Statutory Organisations

PRESENT INITIATIVES IN WORKING OF EPFO & ESIC

The profiles of the Employees' Provident Fund Organization and the Employees' State Insurance Corporation are being changed towards greater accessibility and client satisfaction.

The EPFO extends to the entire country covering over 393824 establishments. At present, over 3.9 crore EPF Members and their families get benefits under the social security schemes administered by the EPFO. The total corpus of the EPF Scheme 1952, EDLI Scheme, 1976 and Employees Pension Scheme 1995 together amounts to about Rs.1,39,000 crores. Over the years, the volume of service rendered to subscribers as well as investments made, etc. by EPFO have grown manifold. With a view to provide better services to subscribers and employers, the organization has launched the Project RE-INVENTING EPF, INDIA since June, 2001. The prime objectives of this Project are to provide the subscribers better and efficient services, to help the employers by reducing the cost of compliance and to benefit the organization to register geometric growth in all fields. An important part of this Project is the allotment of the UNIQUE IDENTIFICATION NUMBER-the SOCIAL SECURITY NUMBER to the EPF subscribers, issuing of BUSINESS NUMBERS to the employers and Business Process Re-engineering.

The strategy for implementation has been evolved and the allotment of the Social Security Number has begun with the entire activity being carried out in smaller phases for effective data collection. The criteria considered for the allotment of SSN include the centralized control of Uniqueness, ensuring the least manual intervention during allotment and near 100% Uniqueness accuracy levels. The Social Security Number in a nutshell is a big effort towards solving the problem of providing social protection to migrant labour and to make the data base of EPFO adaptable to the present trend of high job mobility among workers.

The Employees' State Insurance Scheme provides need based social security benefits to insured workers in the organized sector. The Employees State Insurance Act, 1948 applies to the factories and establishment viz. Road Motor Transport undertaking, Hotel, Restaurants, Cinemas, Newspaper establishment, Shop, Educational and Medical Institution wherein 10 or more persons are employed. As on 24.01.2023, employees drawing wages up to Rs. 21,000/- a month are covered under the Act, whereas for differently abled employees, wage ceiling is Rs. 25000/- per month. As on 24.01.2023, the scheme is covering about 3.10 crores Insured Persons (IPs) in 35 States/UTs. The total number of beneficiaries covered under the ESI Scheme is about 12.03 crores including family members of IPs.

The Employees' State Insurance Scheme provides comprehensive medical care in the form of medical attendance, treatment, drugs and injections, specialist consultation and hospitalization to Insured Persons, their family and also to their dependants. As on 24.01.2023, the ESI Scheme provides following major benefits to the Insured Persons: -

I. Medical Benefit: The Scheme provides for full and comprehensive medical treatment to the IPs and their families including hospitalization, referral treatment and supply of artificial limbs, dentures etc. This benefit is available to the IPs from the date they enter insurable employment and is continued thereafter subject to fulfilment of contributory conditions.

II. Sickness Benefit: Under the Scheme the IP is entitled to Sickness Benefit for 91 days in a year to the extent of 70% of his wages. This is extended up to 2 years in the case of chronic illness and rate of payment of benefit is about 80% of his wages. For this benefit, the IPs are required to have contributed to the ESI scheme at least for 78 days in the corresponding contribution period.

III. Maternity Benefit: The Scheme provides for payment of maternity benefit equal to full wages for 26 period weeks plus additional one month in the case of illness arising out of pregnancy, delivery etc. It is also paid for upto 6 weeks in case of miscarriage. The insured woman is required to have contributed for 70 days in proceeding two contribution periods for entitlement to maternity benefit.

IV. Disablement Benefit: In the case of disablement due to employment injury including occupational diseases, the IP is entitled to payment of periodical benefit at about 90% of his wages during the period the IP abstains from work for treatment. There is no contributory condition for this benefit. After the treatment is over, if there is any residuary permanent disablement, a Medical Board decides the daily rate of compensation as a percentage of the full rate to be paid to the Insured Person for whole life.

V. Dependant's Benefit: In the case of death due to employment injury, the family of deceased IP is entitled to payment of dependant benefit at the rate about 90% of his wages. There is no contributory condition for this benefit.

VI. Funeral Expenses: In the case of the death of the IP a sum of Rs. 15,000/- is paid for meeting the funeral expenses.

VII. Rajiv Gandhi Shramik Kalyan Yojana (Unemployment Allowance Scheme): It is paid at the rate of 50% of the average daily wages for the first 12 months and thereafter, 25% for last 12 months, for a maximum 24 months during life time. In case of involuntarily loss of employment due to closure of factory, retrenchment or permanent invalidity due to non-employment injury and the contribution in respect of him have been paid/payable for a minimum of two years prior to the loss of employment.

VIII. Confinement Expenses: An insured woman or an IP in respect of his wife is eligible for confinement expenses if confinement occurs at a place where necessary medical facilities under ESI Scheme are not available. It is paid at the rate of Rs. 7,500 per case for up to two confinements only.

An Insured Person, his family and his dependants are entitled to medical benefits from the day of entry into insurable employment. The range of medical services provided covers promotive, preventive, curative and rehabilitative services which includes outpatient care/ inpatient care, specialized medical care and super specialty medical care as per requirement of the patient.

Medical facilities under AYUSH i.e. Ayurveda, Yoga, Unani, Siddha and Homeopathy are also provided.

Medical services are provided through a large infrastructure comprising Hospitals, Dispensaries, Specialist centers, Model Dispensaries- cum- Diagnostic Centers (MDDC), IMP clinics and arrangements with other health institutions. The out-patients service is provided through ESI dispensaries, IMP Clinics and Employer Utilization Dispensaries (EUD) and DCBOs. In-patient services are provided through ESIC/ESIS Hospitals and through tie up private hospitals. As on 24.01.2023, there are 1502 service dispensaries under ESI scheme all over the country and 1003 IMPs. In patient services are provided through a chain of 160 ESI hospitals spread across the country which includes 51 directly run ESIC hospitals & 109 State ESI hospitals with total bed strength of around 12705 excluding beds reserved in State Govts. hospitals. The provision for super specialty services is mainly through tie-up arrangements with private hospitals.

Expenditure on medical care is shared between ESI Corporation and the State Government in the ratio of 7:1 within the prescribed ceiling which is revised from time to time. In order to improve the standard of medical care in the States, the amount reimbursable to the State Governments for running the medical care scheme has been increased from Rs. 2150 to Rs. 2600 per IP family unit per annum w.e.f. 01.04.2021. The ESIC has formulated action plans for improving medical services under the ESI Scheme with focus on modernization of hospitals by upgrading their emergency and diagnostic facilities, development of departments as per disease profiles, waste management, provision of intensive care services, revamping of grievance handling services, continuing education programme, computerization and up-gradation of laboratories etc. The ESIC has also taken new initiatives to promote and popularize AYUSH systems of treatment in ESIC Hospitals and Dispensaries in a phased manner.

ESIC IT Project Panchdeep, one of the largest e-governance projects has been implemented in ESIC. All ESI Institutions have been networked under this project for enabling IPS and their family members to avail ESI benefits anywhere anytime. As on 24.01.2023, the present ESIC Contribution rates for Employees are 0.75% of wages and for Employers, it is 3.25% of wages.

SOCIAL SECURITY TO THE WORKERS IN THE ORGANIZED SECTOR

Social Security to the workers in the Organized Sector is provided through five Central Acts, namely, the ESI Act, the EPF & MP Act, the Workmens' Compensation Act, the Maternity Benefit Act, and the Payment of Gratuity Act. In addition, there are a large number of welfare funds for certain specified segments of workers such as beedi workers, cine workers, construction workers etc.

For more details to view following links: EPFO ESIC