistance has been raised to Rs. 30,000 from Rs. 15,000/-
- b. Additionally, registered manual workers now receive Accidental Death Assistance worth Rs. 1,25,000 instead of Rs. 1,00,000.

### **CONCLUSION AND SUGGESTIONS:**

Generally, the obligation when comes to the concept of Social Security is lies upon the respective governments. Thus, the Governments whether it is Central, or State Government should be keen in protecting the Social welfare measures of the unorganised sector people which includes petty traders by way of enacting new laws, legislations and welfare schemes. Further it is pertinent to note that every state in India is enacted laws, schemes which protects the welfare of the unorganised sector. But still there is backlog in implementing the same. That apart by the above analysis it is clear that the State of Tamil Nadu is pioneer of all states even to the central government to enact laws and schemes in protecting Petty Traders exclusively. Further the above comparison clearly indicates no state has been talk exclusively about the Petty traders except the state of Tamil Nadu.

Further the by the above analysis it is clear that the laws created is not properly implemented and sufficient to the beneficiaries, since the amount given under the schemes are meagre. Thus it is suggested that there should be an amendment in the existing schemes and legislations which protects the social welfare measure of the Petty traders. Further all other states like Tamil Nadu, should enact schemes or legislations exclusive for the Petty traders to the protection of their Social Security rights.

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<sup>24</sup> *Unorganized Sector Welfare Boards*, available at <https://labour.tn.gov.in/uwwb> last visited on 3/4/2024