**Syllabus subtopic:** Important aspects of governance, transparency and accountability, e-governance- applications, models, successes, limitations, and potential; citizens charters, transparency & accountability and institutional and other measures.

**Prelims and Mains focus:** About Santusht portal and its significance; about EPFO and ESIC

**News:** The Labour Ministry has chalked out a plan to launch a portal ‘Santusht’ next month

**Objective of ‘Santusht’ portal**

1. Speedy redressal of worker as well as employer grievances and ensuring implementation of labour laws at the grassroot level.
2. Initially, it would monitor all services provided by retirement fund body EPFO and health insurance and services provider ESIC. Later, the portal would cover other wings of the Labour Ministry as well.

**About Employees Provident Funds Organisation (EPFO):**

- EPFO is one of the World’s largest Social Security Organisations in terms of clientele and the volume of financial transactions undertaken. At present it maintains 17.14 crore accounts (Annual Report 2015-16) pertaining to its members.

- The Employees’ Provident Fund came into existence with the promulgation of the Employees’ Provident Funds Ordinance on the 15th November, 1951. It was replaced by the Employees’ Provident Funds Act, 1952. The Employees’ Provident Funds Bill was introduced in the Parliament 1952 as a Bill to provide for the institution of provident funds for employees in factories and other establishments. The Act is now referred as the Employees’ Provident Funds & Miscellaneous Provisions Act, 1952 which extends to the whole of India except Jammu and Kashmir. The Act and Schemes framed there under are administered by a tri-partite Board known as the Central Board of Trustees, Employees’ Provident Fund, consisting of representatives of Government (Both Central and State), Employers, and Employees.
• The Central Board of Trustees administers a contributory provident fund, pension scheme and an insurance scheme for the workforce engaged in the organized sector in India. The Board is assisted by the Employees’ PF Organization (EPFO), consisting of offices at 135 locations across the country. The Organization has a well equipped training set up where officers and employees of the Organization as well as Representatives of the Employers and Employees attend sessions for trainings and seminars. The EPFO is under the administrative control of Ministry of Labour and Employment, Government of India.

• The Board operates three schemes – EPF Scheme 1952, Pension Scheme 1995 (EPS) and Insurance Scheme 1976 (EDLI).

About Employees’ State Insurance Corporation (ESIC)

Employees’ State Insurance Scheme of India, is a multidimensional social security system tailored to provide socio-economic protection to worker population and their dependants covered under the scheme.

The scheme was inaugurated in Kanpur on 24th February 1952. The comprehensive and multi-pronged social security programme is administered by an apex corporate body called the Employees’ State Insurance Corporation.

Employees’ State Insurance Act, 1948

• The promulgation of Employees' State Insurance Act, 1948 (ESI Act), by the Parliament was the first major legislation on social Security for workers in independent India.

• The ESI Act 1948, encompasses certain health related eventualities that the workers are generally exposed to; such as sickness, maternity, temporary or permanent disablement, Occupational disease or death due to employment injury, resulting in loss of wages or earning capacity-total or partial. Social security provision made in the Act to counterbalance or negate
the resulting physical or financial distress in such contingencies, are thus, aimed at upholding human dignity in times of crises through protection from deprivation, destitution and social degradation while enabling the society the retention and continuity of a socially useful and productive manpower.

Coverage

Applicability

- Under Section 2(12) the Act is applicable to non-seasonal factories employing 10 or more persons.
- Under Section 1(5) of the Act, the Scheme has been extended to shops, hotels, restaurants, cinemas including preview theatres, road-motor transport undertakings and newspaper establishments employing 10* or more persons.
- Further under section 1(5) of the Act, the Scheme has been extended to Private Medical and Educational institutions employing 10* or more persons in certain States/UTs.

Note: However the threshold for Coverage of establishments is still 20 Employees in Maharashtra and Chandigarh. The existing wage limit for coverage under the Act is Rs.21,000/- per month (w.e.f. 01/01/2017).

Areas covered

The ESI Scheme is now notified in 526 Districts in 34 States and Union Territories, which include 346 complete District, 95 District Headquarters and in 85 Districts. The scheme is implemented in centers. The scheme is yet to be implemented in Arunachal Pradesh and Lakshadweep.