

39

STANDING COMMITTEE ON LABOUR

(2017-18)

(SIXTEENTH LOK SABHA)

MINISTRY OF LABOUR & EMPLOYMENT

**EMPLOYEES' STATE INSURANCE CORPORATION (ESIC)-
COVERAGE OF ESTABLISHMENTS, RECOVERY OF
ARREARS AND FUNCTIONING OF THE HOSPITALS AND
DISPENSARIES UNDER THE SCHEME.**

THIRTY NINTH REPORT



LOK SABHA SECRETARIAT

NEW DELHI

July, 2018/ Shravana, 1940 (Saka)

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MINISTRY OF LABOUR & EMPLOYMENT

Presented to Lok Sabha on 26th July, 2018

Laid in Rajya Sabha on 26th July, 2018



LOK SABHA SECRETARIAT

NEW DELHI

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COMPOSITION OF THE STANDING COMMITTEE ON LABOUR
(2017-18)

DR. KIRIT SOMAIYA - CHAIRPERSON

MEMBERS

Lok Sabha

2. Shri Udayanraje Pratapsingh Bhonsle
3. Shri Rajesh Diwakar
4. Shri Ashok Kumar Dohrey
5. Shri Satish Chandra Dubey
6. Shri Devajibhai Fatepara
7. Shri Satish Kumar Gautam
8. Dr. Boora Narsaiah Goud
9. Shri Rama Chandra Hansdah
10. Shri C. N. Jayadevan
11. Shri Bahadur Singh Koli
12. Dr. Arun Kumar
13. Shri Kaushalendra Kumar
14. Shri Hari Manjhi
15. Shri R. Parthipan
16. Shri Dayakar Pasunoori
17. Shri Hariom Singh Rathore
18. Shri Naba Kumar Sarania (Hira)
19. Shri Kodikunnil Suresh
20. Shri Mulayam Singh Yadav
21. Vacant

Rajya Sabha

22. Shri Ram Narain Dudi
23. Shri N. Gokulkrishnan
24. Shri Nazir Ahmed Laway
25. Shri P.L. Punia
26. Shri Rajaram
27. Shri Amar Shankar Sable
28. Ms. Dola Sen
29. Dr. Banda Prakash
30. Shri Akhilesh Prasad Singh
31. Shri Madanlal Saini

SECRETARIAT

1. Ms. Rimjhim Prasad - Joint Secretary
2. Smt. Anita B. Panda - Director
3. Shri C. Vanlalruata - Additional Director
4. Shri Kulvinder Singh - Under Secretary

INTRODUCTION

I, the Chairperson, Standing Committee on Labour (2017-18) having been authorized by the Committee do present on their behalf this Thirty Ninth Report on the Subject "The Employees' State Insurance Corporation – Coverage of Establishments, Recovery of Arrears and Functioning of the Hospitals and Dispensaries under the Scheme" pertaining to the Ministry of Labour & Employment.

2. The Committee took evidence of the representatives of the Ministry of Labour & Employment and Employees State Insurance Corporation (ESIC) on 02.02.2015, 15.01.2016, 10.11.2016, 27.12.2016, 17.04.2018 and 17.05.2018. The Committee considered and adopted the Draft Report at their sitting held on 12th June, 2018. The Committee wish to express their thanks to the officers of the Ministry of Labour & Employment and ESIC for tendering oral evidence and placing before them the detailed written notes and post evidence information as desired by the Committee.

3. Gist of important Observations/ Recommendations are on the next page.

New Delhi;
25th July, 2018
03rd Shravana, 1940 (Saka)

DR. KIRIT SOMAIYA
CHAIRPERSON
STANDING COMMITTEE ON LABOUR

GIST OF OBSERVATIONS/RECOMMENDATIONS AS CONTAINED

IN THIS REPORT

The ESI Act, 1948 is a social security legislation that provides for medical care and cash benefits to insured persons in the contingencies of sickness, maternity, disablement and death due to employment injury. Concerned with the deficiencies in the performance and monitoring of the ESI Scheme, the Standing Committee on Labour had decided to examine on priority, the subject “Employees State Insurance Corporation (ESIC) – Coverage of Establishments, Recovery of arrears and functioning of Hospitals and Dispensaries” on priority and held evidences of the representatives of the Ministry of Labour and Employment and ESIC as well as State Governments of Maharashtra, Rajasthan & Tamil Nadu and also visited some ESIC/ESIS run hospitals.

The Committee studied the provisions of both ESIC and ESIS, the concept/objective of the Parliament while enacting the ESIC Act, 1948 subsequent amendments, and the execution mechanism. During the examination of the subject, the present status of ESI Scheme was also in focus. In this report, the Committee has observed that since the inception of the Act i.e. in the last 70 years, no major/full fledged study has been undertaken on providing medical/health services/insurance to the industry workers. The Committee have been informed that their

concerns are being addressed by the Ministry of Labour & Employment and ESIC.

In the present Report, the Committee have made their observations/recommendations on the following major points:-

- 1. Under the ESI Act, the authority to collect the contribution/premium from the workers has remained with the Central Government i.e. Ministry of Labour & Employment monitored Employees State Insurance Corporation (ESIC). However, the responsibility for providing medical service/other benefits to the workers rests mainly with the State Government run ESIS. This duality of roles has dented the effectiveness of this scheme. It is also observed that without ensuring appropriate and adequate medical infrastructure in a particular area, under ESIS, ESIC makes mandatory deductions while, ideally, the situation should be vice-versa. The yearly collection of ESIC is almost double than what is actually spent on medical and other benefits for workers. Only couple of States provide adequate facilities and spend the funds collected from the workers for its intended purpose. While others return the amount as 'Unspent Funds' to ESIC. Therefore, there is an urgent need to not only to revisit the Act but also to strengthen the coordination between**

the Centre and State Governments so that the basic objective of the ESI Act is realised to the maximum extent.

- 2. The Committee note that a national health protection scheme 'Ayushman Bharat' has been launched, to cover poor and vulnerable families. The ESIC is also providing medical benefits etc. to the insured persons on payment of contribution by them under the ESI Scheme. However, the ESIC could not finalise its views on linking up with Ayushman Bharat till date. The Committee therefore, desire that ESIC should finalise their view on the same at the earliest.**
- 3. The Committee are of the view that as ESIS is being implemented since inception of the ESIC, it becomes imperative to review the eligibility of benefits of beneficiaries, special audit of the scheme be carried out to ensure that no one eligible is deprived from the benefits of the scheme.**
- 4. The Committee felt that the basic concept of insurance is just to save 2 to 5% of premium as reserve, but this principle is not maintained in ESIC/ESIS since decades, ESIC at present has a surplus of more than ₹73,303 crore as on 31.3.2018. in the**

opinion of the Committee, the contribution paid by the employees is more like a cess imposing on them by ESIC and used for other purposes. Deeply concerned at the state of affairs, the Committee desire that the ESIC must obtain a legal opinion on the issue of corpus fund and inform the Committee accordingly.

- 5. Regulation of the insurance sector has been made mandatory for all types of insurance schemes viz. life insurance, general insurance, health insurance schemes which also covers the Government PSUs in the insurance business. However, there is no regulator for ESIC/ESIS. Hence, the Committee have felt that the provision of regulatory system needs to be introduced for ESIC/ESIS.**
- 6. The manner in which ESIC undertook construction of medical colleges and hospitals was examined in detail by the Committee. It was seen that a huge amount is parked in constructing huge assets, with no substantial augmentation in providing actual medical facilities to the beneficiaries, hence the Committee suggested that for the Government, the focus of the Scheme should solely remain on providing medical and other benefits to the IPs.**
- 7. Post their examination of the subject, the Committee has gathered that the principle of accountability in ESIC/ESIS**

needs to be strengthened. Inviting attention to the Special Audit Report No.40 of 2015 of CAG on “Medical Education Projects of ESIC”, the Committee have desired a specific reply from the ESIC regarding construction of Hospitals and Medical Colleges, apart from the position of the action taken notes on the observations of the C&AG on the said report.

- 8. As there exists a provision of exemption in the ESI Act which states that any establishment/company which can provide better medical facilities/health insurance to their workers can be given exemption from ESIC and allowed to give insurance cover under their scheme, the Committee have felt the need to ensure that this provision is not exploited. They further feel that such establishments should be asked to provide better health facilities/medical services for their employees and that ESIC must act as a regulator for these exempted establishments.**

Report

I. Introductory - ESIS

The Employees' State Insurance Act, 1948 is a social Security legislation that provides for medical care and cash benefits in the contingencies of sickness, maternity, disablement and death due to employment injury to Insured Persons (IPs). Medical care is also provided to families of 3.19 crore insured persons through 154 ESI hospitals and 1485 dispensaries. Employees' State Insurance Scheme is a multidimensional Social Security Scheme mandated to provide both cash compensation and medical benefits against a single contribution in certain contingencies. The scheme is operated by Employees' State Insurance Corporation (ESIC) established under the Employees' State Insurance Act 1948 (the Act) jointly with the State Governments. With a view to improve the quality of medical care, the Act was amended in May 2010 to provide for the establishment of medical colleges, nursing colleges and training institutes for its para-medical staff and other employees (Section 59B was added). ESIC is under administrative control of ministry of Labour & Employment, Government of India.

Details of benefits provided under the Scheme are as under:

Medical Benefit: The Scheme provides medical care to the IPs and their families including in-patient, referral tie-ups, supply of artificial

limbs, dentures etc. These services are available to the IPs from the date they enter insurable employment and subject to eligibility conditions.

i) Medical Beneficiaries:

Year	2014-15	2015-16	2016 - 17
Total number of OPD attendance by IP's	2,15,98,098	2,07,89,635	2,40,08,619
Total number of OPD attendance by IP family	2,32,62,559	2,27,87,690	2,58,86,407
Total number of IP's referred to Hospitals	18,48,618	35,41,686	32,21,941
Total number of IP family referred to Hospitals	18,27,851	20,95,665	22,86,805
No of IP's admitted in Hospitals	15,64,275	17,46,517	19,46,004
No of IP family admitted in Hospitals	6,10,956	4,39,324	4,26,793

ii. Cash Benefits:

a. 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 is required to have contributed to the Scheme at least for 78 days in a 6 monthly contribution period.

Sickness Benefit	2014-15	2015-16	2016-17
No. of Cases during the year	6,68,282	6,01,808	4,93,039
Total amount paid	251,25,12,822	259,03,22,462	275,25,36,733

However analysis on the basis of on-line transactions for the period April-2017 to Feb-2018, shows that the number of claims in respect of Sickness Benefit is about 600000.

Extended Sickness Benefit	2014-2015	2015-2016	2016-2017
No. of Cases during the year	7899	7758	6743
Total amount paid	33,70,40,445	36,53,84,361	38,37,29,088

However analysis on the basis of On-line transactions for the period April-2017 to Feb-2018, shows that the number of claims in respect of Extended Sickness Benefit is about 8000.

Enhanced Sickness Benefit	2014-15	2015-16	2016-17
No. of Cases during the year	173	100	136
Total amount paid	10,36,086	14,79,455	19,33,372

b. Maternity Benefit: The Scheme provides for payment of maternity benefit equal to full wages to insured woman for a confinement occurring or expected to occur in a benefit period. The insured woman is required to have contributed for 70 days in proceeding in either one or two contribution periods for entitlement to maternity benefit . At present according to Ministry of Labour & Employment notification dated 20.1.2017, this benefit has been extended from 12 weeks to 26 weeks out of which Insured women can claim 8 weeks of maternity benefit preceding to expected date of confinement. Maternity Benefit has also been extended to a (i) Commissioning mother(who as biological mother wishes to have a child and prefers to get embryo implanted in any other woman) and (ii) a woman who legally adopts a child of upto three months of age. In case of Commissioning mother or adopted mother, the Insured woman will be paid maternity benefit for 12 weeks after the child is handed over to the commissioning mother or adopting mother.

Details of maternity benefits paid are as under:-

Maternity Benefit	2014-15	2015-16	2016-17
No. of Cases during the year	32874	31564	25790
Total amount paid	85,02,15,981	89,35,62,429	90,71,92,851

However analysis on the basis of on-line transactions for the period April-2017 to Feb-2018, shows that the number of claims in respect of Maternity Benefit is about 30000.

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 loss of earning capacity.

Temporary and Permanent Disablement benefits paid are as under:-

Temporary Disablement Benefit	2014-15	2015-16	2016-17
No. of Cases during the year	78,647	67,077	58,308
Total amount paid	98,16,73,000	91,88,42,000	98,73,14,764

However analysis on the basis of on-line transactions for the period April-2017 to Feb-2018, shows that the number of claims in respect of Temporary disablement Benefit is about 60000.

Permanent Disablement Benefit	2014-15	2015-16	2016-17
No. of Cases during the year	11,386	12,331	11,692
Total amount paid capitalized value in lakhs	22450.6	24598.2	25293.05

However analysis on the basis of on-line transactions for the period April-2017 to Feb-2018, shows that the number of claims in respect of Permanent disablement Benefit is about 12000.

Total No. of PDB Beneficiaries as on 31.03.2017 is 257653.

c. Dependant Benefit: In the case of death due to employment injury the family is entitled to payment of dependant benefit at the rate about 90% of his wages. There is no contributory condition for this benefit. Details of Dependant benefits paid are as under:-

Dependant Benefit	2014-15	2015-16	2016-17
No. of Cases during the year	2020	1890	1796
Total amount paid Capitalized value in lakhs	19403.35	19405.35	19760.94

However analysis on the basis of on-line transactions for the period April-2017 to Feb-2018, shows that the number of claims in respect of Dependant Benefit is about 2000.

Total No. of Dependent Beneficiaries as on 31.03.2017 is 110582

d. Funeral Expenses: In the case of the death of the IP a sum of ₹10,000/- is paid to the person who perform last rites of the Insured person.

Funeral expenses paid are as under:-

Funeral	2014 - 15	2015 - 16	2016 - 17
No. of Cases during the year	12,468	13,324	11,078
Total amount paid capitalized value in lakhs	1475.47	1536.62	1474.01

The Committee enquired about performance of the Scheme and break up of the amount disbursed to the IPs as various benefits as well as expenditure on administration, repair etc. in the last five years in few States, as case study. The Ministry of Labour & Employment provided information regarding Maharashtra and Gujarat as placed at Annexure-I

II. Applicability of ESI Scheme:-

2. The ESI Act applies, to factories employing 10 or more persons. The provisions of the Act are being brought into force area-wise by stages. The Act contains an enabling provision under which the “appropriate government” is empowered to extend the provisions of the Act to other class of establishments, industrial, commercial, agricultural or otherwise. Under these provisions, the State Governments have extended the provisions of the Act to shops, hotels, restaurants, cinemas including preview theatres, road motor transport undertakings, newspaper establishments, educational and medical institutions employing 10 or more employees. Twenty eight State Governments have reduced the threshold for coverage of shops and establishments to 10 or more persons. Employees of factories and establishments drawing wages upto ₹21,000/- are covered under the Act. As on 31.3.2017, the scheme applies to 8.98 lakh employers employing 2.93 crore employees in 461 districts across 33 States & Union Territories. The total number of IPs is 3.19 crore.

III. Financing & Administrative Responsibility:-

3. Under the Act, the employers are required to pay contribution at the rate of 6.5 percent of wages of the covered employees out of which he/she is authorised to recover 1.75% hence the actual contribution of employer is 4.75%. The rate of contribution for the employees is 1.75 percent of their wages. Low paid workers drawing wages upto to ₹137/- per day are exempted from paying their share of contribution. However, the employers are required to pay their share of contribution. The State Governments bear 1/8th of the expenditure on medical care.

The contribution income and expenditure on cash benefits, medical benefits and administrative expenditure during the last three years was as under:-

	Income	Expenditure	(₹. in crores)	
Year	Contribution Income	Cash & Other Benefits	Medical Benefit	Administrative expenses
2013-14	9,633	601	4,782	1,028
2014-15	10,867	685	5,616	1,210
2015-16	11,456	707	5,996	1,391
2016-17	13,662	1,520	6,124	1,732

IV. Coverage of Factories and Establishments:-

4. To bring more number of employees under the umbrella of social security protection available under the ESI Scheme, surveys are conducted regularly in the implemented areas as well as non-implemented areas. This is an ongoing process by which coverable factories and establishments are being detected and the employees of such establishment are covered under the ESI Act. On account of extension of the scheme to new areas, 2.33 lakh additional employees were covered under the ESI Scheme during 2013-14 and 1.28 lakh

during 2014-15, 0.89 lakh during 2015-16 and 22.65 Lakh during 2016-17. Details of coverage of employees, insured person's, beneficiaries and employers during the last 4 years were furnished as under:

	2013 - 14	2014 - 15	2015 - 16	2016 - 17
No. of Centres / Districts	815 Centers	830 Centers	833 Centers	461 Districts
No of Employees	1.74 crore	1.79 crore	1.89 crore	2.93 crore
No. of Insured Persons	1.95 crore	2.03 crore	2.14 crore	3.19 crore
No. of total Beneficiaries	7.58 crore	7.89 crore	8.29 crore	12.40 crore
No. of Employers covered	6.70 lakh	7.24 lakh	7.84 lakh	8.98 lakh

5. The Scheme is implemented area-wise in stages. As the insured persons and their family members become entitled to full medical care from the day the Scheme is implemented in a new area and as per the provisions of Sec. 58 of the Act, the concerned State Governments are required to make necessary arrangements for providing medical care. The Scheme can be extended to any new area only after the State Government makes necessary arrangement for providing medical care to the workers to be insured. The position of implementation/extension of ESI Scheme in new areas during the last 3 years is shown below:-

Year	Target		Achievement	
	New areas for implementation	Employees (in lakhs)	New areas where scheme implemented	No. of employees covered
2013-14	78	2.84 lakh	81	2.35 lakh
2014-15	70	2.00 lakh	83	1.28 lakh

2015-16	*	*	99	0.89 lakh
2016-17	393 Complete Distt	*	271 Complete Distt & 51 Distt Hqrs	22.65 lakh

*Under ESIC 2.0, ESIC is now implementing whole of the district wherever the scheme was partially implemented and targeted to 393 partially implemented districts out of which 325 districts has been fully implemented. Thereafter the remaining non-implemented district shall be covered under the scheme. Initially the implementation shall be at the district headquarters for non-implemented district and so far 93 districts headquarters have been brought under notification for coverage. The Scheme remains implemented in centers in 85 Districts.

6. The Committee at their sitting held on 02.02.2015 pointed out that the coverage area is concerned, ESI Scheme is delivering benefits only to a very small section of the eligible people while a big section of the eligible people remains out. The Committee desired to know specifically about the Ministry's plan to cover the uncovered area, which are yet to be covered by the notification of ESI. In reply the representative of the Ministry informed as follows:

"Those units which are registered in EPFO & Labour department, we will be coordinating with them and have a survey conducted. We have covered 8 thousand units by having a survey with EPFO. Shram Suvidha Portal has EPFO, ESI and 14 other Labour Acts..."

7. On being pointed out by the Committee that Shram Suvidha Portal cannot capture the data until ESIC expand their coverage, the representative of the Ministry submitted as follows:

"the Shram Suvidha Portal will help, but there are issues which are not covered by the organisation and we are actually focusing on that at this time. ESIC already has a laid down process, as I understand. All their ROs are supposed to be looking at areas of concentration of workers and doing a survey there to see whether there are enough number of eligible beneficiaries or not. This is followed by their taking it up with the State Government to open a dispensary. There are areas which have been surveyed but where State Governments have not volunteered to open dispensaries or in case where they have said that they would open a dispensaries but they have not provided services. There are both types of cases. I think that needs to be strengthened, this mechanism of survey followed by taking up with the State Government.

One of the reasons of making the State Executive Committee, we actually deliberated on it at length, is that they need to be given more liberty and more involvement and engagement in the decision making process. Then only they will feel responsible for people covered or not covered. In that process what we are trying to do is we are trying to rope in the State Government to take responsibility about the running of the Scheme in their areas. Though this Committee, you take charge; you empanel; you dis-empanel; you get the repairs done

because today we do not have such a strong regional set up that it can take up everything".

8. The Committee pointed out that the problems stated by the Ministry *i.e* "lack of strong regional set up" is an old problem which is repeated again and again, while there is no improvement in the situation. In reply the representative of the Ministry informed that they had a meeting with the State Secretaries on these issues.

9. Not being satisfied with the reply of the Ministry, the Committee again raised the issue of coverage at their sitting held on 15.01.2016 and noted that at that time ESI had 1.80 crore workers under its ambit and EPFO had 4.50 crore workers under its ambit whereas the coverage should have been vice versa as ESI is applicable to establishments having ten or more workers and EPFO is applicable to establishments having 20 or more workers. Also, EPFO is not operating in J&K and Assam, but ESI is operative everywhere still there is about three times difference between the number of workers covered under ESI and EPFO which raises a question mark on the functioning of ESIC.

10. The representatives of the Ministry in their reply informed that the coverage of ESI was limited as ESIC used to cover only a particular area having insured persons or industrial coverage. However, it was submitted that now ESIC has decided to cover the entire district irrespective of the number of IPs, to take care of wider geographical coverage. As regard to coverage of number of people. The Committee were informed that ESIC has decided to cover "Construction workers" also for which orders have already been issued. Further, ESIC has decided on trial basis that the auto

rickshaw drivers and cycle rickshaw drivers would also be covered. A pilot scheme was launched but was closed owing to poor response. Apart from this the 'identity cards' of IPs act as 'Smart cards' and ESIC is taking steps to issue Universal Access Number (UAN) which is given by EPFO to all beneficiaries. UAN is a portable number and steps are being taken to cede UAN with 'Aadhar Number' so that on the basis of biometrics, all beneficiaries could be identified easily and medical facility can also be provided to them. In this direction ESIC 2.0 was launched, and an assurance has been given that all the health records of ESIC would be digitised and made available 24 x 7 online and in this direction not only a decision has been taken but actual work has also been started.

11. In reply to a written query of the Committee regarding getting compensation/ relief from ESIC by a worker working in a factory/ establishments not covered under ESI scheme, it was informed that as per Section 2 of the ESI Act, every factory or establishment to which the Act applies shall be registered and the onus of registration of Unit and its employees lies with the employer.

12. In reply to another query of the Committee regarding names of States/UTs not covered by ESI Scheme, it was informed that at present ESI scheme has been extended to 503 districts (325 Complete districts, 93 Districts Headquarters and 85 Partially Implemented Districts) in all the States except Manipur, Arunachal Pradesh and all the UTs except Lakshadweep Islands.

13. It was further submitted that as per the decision of Cabinet Secretariat the coverage of ESIC would be extended to the entire

nation by 2022. Draft notification for coverage in Manipur has been sent to MoLE for publication in the Gazette of India and the implementation is expected soon. In Lakshadweep Islands, Kavaratti Island has been identified and pre-implementation survey is being conducted. In the case of Arunachal Pradesh, the State Government expressed its inability to meet the share of one eighth expenditure required to meet the medical expenses for implementation of ESI scheme.

14. In reply to a query regarding coverage of construction workers/ auto rickshaw drivers/ workers of unorganised sector, the Committee was informed that ESI Act is applicable on factories & establishments employing 10 or more persons in areas where ESI scheme is implemented and, as such, it does not apply to unorganised workers. Provision for providing medical facilities in underutilised hospitals on payment of user charges exists under Section 73A of the ESI Act, 1948 where limited medical benefit can be provided to certain persons as other beneficiaries. No study has been conducted by the ESIC to determine the number of employees working in unorganised sector. A Pilot study was conducted to provide medical facilities to auto-rickshaw drivers and domestic workers on payment of user charges. But due to poor response, the scheme was closed.

15. Explaining further, the Ministry stated that the registration for both the schemes during pilot study were 21 only. The pilot scheme for auto-rickshaw drivers was initiated on 01.04.2016 and due to poor response, the monthly user charges was reduced from ₹250 to ₹200 per month chargeable in the case of auto-rickshaw drivers,

initially to that of domestic workers in the pilot scheme which was initiated *w.e.f* 01.10.2016 for a period of one year.

16. Replying to a query of the Committee on providing medical facilities etc to the construction workers and the number of construction workers included by ESIC so far, it was informed that the coverage of 'Construction Site Workers' was initiated with effect from 01.08.2015 based on the instruction No.P-12/11/11/60/2010- Rev.II dated 31.07.2015 issued in partial modification of earlier instruction No. P-12(11)11/27/99-Ins.IV dated 14.06.1999. The Ministry of Labour & Employment further stated that a total of 10, 83,342 construction workers have been covered under ESI Act as on 28.02.2018. State-wise Details are as placed at Annexure-II.

17. The Committee desired to be apprised as to how ESI services would be available to the Insured Persons working in a factory/ establishment such as a Hydro Power Plant or where employers have made arrangement for their regular employees but not the contractual employees. In reply, it was informed that extension of ESI benefit is available to those insured persons who fall under the ESI implemented area. For implementation of ESI Act, availability of medical arrangement in the area is a pre-condition. Locations of Hydro Power Projects being in remote areas, such districts have not been notified under the ESI Act. These areas shall be notified under Vision 2022, when the scheme shall be extended Pan India. The Ministry further stated that in case of non availability of the ESI infrastructure, in notified areas, the medical arrangement for Primary Health care can be made through Employer Utility

Dispensary as these Hydro electric power projects may be having already established medical set-up. For secondary and tertiary care, arrangement could be made through tie-up. The covered employees will also have the option to availing reimbursement under Regulation 9A for the treatment availed outside of ESI network. During the course of informal meeting with the representatives of the National Hydro Power Corporation (NHPC) at Darjeeling in the month of April, 2018, the Committee were informed that NHPC provides health care facilities to its own staff and contractual staff on their sites where there is no ESIC presence.

18. In case of the benefits provided by the Employer is better, then they can seek exemption under Section 87 of ESI Act. Alternately, Modified Employer Utility Dispensary (M-EUD) or Employer Utility Dispensary (EUD) or Insurance Medical Practitioner (IMP) even the tie-up with Employer managed Hospital facility for secondary and tertiary care, can be considered.

19. Under the ESI Act, the authority to collect the contribution/premium from the industry workers has remained with the Central Government i.e Ministry of Labour & Employment monitored Employees State Insurance Corporation (ESIC). However, the responsibility for providing medical service/other benefits to the workers rests mainly with the State Governments run ESIS. This duality of roles has dented the effectiveness of this scheme. It is also observed that for ensuring appropriate and adequate medical infrastructure in a particular area, there is an urgent need to not only revisit the Act but also to strengthen the coordination between the Centre

and State Governments and to create a strong regional set up so that the basic objective of the ESI Act is realised to the maximum extent.

20. The Committee note that the Employees State Insurance Scheme is implemented area-wise. The insured persons and their family members are entitled to medical care under the scheme from the day the scheme is implemented in a new area and as per the provisions of Section 58 of the ESI Act, 1948 the concerned State Government is required to make necessary arrangements for providing medical care. The scheme can be extended to any new area only after the State Government makes necessary arrangement for providing medical care to the IPs. The very basic requirement for providing medical and other benefits under the ESI Scheme to the IPs is coverage of a particular area by issue of notification by the ESIC. The coverage is stated to be of two types *i.e* geographical coverage and the coverage of actual IPs/ beneficiaries under the ESI scheme.

However the Committee note that ESIC is facing a number of problems for covering the uncovered areas under the ESI scheme. The Ministry of Labour & Employment and ESIC admitted during oral evidence that the coverage of ESIC has remained limited due to several reasons that is, first, the lack of survey of the area to be covered to ascertain the concentration of workers/ eligible beneficiaries, second, where the survey has been completed, but the respective State Governments have not set up their dispensaries to provide

medical facilities to the IPs, third, lack of a strong regional set up and fourth, coverage of only a particular area of a district having eligible people or concentration of industries etc. In this backdrop, the Committee feel that the basic requirement of 'coverage', medical benefits under the ESI Scheme, has remained a grey area, as ESI Scheme is delivering its benefits only to a section of the eligible people. The Committee note that in order to improve the coverage under the ESI scheme, the Ministry of Labour & Employment and ESIC have initiated a slew of measures such as coverage of the entire district irrespective of the number of IPs, coverage of construction workers, coverage of auto rickshaw drivers and cycle rickshaw drivers on trial basis, Shram Suvidha Portal, ESIC 2.0 etc.

21. The Committee also note that the eligible employees contribute 1.75% of their salary (basic and allowances) and employer has to contribute 4.75% to the ESI corpus every month. As on date the total number of IPs is stated to be 3.19 crore and the number of employers covered are stated to be 8.98 lakh. A glaring issue which has come to the notice of the Committee is that the onus of 'registration' under the ESI scheme is on the 'Employer' alone and not on the ESIC, which collects the contribution from the Insured Persons (IPs) and the employers. They are of the view that the 'onus' of registration should not only be on the employer but also on the ESIC/ESIS, as it receives contribution from both employees as well as employers. The Committee feel that this will have a drastic effect in improving the coverage of ESIS and therefore,

recommend that this issue be examined by the Ministry of Labour and Employment as well as by the ESIC and necessary action be taken at the earliest of which the Committee be informed. The Committee also recommend in this regard that a specific policy be formulated for issue of Unique Number for IPs separately.

22. The Committee were informed that the benefits of the ESI scheme are available only to those IPs who fall under the ESI notified area and for implementation of ESI scheme, availability of medical arrangement in the area is a pre-condition. They note that in case of non availability of the ESI infrastructure, in notified areas, the medical arrangement for Primary Health care can be made alternatively through Employer Utility Dispensary, but for secondary and tertiary care, arrangement could be made by ESIC through tie-up and the covered IPs will also have the option of availing reimbursement under Regulation 9A for the treatment availed outside of ESI network. The Committee therefore desire to be furnished with a list of all such areas, which, though have been covered under ESIC, but ESIC has not provided any medical benefits, and also the amount of contribution ESIC receives from IPs in such areas.

23. From the case study of few States' performance with regard to the ESI Scheme, the Committee observe that in certain cases, the basic objective of the scheme, which was providing medical and cash benefits, was somewhat compromised since the expenditure on administration, Capital

Works, i.e. construction of medical hospitals/colleges, and supply, repair and maintenance works was either nearly equal or in one case, even higher. The Committee feel that the focus of ESIS is rather more on asset creation as well as administration, i.e. largely on ESIC employees, doctors and paramedical staff. In this context, the Committee express their unhappiness that the basic objective, i.e. to provide health insurance to industrial workers in the event of sickness, employment, injury, maternity, etc., to which not only the employer but the employee also contributes, does not seem to be priority of the Ministry and the ESIC. They, therefore, have strongly expressed the view during all their interactions with the Ministry of Labour & Employment and ESIC that the focus of the scheme should solely remain on providing facilities & benefits to the IPs. The Committee, therefore, recommend that the Ministry must study entire State-wise data of the ESI scheme for the last seven years and based on analysis, devise measures to maintain the scheme's core focus on providing social security to protect the industrial workers, through optimum utilization of their funds, instead of frittering away a substantial part of the same on assets, salaries, etc. on which a cap should be seriously considered. The Committee desire to be furnished with the analysis as well as the details of the measures devised, at the action taken stage.

V. Recovery of Arrears

24. The Ministry of Labour & Employment furnished details of total arrears, arrears recoverable as well as non-recoverable for the present and recovery made during the last three years as under:

(₹. In Crore)

Year	Total dues	Dues not recoverable for the present	Dues recoverable	Target for recovery	Total recovery effected
2013- 14	1754.14	1123.35	630.79	175.00	186.07
2014- 15	2013.12	1203.02	810.10	192.00	198.13
2015- 16	2249.96	1273.42	976.53	218.98	205.80
2016- 17	2362.84	1263.27	1099.57	292.97	251.88
2017- 18	*	*	*	346.00	240.24~

* Data not available. ~Recovery effected during the period from 4/2017 to 01/2018.

25. The Committee were also informed that out of the total outstanding arrears substantial amount is not recoverable for the present due to various reasons. The details of arrears pending for recovery as on 31.3.2017 are as under:-

Description	In ₹ Crore
Amount of arrears disputed in courts	948.40
Amount under liquidation	192.26
Amount pending with Claim Commissioner	7.65
Amount due from factories/Estt. Which have been closed and whereabouts of employers not known	113.98
Amount for which decree obtained but not executed	0.98
(A) Total	1263.27
Cases in respect of Factories registered with BIFR but Rehabilitation scheme yet to be sanctioned.	55.51
Factories/Establishments which have been declared Sick and rehabilitation scheme sanctioned by BIFR	66.28
(B) Total	121.79
Recoverable dues pending for recovery with recovery officer	977.78
(C) Total	977.78
Total: (A) + (B) + (C)	2362.84

26. At their sitting held on 10.11.2016 the Committee asked about the provisions in the Act which can be evoked if the employer deducts the contribution of the employee but did not submit the same with the ESIC, The representative replied that there are very harsh provisions for this under the section 406, 409 and 85 of the IPC.

27. With regard to the issue of failure of an employer to pay any contribution payable, when asked by the Committee about the cases under section 85, 406 and 409 of the IPC pending from the last 5 years till date, by what time these prosecution cases are likely to be resolved and also the action taken against the employers, the Ministry *vide* their written reply submitted year-wise data as placed at Annexure -III.

28. It was further informed that cases Under Section 85 of ESIC Act were withdrawn by respective Regional Directors / In charge with the approval of competent authorities, however cases filed u/s 406/409 of IPC were withdrawn due to following reasons :-

- i. Competent authorities/Court of law grant relief to the employer.
- ii. Employee/ Defaulting units make compliance.

29. The Committee were further informed that ESI Authorities file complaint against non-compliance of the provision of the ESI Act. Thereafter the Public Prosecutor of State files prosecution action against the defaulting/ non complying employer for violation of provisions of ESI Act. ESIC thereafter has limited role to acting only

in the matter of adducing evidence before the appropriate court. It is the matter of Hon'ble Court to adjudicate and award punishment to the employer.

30. When the Committee enquired as to how many 'stay' obtained in attached bank accounts and as on date how many accounts are still attached, it was stated that in 168 cases of '*Bank Account Attachment*', stay was obtained. The Ministry of Labour & Employment vide their written submission informed that as on date, 2161 number of accounts are still attached.

31. Regarding the number of cases in which arrest warrants were get issued and show cause notices issued by field officers of ESIC, for arrest the Committee were informed that in 418 cases, Certificate Proceeding as per CP26 (Notice to Show-cause why warrant of arrest should not be issued) were issued by Recovery Officer of ESIC.

32. As per Sec. 85 of the ESI Act, if the employer deducts the amount of ESI Contribution from the salary of the employee and fails to pay the same to ESIC, he may be punished with imprisonment for a term not less than one year which may extend to three years and shall also be liable to fine of ten thousand rupees.

33. When queried about the number of people who have been actually arrested, the Ministry of Labour & Employment stated as "NIL , in respect of recovery".

34. On the steps ESIC has taken to ensure that the amount deducted by the employer is actually deposited with the ESIC and whether ESIC has developed any software so that the details of employees whose contribution has been deducted may be transferred on the mobile phone of the inspectors of ESIC, it was stated that all the employers are required every month to file monthly contribution details online showing the number of days worked and wages paid in respect of covered employees only. In case, the monthly contribution details are not filed by 15th of the month, following the month to which contribution pertains, defaulters are identified by the system for issue of Show Cause Notice under Section 45A of ESI Act. In case, the monthly contribution details are filed for a month but payments are not made by 15th of the following month, such defaulters are identified by the system for issue of recovery notice. The Show Cause Notice and the recovery notices can be issued through the system and subsequent recovery action can also be taken through system.

35. The Committee were further informed that the facility to view the monthly contribution details filed by an employer for an Insured Person can be verified by Insured Person through IP Portal link available on website www.esic.in by using ten digits IP number as user id. ESIC has reportedly advised the IT service provider to implement the system of sending the SMS to the Insured Person as and when the ESIC contribution details are filed by employer.

36. Regarding the amount recoverable as on date from employers, whether ESIC has also set a target in this regard and the targets fixed and the achievement thereof for the last 5 years, it was

informed that as on 31.3.2017 Recoverable arrear was ₹1,099.57 crore. The Recovery targets fixed and achieved during the last five years were furnished as under :-

S. No.	Year	Target (₹ in crore)	Recovery (₹ in crore)
1	2013-2014	175	186.07
2	2014-2015	192.06	198.13
3	2015-2016	218.98	205.8
4	2016-2017	292.97	251.88
5	2017-2018	346	305.21
	Total	1,225.01	1,147.09

37. The Committee note that as on date an amount of ₹8,380.06 crore (sum of arrears from 2013 to 2017) is due out of which ₹4,863.06 crore are non recoverable whereas ₹3,516.99 crore are recoverable. Further, out of the targets fixed in the last five years for recovery of ₹1,225.01 crore by ESIC, only ₹1,147.09 could be recovered due to one reason or the other. The ESIC has also informed that out of the total outstanding arrears, a substantial amount is not recoverable. It has been informed that as on 31.03.2017 as amount of ₹2,362.84 crore is pending. For recovery of the arrears from the year 2012 to 2017 as many as 69197 cases were stated to be pending under Section 85 of the ESI Act alone, and 5529 cases were pending under Section 406 and 409 of I.P.C. No arrests have been made so far. These facts and figures, in the opinion of the Committee present a very grim picture of ESIC despite the presence of harsh provisions for recovery of arrears like Section 406 and 409 of I.P.C and Section 85 of the ESI Act, attachment of accounts in which recovery is outstanding,

arrest warrants, show cause notices, and the statutory requirement for employers to monthly file their contribution details online. It appears to the Committee that the enforcement of these provisions by ESIC is, perhaps, weak and measures need to be taken to not only recover the huge outstanding arrears but also to minimise the arrears in future. In this connection, the Committee recall the Performance Audit Report No. 30 of 2014 of the C&AG of India on ESIC which pointed at the consistent increase in outstanding arrears of contribution from employers. ESIC reportedly advised all the regions to ensure timely recovery action in respect of defaulter units, before the expiry of five years, as per Section 45A of ESIC Act. The Committee also desire to be apprised of the time-barred cases as on date. They further recommend that ESIC needs to investigate and determine accountability in such cases from 2013 to 2017 in a time bound manner. The Committee further desire to be apprised of the action taken by ESIC for ensuring prompt action against defaulters.

VI. Functioning of Hospitals and Dispensaries

38. **Medical care provisions, infrastructure, system, expenditure & Budgeting etc under the ESI Scheme:** The Employees' State Insurance Scheme provides medical care in the form of medical attendance, treatment, drugs and dressings, specialist consultation and hospitalization to Insured Persons and also to their dependants. An Insured Person and his dependants are entitled to medical benefits from the day of entry into insurable employment. Insured Persons and their families are being provided

medical care which includes outpatient care/ inpatient care, specialized medical care and super specialty medical care as per requirement of the patients. Besides Allopathy, medical facilities under AYUSH *i.e.* Ayurveda, Yoga, Unani, Siddha and Homeopathy are also provided. Medical care to beneficiaries is provided through a large infrastructure comprising Hospitals, Dispensaries, Annexes, Specialist centers, Model Dispensaries- cum- Diagnostic Centers (MDDC), IMP clinics and arrangements with other health institutions. The range of medical services provided to the IPs covers preventive, promotive, curative and rehabilitative services. In-patient services are provided through ESI Hospitals and through empanelled with tie-up private and Govt. hospitals.

Medical infrastructures of ESIC/ESIS at a glance

Total No. of ESI Hospitals	154
Hospitals run by ESI Corporation	43
Hospitals run by State Government	111
Total number of Service Dispensaries	1489
Total number of ISM unit	174
Total number of hospital beds (Including annexes/reserved beds)	22884
Total number of Doctors	7828
Total number of IMP clinics	950

Out Patient Medical Care:

Insurance Medical Practitioners: Private Medical Practitioners are appointed as panel doctors. A panel doctor is expected to have his own consulting room and dispensary. Each panel doctor is allowed to register upto 2000 IP family units. At present, the panel system is in operation in West Bengal and Maharashtra (except Nagpur

area), Andhra Pradesh, Goa, Gujarat (Ahmedabad), M.P, Telangana, Assam and Karnataka. The IMPs under the panel system are paid capitation fee (₹500/- per IP per year) *w.e.f* 8th September, 2016 for providing medical care to the ESI beneficiaries which include consultation, basic lab investigation and cost of medicine.

Service Dispensaries: The out-patient medical care including essential lab investigations in relatively heavy dispensaries under the ESI Scheme is provided through the service system i.e. through dispensaries established under the Scheme for the exclusive use of the Insured Persons and their families, manned largely by full-time Medical Officers. At present ESIC is running 12 Model Dispensary cum Diagnostic Centres (MDDC) in the State of Punjab, West Bengal, J&K, Rajasthan and Maharashtra, is as under:

Sl. No.	Name of MDDC	State
1	Khanmoh	Jammu & Kashmir
2	Kathua	Jammu & Kashmir
3	Thane	Maharashtra
4	Wagle	Maharashtra
5	Meera Road	Maharashtra
6	Waluz	Maharashtra
7	Rajpura	Punjab
8	Barnala	Punjab
9	Chittorgarh	Rajasthan
10	Jhunjhunoo	Rajasthan
11	Falta	West Bengal
12	Haldia	West Bengal

Employer Utilisation Dispensary (EUD): In the areas where employer has its own set up or agrees to have its own set up in the form of Employer Utilization Dispensary (EUD). ESIC pays capitation fees to the employer based on per IP family unit per annum. - In this scheme employer opens up the dispensary in his premises and provides the primary care services to the workers of its own establishment and is paid @ ₹450/- per IP per annum.

Modified Employers Utilisation Dispensary: ESI Corporation in its 173rd meeting held on 16.02.2018 approved the modified Employers Utilization Dispensary. The modalities are being worked out.

Hospital OPDs: Outpatient services under various specialties and super specialties like Medicine, Surgery, Paediatrics, Gynae. & Obst., ENT, Eye, Cardiology, Nephrology, Neurology, Urology, CTVS etc. are being provided through ESI hospitals all over the country and also in-house Cath-lab, Dialysis, CT MRI etc. through PPP.

In-Patient Medical Care: In-patient services are provided through a chain of 154 ESI hospitals spread across the country which includes 43 directly run ESIC hospitals & 111 State ESI hospitals with a total bed strength of 22884. The services which are not available in ESIC/ESIS hospitals are provided through cashless tie-up arrangements with reputed private hospitals. Tie-up arrangement for all super specialty treatment has been made with more than 1000 public/private hospitals across India.

Provision of drugs, dressings & equipment: ESI Corporation provides Drugs & Dressing material through Running Rate Contracts formulated at Rate Contract Cell, ESIC Hqrs. Office. These are used by ESI Institutions, all over country to ensure uniform supply of quality generic drugs to ESI Beneficiaries at competitive rates. Drugs and Vendor selection is achieved by adherence to prescribed procedures and pre defined Eligibility Criteria. Rate Contract Cell at Headquarters Office, in addition to finalising Rate Contracts also monitors Supply and quality of drugs and initiates punitive actions against firms not complying with Terms & Conditions of the tender. Insured persons and their dependents are also provided artificial limbs, aids and appliances. The Corporation has enhanced the ceiling on the cost of frames of the Spectacles from ₹100/- to ₹500/- per frame. The Insured Persons and Family Members are provided with Artificial limbs, Hearing Aids, IOL (Intra Ocular Lens), Spinal Supports, Cervical Collar, Walking Calipers, Clutches, Wheel Chair, Cardiac Pacemaker, Cochlear implant etc. Other medical equipments which are considered essential are also provided to the beneficiaries.

Immunization & Family Welfare Services: ESIC follows National Immunization Policy. Selective immunization during the epidemic breakout is also carried out along with the immunization programme. ESIC participates in all national health programmes including Mission Indradhanush under the aegis of Health Schemes of Govt. of India, which are extended to the beneficiaries through ESIC hospitals & dispensaries. ESIC also promotes National Family Welfare Programme. Facilities for all temporary & permanent

methods of family welfare services are provided. Apart from cash benefit as per CHS, the ESI Corporation has also extended additional cash incentive to Insured Persons to promote acceptance of sterilization method by providing sickness cash benefit equal to full wage for a period of 7 days for vasectomy and 14 days for Tubectomy.

Sharing of expenditure between ESIC and various State Government upto a ceiling: 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. The ceiling *w.e.f.* 01.04.2015 is ₹2,150/- per IP family unit per annum with the following two sub heads:-

- A) Administrative expenditure : ₹1,075/- per IP per annum.
- B) Drugs & dressing and other expenditure : ₹1,075/- per IP per annum.

Accordingly, ESI Corporation in its 170th meeting held on 15th December, 2016 has approved the enhancement of ceiling from ₹2,150/- to ₹3,000/- per IP/annuum on medical expenditure incurred by State ESI Scheme:

(a) The ceiling of ₹3,000/- divided into two sub-head *w.e.f* 2017-18:

- (A)“Administration Expenditure” : ₹1,250/- per IP per annum
- (B) “Others” : ₹1,750/- per IP per annum

- (b) From 2018-19 “Administrative” sub-ceiling will be increased in line with CPI within the overall ceiling of ₹ 3,000/- per capita.
- (c) The ceiling of ₹3,000/- will be fixed from 2017-18 to 2019-20 and reviewed annually from 2020-21 on the basis of WPI and expenditure pattern of the States.
- (d) The State Govt. shall present Project Implementation Plan (PIP), in accordance with the guidelines issued by ESIC time to time, by 31st October every year for its inclusion in the ensuing Budget of the Corporation. The PIP should contain the proposal for next financial year and the progress made during the first six months of the current year.
- (i) In case of the failure to present plan by scheduled date, funds to State would be released as per ceiling of ₹2,150/-
 - (ii) No scheme should be included which has not been duly approved by the ESIC.
 - (iii) The funds shall not be appropriated for expenditure on any item which has not been approved.
 - (iv) The DG, ESIC, is authorized to re-appropriate funds from one primary unit of appropriation to another.

39. In addition to this, the Corporation has also approved reimbursement of ₹200/- per IP per annum to the State Governments, where the bed occupancy in all the State ESI Hospitals is more than 70% during the concluded financial year. This reimbursement is given to the State Governments to facilitate the optimum utilization of the existing infrastructure and also to encourage them to provide staff and equipment as per ESIC Norms. This amount will be non sharable and will totally be borne by ESI Corporation. Further this amount will be untied and State Governments will be free to use it on any sub heads *i.e.* “Administrative” or the ‘Others’.

40. The Committee was informed that the ESI Corporation in its 167th meeting held on 18.12.2015 had approved the setting up of two ESIC Hospitals and one Super Speciality Hospital in each State. These numbers may be more considering the futuristic IP population and geographical necessity. The entire expenditure on these hospitals is to be borne by the ESI Corporation outside the ceiling limit.

At present, ESI Corporation is directly running following ESI Hospitals:

LIST OF HOSPITALS DIRECTLY RUN BY ESIC

Sl. No.	State	Place	Beds
1.	Assam	Beltola *	50
2.	Bihar	Phulwari sharif *	50
3.	Chandigarh (UT)	Chandigarh	70
4.	Delhi	Basaidarapur *	600
5.	Delhi	Jhilmil	300
6.	Delhi	Okhla	216
7.	Delhi	Rohini	300
8.	Gujarat	Bapu Nagar, Ahmedabad *	300
9.	Gujarat	Naroda	100
10.	Gujarat	Vapi	100
11.	Gujarat	Ankleshwar	100

12.	Haryana	Gurgaon *	150
13.	Haryana	Manesar	100
14.	Haryana (Med. college)	Faridabad	300
15.	Himachal Pradesh	Baddi *	100
16.	Jammu	Bari Brahma *	50
17.	Jharkhand	Namkum, Ranchi *	50
18.	Jharkhand	Adityapur	100
19.	Karnataka	Rajajinagar, Bangalore *	500
20.	Karnataka	Peenya	100
21.	Karnataka	Gulbarga	-
22.	Kerala	Asramam, Kollam *	200
23.	Kerala	Udyogmandal	100
24.	Kerala	Ezhukone	148
25.	Madhya Pradesh	Indore *	300
26.	Maharashtra	Andheri, Mumbai *	350
27.	Maharashtra	Kolhapur	100
28.	Maharashtra	Bibvewadi	100
29.	Orissa	Rourkela *	50
30.	Punjab	Ludhiana *	262
31.	Rajasthan	Jaipur *	300
32.	Rajasthan	Bhiwadi	50
33.	Rajasthan	Alwar	50
34.	Tamil Nadu	KK Nagar, Chennai *	400
35.	Tamil Nadu	Tirunelveli	50
36.	Telangana	S.S. Sanath Nagar	100
37.	Telangana	Santhnagar	300
38.	Uttar Pradesh	Noida *	300
39.	Uttar Pradesh	Jajmau	100
40.	Uttar Pradesh	Sahibabad	200
41.	Uttar Pradesh	Sarojini Nagar, Lucknow	100
42.	Uttar Pradesh	Varanasi	100
43.	West Bengal	Joka, Kolkata *	350
*Model Hospitals			

* Model Hospitals.

- OPD services at ESI hospital, Kandivali (Maharashtra) has been started by ESIC.
- ESIC Hospital, Alwar, Rajasthan has started in the month of February, 2018
- ESIC Hospital Bareilly, UP: The Hon'ble Chairman, ESIC has already given approval for taking over of ESIS Hospital, Bareilly, to run as ESIC hospital. The matter of taking over is under process.

41. Further, the Ministry of Labour & Employment informed that ESIC has also decided to set up the following new Hospitals:-

Sl. No.	NAME OF HOSPITAL	STATE
1	Raipur	Chhattisgarh
2	Bhilai	Chhattisgarh
3	North Goa	Goa
4	Doddabalapur	Karnataka
5	Bommsanadra	Karnataka

6	Tirupur	Tamil Nadu
7	Sriperumbudur	Tamil Nadu
8	Dehradun	Uttarakhand
9	Sidcul area Haridwar	Uttarakhand
10	Sidcul area Udhamsingh Nagar	Uttarakhand
11	Pithampur	Madhya Pradesh
12	Guntur	Andhra Pradesh
13	Haldia	West Bengal
14	Perambavoor	Kerala
15	Angul	Odisha
16	Duburi	Odisha
17	Udaipur	Rajasthan
18	Deoghar	Jharkhand
19	Bikaner*	Rajasthan

* *In principle approved in February, 2018*

VII. Revision of norms for creating medical infrastructure in North East States and Hilly areas

42. ESI Corporation during its 155th meeting held on 18.01.2012 has approved adoption of following norms for the North Eastern States & other Hilly Areas of the Country for creating infrastructure for augmenting the implementation of ESI Scheme in these areas as under:-

Sl. No.	Facilities/Infrastructure	No. of IPs required
1.	Setting up of one Doctor Dispensary	1000 or more
2.	Setting up of Two Doctors Dispensary	2000 or more
3.	Setting up of diagnostic centres	5000 or more
4.	Setting up of 100 bedded hospital	15000 or more

VIII. Measures for improvement in medical services:

43. Steps has been taken to improve services in state run ESIS Hospitals and Dispensaries are as under:

With a view to improve the functioning of State Govt. run ESIS hospitals and dispensaries, ESIC has asked state ESI scheme to implement ESIC 2.0 reform measures and prescribed certain minimum facilities/ parameters to be maintained in ESIS health establishments *viz*:

- Availability of doctors and para-medical staff as per sanctioned strength .
- Minimum number of medicines available.
- Pathological and X-ray services in-house in Hospital and tie-up in Dispensary.
- Monitoring of general cleanliness and up keep of dispensary/hospital, bio-metric attendance and change of hospital bed sheets as per VIBGYOR mission.
- Formation of Society of ESI society at State level to improve administrative/ financial flexibility in decision making.

44. The initiative taken by ESI Corporation in the recent past for improving function of ESIC Hospitals & Dispensaries are as follows:-

- Subject to the norms set up new hospitals and dispensaries as per proposal sent by states.
- Opening of one Branch Office with dispensary in newly implemented dispensary. The dispensary will be run by ESI Corporation.

- Where ESIC/ESIS dispensary network is not available in implemented area, primary care services are provided through:

- (a) Tie-up with State Health system dispensary

- (b) Insurance Medical Practitioners

- (c) Employer's Utility Dispensary (EUD)

- (d) Modified Employer's Utility Dispensary (EUD)

45. For Secondary care, medical services is provided thorough tie-up with Public/Private hospital for cashless delivery of medical services.

46. ESIC policy on Ayush and Yoga services circulated to ESIC field officers to promote AYUSH services at various levels. Accordingly, AYUSH units are established in ESIC/ESIS hospitals and dispensaries.

47. All hospitals of ESIC/ESIS using VIBGYOR pattern day-wise, the colored bed sheets to maintain cleanliness and better hygiene.

48. Medical helpline facilities 24x7 through which Insured Person can directly talk to Doctors in case of any emergency.

49. Facility for Reception and 'May I Help You' in each hospital to guide the patients/attendants.

50. Special OPD in the afternoon from 3:00 PM to 5:00 PM for Senior Citizens and differently-abled patients.

IX. Medical care under Indian system of medicine (AYUSH)

51. The Ministry of Labour & Employment submitted that ESIC is providing full medical care to its beneficiaries under AYUSH (Ayurveda, Yoga, Unani, Siddha, Homeopathy) systems of medicine and furnished a status report highlighting the following details as under:

Statement showing facilities provided in AYUSH (Ayurvedic, Yoga, Unani, Siddha & Homeopathy) in the various States of the Country as on 31.03.2017 in ESIC/ ESIS.

Sl. No.	State	Ayurveda		Unani		Siddha		Homeopathy		Yoga		All AYUSH System
		ESIC	ESI S	ESI C	ESI S	ESI C	ESI S	ESI C	ESIS	ESI C	ESI S	
1.	Andhra Pradesh	-	06	-	-	-	-	-	06	-	-	12
2.	Assam	01	-	-	-	-	-	01	-	01	-	03
3.	Bihar	01	02	-	01	-	-	-	02	01	-	07
4.	Delhi	12	-	-	-	-	-	09	-	-	-	21
5.	Goa	-	01	-	-	-	-	-	01	-	-	02
6.	Gujarat	02	45	-	-	-	-	02	-	02	08	59
7.	Haryana	03	03	-	-	-	-	03	-	01	-	10
8.	Himachal Pradesh	01	-	-	-	-	-	01	-	-	-	02
9.	Jammu & Kashmir	01	-	-	-	-	-	01	-	-	-	02
10.	Jharkhand	02	-	-	-	-	-	-	-	01	-	03
11.	Karnataka	02	01	-	-	-	-	02	-	01	-	06
12.	Kerala	03	11	-	-	-	-	03	13	03	-	33
13.	Madhya Pradesh	01	-	-	-	-	-	01	-	01	-	03
14.	Maharashtra	01	08	-	-	-	-	01	-	-	-	10
15.	Orissa	01	01	-	-	-	-	01	-	01	-	04

16.	Punjab	02	07	-	-	-	-	02	-	-	-	11
17.	Rajasthan	02	01	-	-	-	-	01	-	01	-	05
18.	Tamil Nadu	02	07	-	02	-	27	02	02	02	07	51
19.	Telangana	01	04	-	-	-	-	-	04	01	-	10
20.	Uttar Pradesh	02	12	-	-	-	-	02	11	01	-	28
21.	West Bengal	01	04	-	-	-	-	-	06	-	-	11
	Total	41	113	-	03	-	27	32	45	17	15	293

52. The status of Panchakarma and Kshar-sutra in ESIC Hospitals for Ayurveda units is as follows:

Panchkarma Therapy Units in ESIC Hospitals:

- (i). ESICH Rohini – Delhi
- (ii). ESICH Bapu Nagar- Ahmadabad
- (iii). ESICH K.K. Nagar- Chennai
- (iv). ESICH Ezhukone- Kerala
- (v). ESICH Rajajinagar- Bangalore
- (vi). ESICH Ram Darbar- Chandigarh

Kshar - Sutra Units in ESIC Hospitals

- (i). ESICH Beltola - Guwahati
- (ii). ESICH Bapunagar - Ahmadabad
- (iii). ESICH Bari Brahamna - Jammu

In addition, the indoor facility is also being provided within the sanctioned bed strength in the following ESIC hospitals.

- (i). ESICH Beltola - Guwahati
- (ii). ESICH Bapu Nagar
- (iii). ESICH Ezhukone - Kerala
- (iv). ESICH Bharat Nagar - Ludhiana

X. Medical Education projects

53. The Committee were informed that ESIC setup medical college and PG Institutes in view of improving service under scheme. The details are as follows:

ESIC Medical Colleges continued to be run by the ESIC:

Sl. No.	Location	Latest updated Status
1	Haryana (Faridabad)	3 rd batch MBBS (2017-18) has been admitted
2	Karnataka(Rajajinagar, Bangaluru)	Recognition granted Fresh batch MBBS (2017-18) has been admitted
3	Karnataka (Gulbarga)	5 th batch MBBS (2017-18) has been admitted
4	Tamil Nadu (K.K.Nagar, Chennai)	5 th batch MBBS (2017-18) has been admitted
5	Telangana (Sanathnagar Hyderabad)	2 nd batch MBBS (2017-18) has been admitted
6	West Bengal (Joka, Kolakata)	5 th batch MBBS (2017-18) has been admitted

Handed over/ being handed over to State Governments

Sl. No	Location	Revised updated status
1	Coimbatore (Tamil Nadu)	Handed over to the State Government. State Government has received permission from Central Government to start MBBS course and 2 nd batch has been admitted in 2017-18.
2.	Mandi (Himachal Pradesh)	Handed over to the State Government. The State Govt. has received permission from Central Govt. to start MBBS course and 1 st batch has been admitted in 2017-18.
3.	Paripally (Kerala)	Handed over to the State Government. The State Govt. has received permission from Central Govt. to start MBBS Courses and 1 st batch has been admitted in 2017-18.

4.	Alwar (Rajasthan)	In WP 11837/2015 filed in the Delhi High Court against transfer of ESIC Medical College established under section 59-B, the Hon'ble High Court has given its judgment, which, prima-facie, is against ESIC. The same is under examination. Meanwhile, it has been decided to start a 50 bedded Hospital at Alwar for medical services to Insured Persons.
5.	Bihar (Bihta, Patna)	In view of above judgment it has been decided to start Medical services at Bihta.

54. During the course of the sitting held on 02.02.2015, the Committee desired to know the reasons for variations between State Government Hospitals and ESIC run Hospitals in terms of bed occupancy and the functioning of ESIC Hospitals in general. In reply, the representatives of the Ministry stated as follows:-

"I think there are two things. One part is that ESI Hospitals are in Delhi in a large number, so that improves the bed occupancy. The other part is poor upkeep, poor maintenance which is the reason why this amount of rupees 3 core is being permitted. As DG said, the quality of service needs to be improved. They do not have infrastructure and since they do not have infrastructure, there is no proper staff. Since there is no proper staff and infrastructure, nobody comes. I think it is a vicious cycle. We are trying to break that cycle. We are starting with special repairs. Once you have special repairs, then more staff will be inclined to come there... the hospitals, generally are understaffed. There are a lot of vacancies for the last five to six years. Also the infrastructure is poor. In many cases repairs have not been taken up... we hope that this will go a very long way in involving the State Governments to feel responsible.

Today if somebody goes to the State Government they say that they are not responsible. We waited to change that syndrome".

55. The representatives of the Ministry further submitted that they have been much criticised for Medical colleges. A meeting at highest level was convened and it was decided that no more work in the field of medical colleges would be undertaken, but will continue with the existing colleges only. The hospitals would be run by ESIC as far as possible and where it is not possible to do so and the number of IPs are very less the hospitals would be transferred like Coimbatore Hospital, which has been transferred to the State Government of Tamil Nadu and Mandi and Alwar hospitals.

56. When asked as to why the hospitals were constructed where the number of IPs was very less, the representative of the Ministry informed that at that time the decision was taken after not much consideration, as it was thought that the number of IPs would increase.

57. When the Committee pointed out that the ESIC should have found the existing hospitals and dispensaries as the existing hospitals and dispensaries are over-crowded, under staffed, poorly maintained etc. as noticed by the Committee during their on-the-spot study visit to Thiruvananthapuram and Nacharam hospitals, the representatives of the Ministry replied that they agree with view of the Committee that the condition of existing hospitals and dispensaries is not very good. There is no doubt that they are not clean and well maintained as the system was not paid much attention, as it should have been. However, the representatives assured the Committee that steps have been taken and in the next

two to three years there will be paradigm shift in the ESI hospitals and dispensaries.

58. On being asked about the provision of effective and cheap medicines it was informed that medicines are provided after rate contract, which reduces the rate of medicines and instructions have been issued to prescribe only generic medicines.

59. Responding to a specific query regarding discrimination among the ESIC run Hospital and ESIS run hospitals in terms of diet, operating norms, staff pattern etc, the Ministry submitted that such complaints are occasionally received. Though ESIC does not discriminate between ESIS or ESIC hospitals, such differences are often felt due to different set of norms being followed by various State Governments for running ESI hospitals.

However, ESI Corporation, in its endeavor, always tries to fill this gap by asking and encouraging State Governments to follow ESIC norms.

60. On being asked for the need for establishing ESIC hospitals in the developed areas where medical facilities are conveniently available, it was informed as under:

"State Government is responsible for providing Primary and Secondary Medical care to employees covered under ESI Act. ESIC shares the expenditure with State Government in the ratio of 7:1. Many of the ESI hospitals were set up in high density IP areas much before the now established private Corporate Hospitals/ health facilities came up. Capacity enhancement in these Hospitals has been done on the basis of number of Insured Persons covered under ESI Scheme in the catchment area of these Hospitals. Implemented areas having adequate medical facilities. ESIC need not invest its fund in establishment of new Hospital infrastructure in those areas and for secondary and tertiary are tie up arrangements for its beneficiaries can be made. As a matter of

fact, ESIC has more than 1500 tie-up hospitals/diagnostic facilities for providing tertiary/secondary care across the country. ESIC has also mooted the proposal of providing health Insurance cover in lieu of secondary and tertiary care from the ESI hospitals, which was submitted for consideration of the apex decision making body of ESIC in its meeting held on 12.2.2018. Any requirement beyond the health Insurance shall be provided through the ESI hospitals. The primary care with drugs and dressings which is not available in the health insurance and the various cash benefit, shall be available through existing ESI dispensary and the branch offices."

61. On being asked as to what prompted ESIC to construct Medical colleges etc it was also informed that Section 59 of the ESI Act provides for establishment and maintenance of the hospitals and Section 59 (b) allow ESIC to set up medical education and institution for improving the quality of services provided by ESIC. It was further informed that the ESIC at its 1th meeting held on 17.07.2007 decided, inter-alia, that to ensure availability of sufficient Medical/ Para- Medical personnel ESIC should have its own Medical Colleges/ PG Institutes/ Training school for training Para-medical staff and directed DG to initiate action. The Corporation reiterated that the ESIC will neither setup any other Medical College nor any other new Medical Education Institution in future.

62. On being queried about the total number of ESIC hospitals functioning in the Country it was informed that there are 154 ESIC hospitals in the Country. The details of these hospitals run by ESIC and respective State Governments are at Annexure-IV.

63. In response to a specific query on hospitals being run in Maharashtra and their vacancy position, it was stated that 15 hospitals are functioning in Maharashtra. Against sanctioned post

of 571 doctors, 956 staff nurses, 544 para medical and 856 ministerial staff, 365 doctors, 578 staff nurses, 290 para medical, 493 ministerial staff were in position. The vacant post of doctors, staff nurses, para medical and ministerial were stated to be 206, 378, 254 and 363. As regards to Kandivali Hospital, it was stated that the formal transfer of this hospital was pending, however, OPD services have been started.

64. When asked by the Committee as to whether any study been undertaken to assess the in-house treatment given to the beneficiaries as it has come to their notice that in most cases, the duration of stay of patients in hospitals does not exceed 1-2 days and if this is true, then what is the logic behind constructing huge ESI hospitals, it was informed that:

"A study has been undertaken to assess the in-house treatment given to the beneficiaries. The duration of stay of patients ranges from a couple of days to few weeks depending upon the type and severity of illness. Majority of the illness for which primary or secondary treatment (available in ESI hospitals) is required, last for couple of days to few weeks. Major and complicated illnesses requiring super speciality treatment (provided through tie-up arrangements), usually last for longer duration."

65. As representatives of Rajasthan medical services were heard by the Committee, they asked whether Alwar Medical College was operational or not. Details and present status of all the hospitals whether constructed/ under construction/ vacant etc. in Rajasthan was also sought. It was informed as under:

"Alwar Medical College is not yet operational, *i.e.* MBBS course has not been started at the proposed medical college as the IP numbers in the catchment area of the medical college are not sufficient to start a 300 bed ESIC hospital and satisfy MCI norms for grant of

permission to start the course. Process was initiated for transfer of the infrastructure of the said proposed college to Govt. of Rajasthan for establishing the medical college, i.e. starting MBBS course.

ESIC had received conditional consent (of the State Government) for transfer of ESIC Medical College to the State Government. However, it cannot be acted upon as of now.

Writ petition was filed in the Delhi High Court- WP 11837/2015 by Balraj Jadhav vs UoI, seeking a direction, inter-alia, to restrain the Corporation from taking any further steps for transfer of medical colleges established under Section 59-B of the ESIC Act, 1948. An ex-parte stay was granted on 16/2/2016 by the Hon'ble High Court to 'maintain status-quo regarding medical colleges established by the Corporation under Section 59-B of the ESIC Act'. Application for vacation of the stay had been filed with the prayer that ESIC was not transferring any colleges established by it and all colleges proposed to be transferred have never been established, i.e. have not received letter of permission to start MBBS course. However, a separate application for vacation of the stay order in r/o proposed ESIC Medical College, Alwar, was also filed as the defending counsel had advised against any action without the consent of the Hon'ble Court. The Hon'ble Court had concluded hearing the arguments on 28/08/2017 and has given the judgment on 12/10/17. Prima-facie, the order is against ESIC. It is under examination for further course of action. Meanwhile, it has been decided to start a 50 bedded hospital at Alwar for medical services to IPs".

66. The details of ESIC/ESIS run hospitals in the State of Rajasthan is as follows:

Sl. No.	Location	ESIC / ESIS
1	Jaipur	ESIC
2	Bhiwadi	ESIC
3	Alwar	ESIC
4	Kota	ESIS
5	Jodhpur	ESIS
6	Bhilwara	ESIS
7	Pali	ESIS

ESIC = ESI Hospitals directly run by ESI Corporation

ESIS = State run ESI Hospitals

67. Status of Projects in the state of Rajasthan was furnished to the Committee as follows:

Sl. No.	Name of Project	Cost (₹. In Crores) (Expenditure)	Status
1	ESI Medical College & Hospital, Alwar	850 (Expenditure)	Construction work being completed. 50 bedded portion of Hospital is functioning. Project is ready for inauguration. Date of Start : 01-10-2011 Date of Completion : 31-03-2018 Physical Progress (in %age): Completed Financial Progress (in %age): 97%
2	Construction of 100 bedded ESI Hospital Udaipur	81.38 (Expenditure)	Construction work is in progress. Date of Start : 09-05-17 Date of Completion (Expected) : 31-12-2018 Physical Progress (in %age): 40% Financial Progress (in %age): 45%
3	Proposed Dispensary at Alwar	4.0 (Expenditure)	The Work assigned to construction agency, construction proposal / estimate being examined at Hqrs level.
4	Proposed Dispensary at Abu Road	4.0 (Expenditure)	The work assigned to construction agency, construction proposal / estimate being examined at Hqrs level.
5	Proposed Dispensary at Sitapura	5.0 (Expenditure)	The work assigned to construction agency, construction proposal / estimate being examined at Hqrs level.
6	Proposed Dispensary at Behror	4.0 (Expenditure)	The work assigned to construction agency, construction proposal / estimate being examined at Hqrs level.
7	Proposed Dispensary at Neemrana	4.0 (Expenditure)	The work assigned to construction agency, construction proposal / estimate being examined at Hqrs level.

68. When asked if ESI hospitals at Jaipur, Kota, Alwar and Bhilwara are being optimally utilized and also to provide occupancy rates of these hospitals of the previous three years, it was informed that the percentage of bed occupancy rate in ESI Hospitals Jaipur, Kota, Alwar and Bhiwara in last three years is as follows:

Sl. No.	Location	ESIC / ESIS	% of Bed Occupancy		
			2014-15	2015-16	2016-17
1	Jaipur	ESIC	53 %	57 %	56 %
2	Kota	ESIS	24 %	45 %	66 %
3	Bhilwara	ESIS	7 %	6 %	23 %
4	Alwar	Started in February, 2018			

69. On being asked as to whether in Rajasthan, 238 buildings in 20 ESI Medical facilities were in need of urgent repairs by CPWD, as State ESIC Corporation had not been able to start repair work and the buildings are in very precarious condition, and also steps taken by ESIC to fixed responsibility in this regard, the Ministry in their written submission the following status of Completed Special Repair work in Rajasthan:-

(These Estimates were approved in 2013-14 and work was completed in 2015-16)

- (i) Renovation of Existing ESI Dispensary No. 3 Jodhpur.
- (ii) Renovation of Existing Branch Office Jodhpur.
- (iii) Renovation of Existing ESI Dispensary No. 1 Pali.
- (iv) Renovation of Existing ESI Dispensary No. 2 Pali.
- (v) Renovation of Existing ESI Dispensary Falna.
- (vi) Renovation of Existing ESI Dispensary No. 1

Sriganganagar.

- (vii) Renovation of Existing ESI Dispensary No. 2
Sriganganagar.
- (viii) Renovation of Existing Branch Office Sriganganagar.
- (ix) Renovation of Existing ESI Dispensary No. 1 Bikaner.
- (x) Renovation of Existing ESI Dispensary Bhiwadi.
- (xi) Renovation of Existing Branch Office Alwar.
- (xii) Renovation of Existing ESI Dispensary No. 3 Ramganj,
Jaipur.
- (xiii) Renovation of Existing ESI Dispensary Building VKI, No.
9 Jaipur.
- (xiv) Renovation of Existing Branch Office Beawar.
- (xv) Renovation of Existing Branch Office Ajmer.
- (xvi) Renovation of Existing ESI Dispensary No. 2 Bharatpur.
- (xvii) Renovation of Existing Branch Office Udaipur.
- (xviii) Renovation of Existing Hospital Building, Kota.
- (xix) Renovation of Existing ESI Dispensary No. 2 Building
Bhilwara.
- (xx) Renovation of Existing DIMS Building, Jaipur.
- (xxi) Renovation of Existing Branch Office Kota.
- (xxii) Renovation of Existing ESI Dispensary No. 1 & Building
Bhilwara.
- (xxiii) Renovation of Existing ESI Dispensary Building Alwar.
- (xxiv) Renovation of Existing ESI Dispensary No. 2 Building
Udaipur.
- (xxv) Renovation of Existing ESI Dispensary No. 1 Building
Udaipur.

During 2015-16, ESIC sanctioned the following Special Repair

works. These works statedly are in completion stage:-

1. DIMS Building Jaipur.
2. ESIS Hospital, Kota.

In the year 2017-18 the following Special Repair work approved and assigned to CPWD. As per the Ministry, tendering process is under finalization by CPWD.

1. ESIS Hospital Jodhpur.
2. ESIS Hospital Pali.
3. ESIS Dispensary No. 1 Jodhpur.
4. ESIS Dispensary Ajmer.

The following estimate was also stated to have been received by the Ministry/ESIC from Regional Office, Jaipur. These estimates are under process of approval:

1. ESIS Dispensary Beawar.
2. ESIS Dispensary Banswara.
3. ESIS Hospital Bhilwara.
4. ESIC Staff Quarters of Branch Office Alwar.
5. ESIC Staff Quarters of Branch Office Bhilwara.
6. ESIC Staff Quarters of Branch Office Bhiwadi.
7. ESIS Staff Quarters of Hospital Bhilwara.

70. It was further stated that out of 238 housing buildings (residential quarters) in 20 ESI Medical facilities as mentioned in question, estimate for 46 residential quarters received at Headquarters Office, these estimates are under scrutiny. For remaining residential quarters, letter being issued to CPWD from Regional Office, Jaipur for submitting estimates.

71. As regard to ESI hospitals in Maharashtra, the representative of the Ministry stated as follows:

"The ESI Act was made applicable to the State of Maharashtra in 1954 and till now the overall coverage of IPs is to the extent of 24 lakh. Initially, only two districts were covered under the scheme. Subsequently, 20 districts were partially covered. In May, 2016, these 20 districts were fully covered. In the next phase, the remaining 14 districts are proposed to be covered as was pointed out by the DG. In the first phase, six new hospitals and 75 new dispensaries have been proposed; two more issues like notification bringing down the threshold limit for coverage of establishments from 20 to ten persons and extension of ESI to provide for national institutes is under the active consideration of the Government.

So far as medical facilities are concerned, they are being provided in a three-phased manner – primary, secondary and tertiary care. The medical structure in the State has as many as 15 hospitals, 56 dispensaries and 500-odd IMPs supported by the State. The issue of who would handle the various hospitals has been going on in Maharashtra for a long period of time and there have been certain judgments from the High Court of Mumbai. There have been discussions between the ESIC and the State Government. Recently, the State Government has taken a decision to hand over the hospitals at Kohlapur and Pune to ESIC for running them. There still remains the issue of Kandivili hospital constructed by ESIC where unfortunately only OPD was going on as pointed out by

the hon. Chairman while the one at Andheri is being run fully by ESIC.

Recently the Hon'ble Chairperson along with his team visited Bhiwandi and Mumbai area. Hon'ble Chairperson visited couple of hospitals in Mulund, Kandivali and Andheri and a lot of discussion took place and we too realised that a lot needs to be done. We do understand our shortcomings. But, my assurance, as directed by Hon. Chairperson, is that henceforth we will be talking exclusively on the issues of coverage expenditure and service to the IPs by way of medical help. I am sure in the coming days we should be able to come up with some good performance".

The representative of the Ministry further disposed as follows:

"... You have given guidance to us. We will work on that. As the hon. Chairman has insisted to do more work for coverage. We will work in that direction. Particularly about the performance of hospitals, you have very rightly pointed out that occupancy in most of the hospitals is very low. On that issue also, we would take up a programme and increase the occupancy. You have been pointing out again and again to increase the medical expenditure from 52 to 78 percent. On that, we have worked, and would come out with full details. We would take your guidance also..."

72. At the sitting held on 17.05.2018, the Committee noted that the ESI hospital has become an accommodative den for the ESIC employees. The whole administrative set up has developed a vested

interest in the system. The medical colleges of ESIC are being used for admission of children of staff of ESIC. The Committee desired to know the total expenditure on the construction of hospitals. The Committee wondered if ESIC has mandate or power to construct hospitals and if it is *ultra vires*, what decision/ action has ESIC or the Ministry of Labour & Employment has taken against the persons responsible for the same. The Committee drew the attention of the representatives of the Ministry to the fact that ESIC had to incur expenditure on running these hospitals, which could have been better utilised for the benefit of the insured persons. However, no replies were submitted by the Ministry in this matter.

73. At the sitting held on 17.04.2018, the Committee pointed out that some of the medical colleges have been transferred to the State Governments whereas, some remain with the ESIC. The Committee emphasized the need for uniform policy decision throughout the Country.

74. When asked about the number of IPs and the total expenditure for these IPs it was informed that the number of IPs are 3.19 crore and the total expenditure for medical benefits during 2016-17 was ₹6,124 crore and ₹285 crore were spent on cash benefits. Asked about the total collection of contribution it was informed that the total collection was ₹16,852 crore, which includes the interest income of ₹3,069 crore. The total expenditure during 2016-17 was ₹9,563 crore which includes administrative cost as well as cash benefits.

75. When queried about the number of hospitals at present for primary, secondary and tertiary levels, the representative of Ministry of Labour & Employment stated as under:-

“We have got 154 hospitals of ESIC and ESIS. These are secondary care hospitals. There is only one tertiary care hospital functioning in Sanat Nagar, Hyderabad and for rest of the tertiary care services we have got tie up with private hospitals.”

76. The Committee further noted that on the one hand ESIC has surplus funds and on the other hand it is providing deficient services. The Committee pointed out that money, human resources etc is not a problem for ESIC which has got autonomous status but the problem is that ESIC is failing as a public institution. The Committee further pointed out that ESIC has constructed many white elephants across the country *i.e* ESIC Hospitals with the contribution of IPs and the monthly maintenance for electricity, building, chowkidar etc. is costing much more than the treatment cost to the people. Responding to the same, the representative of the Ministry agreed with the view of the Committee and informed that to overcome the deficiency in services that three new provisions in the current year’s budget were introduced, first is the provision of ₹500 crore for extending the primary care services where maximum deficiencies are there, Second is the empanelment of clinics, doctors, in the areas of IPs concentration and third the appointment of Insurance Medical Practitioners.

77. The Committee desired to have a copy of CAG report pertaining to ESIC, along with the Action taken notes submitted by

the Ministry to them, in reply the ESIC submitted a Copy of the CAG Report on Special Audit of Medical Education Projects of ESIC (Audit Report No. 40 of 2015). The ESI Act was amended by the Parliament with (I) Introduction of Section 59B; and (ii) Validation Clause in the Amendment to ESI Act, 1948 in 2010. (Act 18 of 2010). Action Taken Note was submitted to the Ministry by F&A.

78. The Committee note that there are 154 ESI Hospitals in the Country which are being run by ESIC and by the respective State Governments. With a view to improve services in State run ESIS Hospitals and Dispensaries the ESIC has reportedly taken some steps, like States have been requested to implement ESIC 2.0 reform measures and certain minimum facilities/ parameters have been prescribed to be maintained in ESIS Hospitals and Dispensaries like availability of doctors and para-medical staff as per sanctioned strength, availability of minimum number of medicines, monitoring of general cleanliness and up keep of Dispensary/ Hospital, change of bed sheets etc. Similarly, steps are stated to have been taken to improve the functions of ESIC Hospitals and Dispensaries. While the Committee appreciate the steps taken by the ESIC, they have found during their on the spot study visits that the functioning of the hospitals has not improved. The same was admitted by the representative of the Ministry during oral evidence when it was stated that in ESI Hospitals there is poor upkeep, poor maintenance, poor quality of services, lack of infrastructure and staff etc. which has resulted in low occupancy in these Hospitals. The Committee note that the

functioning of the Hospitals and the dispensaries has remained pathetic despite the fact that ESIC has no scarcity of money or human resources. In fact many C&AG reports have also pointed at glaring deficiencies in the functioning of ESIC and suggested remedial measures too. The Committee observe that to overcome the deficiency in services, new provisions in the current year's Budget have also been introduced, *i.e* the provision of ₹500 crore for extending the primary care services where maximum deficiencies are there, empanelment of clinics, doctors, in the areas of IPs concentration and the appointment of Insurance Medical Practitioners. The Committee therefore, recommend that ESI need to earnestly work upon improving its implementation aspect in letter and spirit, which is currently in a dismal state.

79. In reply to a specific query of the Committee as to what prompted ESIC to construct Medical Colleges Hospitals etc. it was informed that at its 139th meeting held on 17.7.2007 it was decided that ESIC should have its own Medical Colleges and at its 163rd meeting held on 4.12.2014 it was decided that ESIC will neither set up any other Medical College or any other new Medical substitution in future. It appears to the Committee that the decision to construct Hospitals etc. was a hasty one. Thus within a short span of seven years and after severe criticism, a contrary decision was arrived upon by ESIC. The Committee observe that the hospitals and dispensaries have been constructed out of the contribution received from IPs etc. under the ESI scheme. The Committee

further note with concern that the hospitals constructed by incurring expenditure running into crores are lying unutilised or under utilised in many cases for instance, only OPD services at ESI hospital, Kandivali (Maharashtra) has been started by ESIC uptill now and rest of the hospital is not in use. Also, ESIC Hospital, Alwar, Rajasthan could be started only in the month of February, 2018. The maintenance and upkeep of these ESI hospitals is very high as compared to the treatment cost to the Insured Persons which is normally for simple diseases requiring 1-2 days of hospital stay. ESIC has unnecessarily blocked huge amount of money which could have been used for providing health care benefits to the IPs. In view of the Committee, this is mis-placed allocation of the funds that have been received from contribution of IPs and employers as well as a blatant misuse of the provisions of the ESI Act, 1948. The Committee, therefore, recommend that Ministry of Labour and Employment as well as ESIC should conduct a thorough and independent enquiry into the matter and all responsible for this mis-placed allocation of funds should be identified and accountability fixed.

80. The Committee have also come across instances where the employees of ESIC are not only getting priority in getting treatment but also their wards/ children in getting admission in Medical Colleges. The Committee therefore desire to know the number of seats reserved for the wards/ children of employees of ESIC in each of the Medical College separately

and the actual number of such children who get admission in Medical Colleges of ESI during the last five years.

81. The Committee note that the number of IPs are stated to be about 3.19 crore and the total expenditure for medical benefits during the year 2016-17 was ₹6,409 crore *i.e* ₹6,124 crore as medical benefits and ₹285 crore as cash benefits, whereas the total collection of contribution was ₹16,852 crore which includes the interest income of ₹3,069 crore. The Committee are concerned to note this huge disparity in money collected from IPs and employers *vis-a-vis* amount spent on their medical benefits, and desire that the Ministry furnish a detailed explanation on this mismatch and work towards speedy rectification of this anomaly. They also desire to be apprised of the progress achieved herein.

82. The Committee note with concern that there are no 'basic norms' for providing medical benefits to the IPs under the ESI Scheme. Out of the total contribution received in a particular year or contribution received from an IP, how much percentage of that contribution would be incurred for providing medical benefits to the IPs is not defined anywhere and the result of this anomaly is that ESIC is collecting the contribution from the IPs and employers and is not incurring the money for providing medical benefits to the IPs. In fact, the representative of the Ministry informed the Committee that they desire the expenditure on medical benefits to be around 78% of the total collection, which is not the case yet. The Committee therefore, strongly recommend that the Ministry of

Labour & Employment and ESIC should examine the matter and fix appropriate norms for providing medical benefits to the IPs.

83. As regard to the ESI hospitals in Maharashtra the Committee have been apprised that the total number of ESIC/ESIS hospitals in Maharashtra is 15 out of which three hospitals namely Andheri (ODC), Bhiwandi and Kolhapur are being run by the ESIC and rest of the 12 hospitals are being run by ESIS. The Committee have been provided with the details of vacancies during the year 2017-18 only and ESIC has not provided the details about the time, since when the posts are lying vacant. The Committee therefore desire to know the reasons for a large number of posts lying vacant in Maharashtra and at the same desire the steps taken to fill up these vacancies.

84. The Committee note that as regard to 15 hospitals in Maharashtra, while a lot of posts of doctors, staff nurses etc., are lying vacant, new hospitals and 75 new dispensaries are proposed to be opened. The Committee are of the opinion that steps should be taken first to revamp the existing hospitals and dispensaries in Maharashtra. As regard to the ESI hospital at Kandivali, the Committee have been apprised through a written reply that its formal transfer is pending, and hence, only OPD services could be started by ESIC there so far. The representatives of the Ministry also admitted that the issue of handling of the ESI hospital could not be resolved since a long period of time. Despite discussion between the representative

of the ESIC and the State Government of Maharashtra, the State Government decided to hand over the hospitals at Kohlapur and ESIC for running them but the issue of Kandivali hospital could not be resolved. In spite of an assurance given to the Committee way back in its sitting held on 27.12.2016 and despite passage of a considerable time, the issue of ESI hospital, Kandivali is still not decided on which huge sum of money has been invested by ESIC.

85. With regard to Alwar Medical College, ESIC had informed that it is not yet operational as the number of IPs in the catchment area of the medical college are not sufficient to start a 300 bed ESIC hospital and satisfy MCI norms for grant of permission to start the course. An attempt was reportedly made by the ESIC to transfer the Alwar Medical College to the State Government of Rajasthan and the State Government gave conditional consent. However, it could not be acted upon due to a decision received under a writ petition filed in the High Court of Delhi, against the ESIC. The Committee would like to know that firstly, if the number of IPs was insufficient then why the Alwar Medical College was constructed at all. Secondly, the reasons for Alwar Medical College failing to satisfy MCI norms. Thirdly, the ESIC has stated that the construction of Alwar Medical College was started on 01.10.2011 and was completed on 31.03.2018 *i.e* after nearly 7 years. In this regard, the Committee desire to be furnished with a detailed reply from ESIC.

86. A perusal of the report of the Comptroller and Auditor General of India for the year end March, 2015 Union Government (Civil) (Autonomous Bodies) Report No.40 of 2015 (Special Audit) reveals that the decision to open Medical Colleges hospital etc. was not carefully taken. The Committee observes that CAG Report on this is an eye opener. In the report the following findings of the special audit of medical education projects of ESIC are as given below:

(i) The Corporation had sanctioned 17 out of 21 Medical Education Projects and started the construction of 16 medical colleges and incurred an expenditure of ₹1,021.72 crore prior to the amendment of the Act.

(Para 2.2)

(ii) The feasibility study for selection of sites/locations conducted by the consultant was not comprehensive and the selection of sites by ESIC for construction of Medical Education Projects was also arbitrary and not based on norms.

(Para 2.3)

(iii) Due to award of works on nomination basis to construction agencies, the ESIC could not avail the benefit of competitive rates.

(Para 2.8)

(iv) All medical education projects taken up, except two, were behind schedule. The total cost of all the projects was revised from ₹8611.94 crore to ₹11,997.15 crore resulting into cost overrun of ₹3,385.21 crore.

(Para 2.9)

(v) Only 14 per cent of the Post Graduate Institute passed out students joined the ESIC hospitals which indicated that the strategy of opening medical colleges for filling up the vacant posts failed.

(Para 2.11)

(vi) Corporation decided to exit from the field of medical education in its 163rd meeting held on 4th December, 2014 as it was not one of its core functions. The decisions to exit from this endeavour was only an exercise to limit the liability.

(Para 2.12)

In view of the above findings the Committee desire investigation and action on these findings and accountability to be fixed.

XI. Corpus Fund

87. The Committee desired to be apprised about the basic objective & concept of ESIC as per the Act and why the contribution by the workers has been made mandatory by ESIC. Responding to the same, Ministry of Labour & Employment

submitted that basic objective and concept of ESIC is to provide Health Insurance to industrial workers since they were prone to accidents. The necessity of such Scheme is envisioned for compulsory State Insurance providing certain benefits in the events of sickness, maternity, employment injury to workman employed in or in connection with work in the factories other than seasonal factories. The Act has envisioned for a contributory Scheme for the beneficiaries/stake holders. Accordingly, the employer contribute for lowering the burden of employees Compensation Act, the Govt. contribute by way of medical care and exemption of taxes as its part of State responsibility and the employees contribute for exclusively managed services. The contribution amount from the employees should be substantial enough so as to claim benefit from the Scheme and participate for better management and its consistent improvement. [Further, the ESI Act mandate employer to contribute certain percentage (6.5%) of the wages on behalf of its employees, however the Act also authorizes the employer to recover specific amount (1.75%).]

88. On being asked to state that whether a lion's share of the contribution collected by the ESIC is spent on paying the salary/wages of medical/para-medical staff of ESIC hospitals/dispensaries etc. and also whether it can be said that the contribution of the employees paid to ESIC is a 'cess' and the employees/workers also feel that a 'cess' has been imposed on them, it was informed that Drugs and Dressings cannot be dispensed without availing the service of Doctors, Para medical staff, therefore pay and allowances of Doctors and Para medical Staff form a part of medical benefit in ESIC's Annual accounts.

However, Contribution and expenditure incurred by ESIC for the year 2016-17 under different heads are as follows: -

	₹. In Crores
Contribution Income as per Schedule 12 of Annual Accounts	13,662.44
Expenditure on medical benefits other than pay and allowances and administrative expenditure of ESIC hospitals and dispensaries	4166.78
Expenditure on Pay and allowances of ESIC hospitals and dispensaries under the Head Medical Benefits	1564.16
Expenditure on other Administrative expenditure	393.26
Sub Total: Expenditure on account of Medical benefits as per Schedule 20 A of Annual Accounts	6124.20
Expenditure on account of Cash Benefits as per Schedule 20 B of Annual Accounts	1517.93
Expenditure on account of Other Benefits as per Schedule 20 C of Annual Accounts	2.45
Expenditure on account of Medical benefits, Cash Benefits and Other Benefits as per Schedule 20 A +20B + 20C of Annual Accounts	7644.58

89. Thus from the above table, it can be inferred that the expenditure on medical benefit is ₹6,124.20 crore which is 44.82% of Contribution Income, total expenditure on account of Medical Benefits, Cash Benefits and Other Benefits is ₹7,644.58 Crore which is 55.96% of Contribution Income, the expenditure on pay & allowances of Doctors and Paramedical staff of ESIC hospitals and dispensaries is ₹1,564.16 crore which is 11.44% of Contribution Income and 25.54% of Medical Benefits.

90. Contribution paid to ESIC on behalf of the employees cannot be called as 'Cess' as ESIC provides multiple social security benefits and services to employees and his dependent family members for the contribution paid on their behalf. The rate of contribution is

1.75% of the wages of employee covered under the ESI Act and 1% in case of newly implemented area for initial period of two years. The employee / worker getting wages up to ₹137/- per day is exempted from payment of their share of contribution. Cess is a source of tax income of the Government from a particular sector, whereas in the case of ESIC, it is a contribution.

91. The following benefits are provided under the Act to the employees/workers and their families from the contribution collected from the employees' and employers' share :-

1. Medical benefits for employee and dependent family member
2. Sickness benefit (In cash)
3. Extended sickness benefit - do -
4. Temporary disablement benefit - do -
5. Permanent disablement benefit - do -
6. Dependent benefit - do -
1. Maternity benefit - do -
2. Unemployment Allowance(RGSKY) - do -
3. Funeral expenses - do -
4. Confinement expenses - do -

92. On being queried that the corpus fund of ESIC is increasing year by year, the sources from which the funds are put in the corpus, whether the savings from the amount collected from IPs and employers is a major source and reason for increase in the corpus of ESIC, the Committee were informed that ESIC has set up earmarked as well as non-earmarked reserve funds. The earmarked fund is set up to meet out the defined liabilities in future. These

have increased over the years with the increase in IPs and liabilities.

Figure of reserve funds for last 5 years were stated to be as follows :

(₹ in crore)

Sl	Reserve Fund Heads	2012-13	2013-14	2014-15	2015-16	2016-17
1	Insured Persons' Dependents and Ex Insured Persons (For Dependent benefits and Permanent Disablement Benefit)	5734.28	6236.35	6800.35	7325.64	8633.13
2	ESIC Employees Retirement Benefits (Pension, Gratuity, GPF etc.)	5501.51	6335.96	7608.81	9021.7	10629.06
3	Depreciation Reserve Fund for Hospital, Dispensary Medical Education and Office Building	332.63	668.32	834.27	1112.41	1377.75
4	Capital Construction Fund for Construction of Hospital, Dispensary Medical Education and Office Building	4419.99	11673.26	10661.91	9922.51	9311.47
5	General Reserve Fund	15650.14	11954.49	16862.17	21975.37	29431.60
	Total	31638.55	36868.38	42767.51	49357.63	59383.00

93. It was informed that the source of reserve funds is the amount collected from IPs and employers as well as interest on investment of reserve funds. The surplus is generated due to partial utilization by State Government of ceiling of medical expenditure per IP as fixed by Corporation. Interest earned on reserve funds during last 5 years were stated to be as follows:

(₹ in crore)

Sl		2012-13	2013-14	2014-15	2015-16	2016-17
1	Interest on investment of Reserve Funds	3560.80	3390.15	4018.47	4317.28	4707.04

94. When asked that the present corpus of fund of the ESIC has touched an all time high of ₹70,000 crore at present and whether ESIC is authorised to create a 'corpus of funds' from the contribution it collects from workers/IPs and also which article of ESI Act, 1948 empowers the ESI to create such a corpus, Ministry of Labour & Employment stated that the total reserve fund as on 31.03.2018 is ₹73,303.00 crore. Rule 27 of The Employees' State Insurance (Central) Rules, 1950 provides for Investment, transfer or realisation of the Fund. As per this rule "All moneys belonging to the Fund which are not immediately required for expenses properly defrayable under the Act, may, subject to the approval of the Standing Committee, be invested by the Director General."

95. At their sitting held on 17.05.2018 the Committee desired to know the purpose for which ESIC collects money from the IPs and the purpose for which it is being incurred alongwith the provisions of the ESI Act, 1948. The Committee further desired to know as to how ESIC can develop corpus from insurance premium. The Committee gave example of life insurance where the excess money is given to the insured person in the form of bonus, but ESIC has not done that. The Committee pointed out that though the ESI contribution is not a voluntary contribution or in other words it is mandatory, but in ESI Scheme there is no accountability and responsibility for providing medical services and there are no norms

for incurring money on providing medical benefits to the IPs out of the total amount collected by ESIC and ESI is a medical cess on the IPs and other employers.

Regarding Corpus Fund the Committee at their sitting dated 17.04.2018 desired that a case study regarding the number of IPs in the State of Gujarat and Maharashtra be done. The Committee also noted that there is no term called 'reserve fund' in the ESI Act and the excess in income and expenditure cannot become a statutory reserve fund. It is the mandate of the ESIC to collect contribution and provide medical benefits to the IPs but ESIC is collecting the contribution but not incurring corresponding expenditure on providing medical facilities. The Committee desired that a legal opinion on the corpus/reserve fund may be taken by the ESIC.

The Committee were further informed that the reserve fund of ESIC for the year 2012-13, 2013-14, 2014-15, 2015-16 and 2016-17 were stated to be ₹31,638.55 crores, ₹36,868.38 crores, ₹42,767.51 crores, ₹49,357.63 crores and ₹59,383.00 crores. It was also stated that surplus is generated due to partial utilisation by State Government of medical expenditure per IP as per the ceiling fixed by the Corporation.

96. The Committee were also informed that income from contribution for the year 2016-17 was ₹13,662.44 crore and corresponding figure for year 2015-16 was ₹11,455.57 crore. As regard to per capita income expenditure it was informed that contribution during the year 2012-13, 2013-14, 2014-15, 2015-16 and 2016-17 were ₹4,361 crore, ₹4,940 crore, ₹5,353 crore, ₹5,378

crore and ₹4,274 crore respectively whereas, medical benefits and cash benefits were ₹2,518 crore, ₹2,818 crore, ₹3,161 crore, ₹3,223 crore and ₹2,201 crore.

97. As regard to Corpus of funds, the ESIC has informed that they have set up earmarked as well as non-earmarked reserve funds. The present corpus fund of ESIC is a whopping ₹73,303.00 crore as on 31.03.2018 with a substantial rate of growth from ₹59,383.00 crore in 2016-17 to ₹73,303.00 crore in March 2018 i.e an increase of ₹13,920 crore in just one year. The interest alone on the reserve fund from the year 2012 to 2017 comes to a ₹19,993.74 crore. The ESIC has given reference of Rule 27 of the Employees State Insurance (Central) Rules 1950 which provides for investment, transfer or realisation of the fund. The ESIC has further stated that as per this rule all money belonging to the Fund which are not immediately required for expenses properly defrayable under the Act, may, subject to the approval of the Standing Committee, be invested by the Director General. However, the Committee fail to understand as to how this rule empowers the ESIC to create a corpus of funds from the contribution paid by the IPs and the employers. They therefore, would like to know the details of the sittings of the Standing Committee of ESIC, alongwith their minutes in which a decision to create a corpus of funds was approved. The Committee feels this corpus is immoral and illegal as instead of providing medical facilities, transferring the collection in so called corpus fund, demands explanation and appropriate action.

98. The Committee are of the considered view that the 'Corpus of funds' or reserve funds of the ESIC is accumulating year, by year whereas the expenditure of the ESIC under the ESI scheme remains low. The contribution income as per schedule 12 of Annual accounts is stated to be ₹13,662 crore, out of which expenditure on medical benefits other than pay and allowances and administrative expenditure of ESIC hospitals and dispensaries is just ₹4,166.78 crore. Further expenditure on pay and allowances of ESIC hospitals and dispensaries under the head Medical benefit is ₹1,564.16 crore, expenditure on other administrative expenses is ₹393.2 crore. Thus the total expenditure on account of Medical benefits as per schedule 20A of Annual Accounts is ₹6,124.20 crore. Expenditure on Account of cash benefits and other benefits is stated to be ₹1,517.93 crore and 2.45 crore. As such expenditure on account of medical benefits, cash benefits and other benefits comes out to ₹7,644.58 crore which is just 55.95% of the contribution income of ₹13,662.44 crore. In this scenario the, Committee recommend that the ESIC should work towards rationalising the contribution or lowering the present rate of contribution from the employees and employers, which is now being received at the rate of 1.75 percent and 4.75 percent respectively.

99. The rule 27 of the Employees State Insurance (Central) Rules 1950 states "investment of funds which are not immediately required", but the fact is, that the IPs are being deprived of the benefits of the ESI Scheme due to lack of

coverage of ESIC under the scheme, poor functioning of the Hospitals etc. and also for other reasons and on the other hand the ESIC which is collecting compulsory contribution from the IPs is not incurring the necessary expenditure for providing optimal medical benefits to the IPs, thereby defeating the very purpose of the ESI Act, 1948. Also in the opinion of the Committee the contribution paid by the employees is more like a 'Cess' which has been imposed on them by the ESIC. The mandate of the ESIC was to collect the contribution and to provide the medical benefits etc., but ESIC has acted contrary to the intention of the legislature and has collected the money but has not spent it adequately for the beneficiaries, from whose money ESIC has created the fund. As regard to expenditure of funds, the Committee have noted that the per capita medical expenditure including cash benefit in last few years is not even 50% of the contribution received for these years. It follows from this that rest of the funds were either put in the reserve fund or utilised to meet the administrative expenses of ESIC. Deeply concerned at the state of affairs, the Committee want a detailed reply on this issue. The Committee, therefore, desire that the ESIC must obtain a legal opinion on the issue of corpus fund and inform the Committee accordingly.

XII. Need for Regulatory System for ESIC

100. The Committee noted that ESIC has not been brought under any regulatory system and as such desired to know the reasons for not bringing the ESIC under regulatory system and also the views of

the ESIC on the matter. In their reply, Ministry of Labour & Employment stated that ESIC has been created as per Section 3 of ESI Act, 1948 vide which it is mandated with the responsibility of administration of ESI Scheme in accordance with provisions of ESI Act, 1948. The apex decision making body of ESIC is the Corporation which is a tripartite body comprising of employer, employees and Govt. The apex decision making body of ESIC also has representation from Hon'ble Members of Parliament. ESIC provides social security to the insured persons, who are the focus of aforesaid tripartite members of the body for providing benefit to them in case of sickness, maternity and employment injury. The Scheme is managed for the beneficiary only. Regulatory framework has been introduced by the Government in fields where private sector participation has been allowed by law. At present, competition with other organization has not been introduced by the Government in the field of providing social security so as to be regulated by an independent body to avoid unfair play by the multiple organizations such as IRDA is doing for insurance business in India. ESIC as such is not in the insurance business but is providing services on contribution received by it as per mandate of ESI Act and funding from State Govt. towards sharing a part of medical benefit expenditure. ESI Corporation is an autonomous body which regulates the medical services being provided by the ESI Scheme of respective State and Union Territories and providing services directly in the form of cash compensation for sickness, disablement, maternity, death etc.

101. It was further submitted that the Parliament has direct control over ESIC through Union Ministry of Labour & Employment and its Annual Report as well as Annual Accounts is to be presented in the Parliament every year. Further, ESIC services can be classified as a State function and the social security has been identified as a Human Right. The Parliament has legislated for establishment of ESI Corporation under Section 3, constitution of the Corporation under Section 4, the constitution of governing body in the form of Standing Committee under Section 8 and constitution of Medical Benefit Council as an Advisory body under Section 10 under the ESI Act. The Corporation accepts recommendations specific to the States are through the State Regional Boards and Local Committees which too have a tripartite representations. There is a continuous process of participation from the beneficiaries and the stakeholders in decision making of ESIC which ensures proper checks and balance in running the Scheme in an effective manner.

102. At the sitting held on 17.05.2018, *vide* an audio visual presentation made before the Committee it was stated that difference in philosophy of ESIC and General/ Life Insurance Companies is, that these two models, viz., ESIC works on the principle of 'pay as per capacity while avail services as per your needs' whereas premium of Life/General insurance depends upon individuals' risk factor of mortality or rate of incidence. Unlike Insurance company, ESIC cannot deny any employer registering its employees to receive ESI benefits. Life / General Insurance companies are under the regulator while ESI scheme is subject to Parliamentary control through the MoL&E.

With regard to regulatory concept the Committee at their sitting held on 17.05.2018 pointed out that the Ministry has to take the role of a regulator or the Government has to take the decision. The Committee noted that though the ESIC has submitted their view on 'regulatory concept' but the Ministry of Labour and Employment has not furnished their view on the subject. The Committee were therefore eager to know the view of the Ministry on this issue.

103. On the issue of bringing regulatory system for ESIC, the Committee have been apprised that ESIC has been created as per Section 3 of ESI Act, 1948, which provides social security to the insured persons. Further at present, competition with other organisations has not been introduced by the Government in the field of providing social security so as to be regulated by an independent body to avoid unfair play by the multiple organisations, such as IRDA which is regulating the insurance business. ESIC is not in the insurance business but is providing services on contribution received by it as per mandate of ESI Act. Hence, ESIC is an autonomous body which regulates the medical services being provided by the ESI Scheme of respective State and Union Territories and provides directly in the form of cash compensation for sickness, disablement maternity, death, etc. The Committee do agree with the contentions submitted by the ESIC but are of the considered opinion that ESIC has not been able to provide medical facilities etc. to the real beneficiaries of the ESI Scheme, as envisaged in the ESI Act, 1948. Further, ESIC is also moving away from the mandate given to it by the

Parliament. The performance of ESIC right from the coverage, geographical and non-geographical, poor functioning of hospitals and dispensaries, creating of corpus of funds etc. by the ESI as analyzed in the previous paras of this Report gives credence to the view of the Committee. It appears that time has now come, when ESIC should be brought under a regulatory system. The Committee, therefore, recommend that the Ministry of Labour & Employment should set up an expert committee to revisit in a time bound manner the ESIC/ ESIS while studying in toto the background of personal health and insurance system in India and effectiveness of ESIC/ ESIS alongwith need for a regulator. The Committee desire to be apprised accordingly.

XIII. Exemption under the ESI Act, 1948

104. On being asked whether ESI coverage is optional or not, the Ministry of Labour in a Power Point Presentation made on 17.05.2018 stated that except for grant of exemption under section 87 of the ESIC Act as per the existing provision, ESI coverage is compulsory in notified areas. In other words contribution to ESIC is compulsory without any assured quid pro quo by ESIC, a monopoly.

105. On being asked about the objectives for granting exemption under the ESI Act, 1948 the Committee were informed that ESI Act is applicable on factories and Establishments located in the implemented area and employing ten or more persons. Employees earning wages upto ₹21,000/- p.m are covered under ESI scheme. The scheme is notified in 503 implemented districts (325 complete

Districts, 93 District Headquarters and 85 partially implemented Districts).

106. ESI provides reasonable medical care to the insured person and their family. The cash benefit compensation is allowed in case of sickness, maternity disablement and death. Provision for exemption from the purview of ESI Act exists under section 87 of the Act, which allows exemption to factory/ establishment or class of factories or establishments in the notified areas by the appropriate Government on the condition that the benefits provided by the exemption seeking factory/ establishment is substantially similar or superior to the benefits provided under ESI Act. In the case where Central Government is the appropriate Government (factories, CPSU's etc) exemption is granted by the Ministry of Labour & Employment, Government of India after consultation with ESIC by way of seeking its representation. Exemption granted is notified in the Gazette of India. The State Government is the appropriate Government in the case of establishments, SPSU's and it grants exemption after consultation with the concerned Regional office of ESIC in the state. The exemption so granted by the appropriate Government cannot be retrospective and is granted for a period of one year at a time.

Further provision for granting exemption to persons or class of persons exists under Section 88 of ESI Act.

Details of exemptions granted by appropriate Government is placed at Annexure-V.

107. The Committee note that the coverage of ESI is mandatory, except for grant of exemption under section 87 of the ESI Act, 1948. The contribution to ESIC in compulsory or in other words, it can be inferred that ESIC has monopoly in the Country to collect the contribution and ESIC has been empowered to grant exemption from the purview of the ESI Act, under Section 87 of the Factory, Establishments or class factories or establishments in the notified areas by the appropriate Government on the condition that the benefits provided by the exemption seeking factory establishment are substantially similar or superior to the benefit provided under ESI Act. Accordingly, exemption has been granted from the purview of the ESI Act to as many as 214 factories/ establishments in various States of the Country. In this regard, the Committee would like to know the guidelines regarding granting of exemption to factories/ establishments and as to how the exemption would help ESIC to achieve their goal of providing medical facility to the Insured Persons (IPs). The Committee also feel the need to ensure that the provision of exemption should not be exploited by the exempted establishments and recommend the Government to ensure that such establishments provide better health facilities/medical services for their employees. The Committee are of the opinion that ESIC must act as a regulator for these exempted establishments.

XIV. Revisiting ESI Scheme

108. The Committee noted that the Hon'ble Finance Minister in his Budget speech of 2015-16 had stated that the beneficiaries under the ESI scheme should have an option of choosing either ESI scheme or a health insurance product recognize by Insurance Development Regulatory Authority (IRDA). The Committee therefore desired to know about the steps taken in this regard. In reply the Ministry of Labour & Employment informed that the ESI scheme had presence in 393 districts till the year 2015 out of which only 30 districts were fully notified. With the objective to extend the social Security benefit to the entire working population in the organised sector, the reforms titled as ESIC 2.0 was taken up. The ESI Act is now being notified in whole of the district instead of being confined to a center covering revenue villages. Now, the Act has been notified in 503 districts, of which 325 is complete district, 85 partially and in 93 Districts Headquarters for implementation of the Act.

109. The State Government under Sec. 58(1) of the ESI Act suppose to make provision for reasonable medical care for Insured Person and their family members. The Insured Person and his dependent family members are entitled for medical care from the date of registration. During the last financial year under Scheme for Promotion of Registration of Employer and Employee (SPREE) more than one core of IPs have been brought under the coverage of ESI Act covering about 12.4 crore population entitled for medical care under the Act. Considering No objection being received from the State Governments for medical care arrangement to be made by the

ESIC. Such arrangement shall be made either through its own infrastructure or tie up arrangements.

110. At their sitting held on 17.05.2018 the Committee drew the attention of the Ministry as well as ESIC that it was Finance Minister's Budget speech and the budget was adopted by the Parliament, as such it is mandatory for the ESIC to act upon it. The Committee desired to know the steps taken in the last three years about revisiting the scheme and the concept. The Committee also pointed out that it is a decision taken in favour of the Insured Persons (IPs) and desired to know the steps taken or proposed to be taken. Responding to the same, Ministry of Labour & Employment submitted a written reply of the queries raised by the Committee would be given but no reply was received either from the Ministry of Labour and Employment or from the ESIC.

111. At their Sitting held on 17.05.2018 the Committee further pointed out that the ESIS scheme in the State is run as the Department of the State and its Finances are funded through the State treasury. Hence, the fund collected as contribution goes to the consolidated fund of the State Government. Thereby, the concept of exclusive service through contribution paid is not available to the insured person in real sense. The Committee also wondered whether ESIC does not have the power to enquire from the State Governments regarding funds transferred to them and as to how they utilised that money.

112. The Committee observe concern that the Hon'ble Finance Minister in his Budget speech of 2015-16 had stated that the beneficiaries under the ESI scheme should have an option of

choosing either ESI scheme or a health insurance product recognized by Insurance Development Regulatory Authority (IRDA). However, no steps in this regard were taken either by the Ministry of Labour & Employment or ESIC. The Committee desire to be apprised of the status of the same at action taken stage.

XV. Ayushman Bharat - National Health Protection Mission

113. Ayushman Bharat is National Health Protection Scheme, which will cover over 10 crore poor and vulnerable families (approximately 50 crore beneficiaries) providing coverage upto 5 lakh rupees per family per year for secondary and tertiary care hospitalization. Ayushman Bharat - National Health Protection Mission will subsume the on-going centrally sponsored schemes - Rashtriya Swasthya Bima Yojana (RSBY) and the Senior Citizen Health Insurance Scheme (SCHIS).

114. As regard to Ayushman Bharat, ESIC in a power point presentation made before the Committee at the sitting held on 17.5.2018 informed that (i) as against proposed provision of free of cost secondary/ tertiary health services to poor persons by the Government, ESI is a contributory scheme, a cost to the IP (ii) overlap with Ayushman Bharat should be avoided by excluding families covered under ESI Scheme (iii) at the same time, ESIC should ensure that medical benefits under the scheme are at least equal or superior to those under Ayushman Bharat and (iv) it is imperative that ESIC provides the option of health insurance cover to its IPs.

115. At the sitting held on 17.5.2018, the Committee observed that Ayushman Bharat will not overlap with the ESI Scheme as it is meant only for the BPL families and as per the social economic status and does not cover everybody. The Committee pointed out that regarding the Ayushman Bharat there is no clarity in the response of ESIC on the issue. The Committee further pointed out that despite the announcement made by the Prime Minister and the Finance Minister about Ayushman Bharat at the time of Budget there is no clarity at the level on ESIC. The Committee directed that ESIC should finalise its view on Ayushman Bharat at the earliest.

116. The Committee note that a national health protection scheme 'Ayushman Bharat' has been launched, which will cover over 10 crore poor and vulnerable families. The ESIC is also providing medical benefits etc. to the insured persons on payment of contribution by them under the ESI Scheme. However, the ESIC could not finalise its views on linking up with Ayushman Bharat till date despite announcement made by the Prime Minister and Finance Minister at the time of Budget. The Committee therefore, desire that ESIC should finalise their policy in this regard at the earliest and inform the Committee in due course.

XVI. Cash benefits/ pension to dependents

117. On being asked the meaning of dependent as per the ESI Act, 1948 and at present how many people cash benefits / pension etc is being paid to the dependents and also whether the list of dependents has ever been reviewed by the ESIC, it was informed that as per Section 2(6A) of ESI Act 1948, Dependant means any of

the following relatives of a deceased insured person namely:

- i. A widow, a legitimate or adopted son who has not attained the age of twenty-five years, an unmarried legitimate or a widowed mother.
- ii. If wholly dependent on the earnings of the insured person at the time of his death, a legitimate or adopted son or daughter who has attained the age of twenty-five years and is infirm;
- iii. If wholly or in part dependent on the earnings of the Insured Person at the time of his death:
 - (a) a parent other than a widowed mother,
 - (b) a minor illegitimate son, an unmarried illegitimate daughter or a daughter legitimate or adopted or illegitimate if married and a minor or if widowed and a minor,
 - (c) a minor brother or an unmarried sister, or a widowed sister if a minor,
 - (d) a widowed daughter-in-law,
 - (e) a minor child of a pre-deceased son,
 - (f) a minor child of a pre-deceased daughter where no parent of the child is alive, or
 - (g) a paternal grand-parent if no parent of the insured person is alive;

The Committee were further informed that this list was reviewed in 1989 and 2010 and as on 31.03.2017 total 1,10,582

beneficiaries were being paid the dependent benefits on monthly basis.

118. During oral evidence held on 17.04.2018 the Committee desired to know (i) from when the dependent benefit scheme is operational (ii) the number of total dependents as on date and (iii) details of cash benefits and dependent benefits disbursed under the scheme. In reply the representative of the Ministry stated that the dependent benefit scheme is operational since inception and as on now, the total dependent are 1,10,582 families (cumulative).

119. The Committee then desired whether any audit of the said scheme was ever done in reply the representative of the Ministry stated that no audit has been done by them. The Committee then drew the attention forwards the point that there may be cases in which ineligible people could be getting benefits of the scheme and the eligible people would have been deprived from the benefits of the scheme.

120. When asked about the applicability and benefits of the scheme the Committee were apprised that under the scheme lifelong monthly payment benefit to dependent wife or parents and children up to the age of 25 years is done, if an IP who died due to employment injury and is not available if the IP dies at his residence. The Committee then drew the attention to the number of such deaths during the last 50 years and were informed that beneficiaries of the said scheme depends on the number of deaths occurring due to employment injury. The Committee directed that the matter may be studied thoroughly.

121. The Committee note that a dependent benefit scheme is operational since inception of ESIC, for the benefit of dependents of those IPs who die due to injury during employment. Under this scheme as per section 2(6A) of the ESI Act, 1948, dependent broadly means a relative of a deceased IP like a widow, son, daughter, parents etc., and as on 31.03.2017 there are about 1,10,582 beneficiaries which are being paid the dependent benefits on monthly basis. The benefits paid under the scheme are 'life-long'. The Committee do appreciate it but they are constrained to note that the list of beneficiaries under the scheme has been reviewed twice only, once, way back in the year 1989 and then in the year 2010. Further, during oral evidence on being asked about audit of the scheme, the representative replied that no audit has been done. The Committee are of the view that as the scheme is being implemented since inception of the ESIC, it becomes imperative to review the list of beneficiaries and as well as special audit of the scheme at regular intervals in order to make sure that no one ineligible gets the benefits of the scheme and no one eligible is deprived from the benefits of the scheme. The Committee recommend that necessary steps be taken by the ESIC in this regard and they be apprised of the same at the earliest.

XVII. Pension and Provident Fund of the Employees of ESIC

122. At their sitting held on 17.05.2018, the Committee pointed out that the basic objective and intention of the Legislature at the time of introducing the ESI Act, was welfare of the workers of the

Country, but today ESIC is functioning as though it is for the employees of the ESIC alone. The expenditure on the employees of ESIC and ESIS is being paid by the IPs. The Committee, therefore, desire to know the reasons for the same. Another point which the Committee noted was Provident Fund of the ESIC employees. They were of the opinion that the Provident Fund of ESIC employees is being treated as the Provident Fund of the Government Employees and desired to know the source of expenditure on this account. In reply, it was merely submitted that the Government is paying. The Committee were of the opinion that it is the hard earned money of IPs and ESIC seem to have taken a decision on its own in this regard. The Committee were of the opinion that it is the Parliament alone that can take such a decision. They therefore, underlined the need for clarity regarding Provident Fund and suggested a separate trust for Provident Fund in ESIC.

123. The Committee note that the intention of the Legislature behind the ESI Act, 1948 was welfare of the workers. However, in view of various shortcomings noticed in the facilities and benefits being provided to the workers, the Committee have come to the conclusion that perhaps ESI Act is being used for providing more benefits to its own employees than the IPs. The Committee desire to be apprised of the comments of the ESIC and the Ministry of Labour & Employment in this regard. Apart from this, the Committee desire that ESIC should come out with a clear view on the Provident Fund issue and actively examine the setting up of a separate trust for the same.

**New Delhi;
25th July, 2018
03rd Shravana, 1940 (Saka)**

**DR. KIRIT SOMAIYA
CHAIRPERSON
STANDING COMMITTEE ON LABOUR**

The ESI Scheme data in respect of Maharashtra and Gujarat for the last five years is as under :

1. Maharashtra								
								₹.in crore
			2012-13	2013-14	2014-15	2015-16	2016-17	Total
1	a	No. of employees (in lakh)	21.25	20.77	20.52	21.09	40.26	123.89
2		Insured Persons (in lakh)	23.96	23.45	23.52	24.00	43.59	138.52
3	b	Contribution received	1,229.30	1,370.30	1,461.00	1,501.59	1,970.91	7,533.10
4	c	On-account payment to state govt.	172.14	164.00	229.12	304.89	260.04	1,130.18
5	d	Medical Benefit Exp.	195.10	215.71	114.57	146.97	162.20	834.55
6	e	Cash Benefit Exp. By ESIC	89.74	57.19	68.22	71.18	144.29	430.63
7	f	Exp. On Capital Work						674.91*
8	g	Exp. On ARM Work	3.09	40.74	29.19	20.96	6.74	100.72
9		Exp. On SRM Work	1.29	4.30	1.43	0.10	0.79	7.91
10	h	Admin Exp. By ESIC	99.16	145.71	173.34	189.52	230.59	838.32

• Data pertains to the period 01.04.2013 to 31.03.2018

2. Gujarat								
								₹.in crore
			2012-13	2013-14	2014-15	2015-16	2016-17	Total
1	a	No. of employees (in lakh)	7.58	8.16	8.42	9.09	13.49	46.73
2		Insured Persons (in lakh)	8.38	9.00	9.67	10.30	14.73	52.09
3	b	Contribution received	372.04	443.33	506.84	561.02	642.45	2,525.68
4	c	On-account payment to state govt.	75.83	69.00	156.76	150.30	155.79	607.68
5	d	Medical Benefit Exp.	95.70	98.25	99.27	93.64	130.45	517.31
6	e	Cash Benefit Exp. By ESIC	39.09	25.60	35.24	36.66	73.02	209.61
7	f	Exp. On Capital Work						659.19*
8	g	Exp. On ARM Work	3.48	2.46	2.42	4.22	3.13	15.70
9		Exp. On SRM Work	6.25	0.76	1.38	1.27	0.28	9.94
10	h	Admin Exp. By ESIC	36.83	51.08	62.30	67.99	69.87	288.06

- Data pertains to the period 01.04.2013 to 31.03.2018

Annexure-II

Sl. No.	Region/ Sub Region	State/ UT	No. of IPs
1	RO – Ahmedabad	Gujarat	20871
2	RO – Andhra Pradesh	Andhra Pradesh	30628
3	RO – Baddi	Himachal Pradesh	2408
4	RO – Bhubaneswar	Odisha	49804
5	RO – Binny Peth Bangalore	Karnataka	29596
6	RO – Chandigarh	Chandigarh	3487
7	RO – Chennai	Tamilnadu	45139
8	RO – Dehradun	Uttarakhand	9603
9	RO – Faridabad	Haryana	9563
10	RO – Indore	Madhya Pradesh	20141
11	RO – Jaipur	Rajasthan	22817
12	RO – Jammu	Jammu & Kashmir	1753
13	RO – Kanpur	Uttar Pradesh	6215
14	RO – Kolkata	West Bengal	71222
15	RO – Mumbai	Maharashtra	38343
16	RO – NER	Assam	3330
	RO – NER	Mizoram	59
	RO – NER	Nagaland	32
	RO – NER	Tripura	1073
17	RO – Panaji	Goa	8348
18	RO – Patna	Bihar	21319
19	RO – Puducherry	Puducherry	2012
	RO – Puducherry for Andaman & Nicobar area	Andaman & Nicobar	0
20	RO – Punjab	Punjab	7467
21	RO – Raipur	Chhattisgarh	28131
22	RO – Rajendra Place	Delhi	15585
23	RO – Ranchi	Jharkhand	35685
24	RO – Telangana	Telangana	69730
25	RO – Thrissur	Kerala	2199
26	RO – West Bengal	Sikkim	241
27	SRO – Alkapuri Baroda	Gujarat	7674
28	SRO – Ambala	Haryana	3147
29	SRO – Aurangabad	Maharashtra	12755
30	SRO – Barrackpore	West Bengal	19533
31	SRO – Bhopal	Madhya Pradesh	9307
32	SRO – Bommasandra	Karnataka	32669
33	SRO – Coimbatore	Tamil Nadu	3982
34	SRO – Durgapur	West Bengal	6493
35	SRO – Ernakulam	Kerala	8758
36	SRO – Gulbarga	Karnataka	4176
37	SRO – Gurgaon	Haryana	44139

38	SRO - Hubli	Karnataka	3864
39	SRO - Jalandhar	Punjab	1487
40	SRO - Jodhpur	Rajasthan	7974
41	SRO - Kollam	Kerala	847
42	SRO - Kozhikode	Kerala	2665
43	SRO - Lucknow	Uttar Pradesh	29233
44	SRO - Ludhiana	Punjab	1232
45	SRO - Madurai	Tamil Nadu	2787
46	SRO - Mangalore	Karnataka	2732
47	SRO - Marol	Maharashtra	42715
48	SRO - Mysore	Karnataka	7487
49	SRO - Nagpur	Maharashtra	21470
50	SRO - Nand Nagri	Delhi	8215
51	SRO - Nashik	Maharashtra	7346
52	SRO - Noida	Uttar Pradesh	29268
53	SRO - Okhla	Delhi	27660
54	SRO - Peenya	Karnataka	6660
55	SRO - Pune	Maharashtra	72871
56	SRO - Rohini	Delhi	11674
57	SRO - Salem	Tamil Nadu	5706
58	SRO - Surat	Gujarat	3134
59	SRO - Thane	Maharashtra	31710
60	SRO - Thiruvananthapuram	Kerala	2136
61	SRO - Tirunelveli	Tamil Nadu	2615
62	SRO - Tirupati	Andhra Pradesh	11255
63	SRO - Udaipur	Rajasthan	7890
64	SRO - Varanasi	Uttar Pradesh	3663
65	SRO - Vishakapatnam	Andhra Pradesh	17612
		Total	10,83,342

Annexure-III

2012-2013

S.No.	Particulars	Section 85 of the ESI Act	Section 406/409 of I.P.C
1	No of cases pending at the beginning of the year 2012-13	15718	1226
2	No of Prosecution cases filed during the period	658	15
3	Total (1&2)	16376	1241
4	Total no of cases decided during the year 2012-2013	1266	62
	(a) defaulters convicted with imprisonment	75	2
	(b) defaulters convicted with fine	646	29
	(c) Acquitted /Dismissed	70	2
	(d) Cases closed by the Courts	475	29
5	No. of cases withdrawn	117	1
6	Total (4+5)	1383	63
7	No. of prosecution cases pending as on 31.3.2013	14993	1178

2013-2014

S.No.	Particulars	Section 85 of the ESI Act	Section 406/409 of I.P.C
1	No of cases pending at the beginning of the year 2013-14	14993	1178
2	No of Prosecution cases filed during the period	831	6
3	Total (1&2)	15824	1184
4	Total no of cases decided during the year 2013-14	947	42
	(a) defaulters convicted with imprisonment	87	0
	(b) defaulters convicted with fine	531	28
	(c) Acquitted /Dismissed	27	0
	(d) Cases closed by the Courts	302	14
5	No. of cases withdrawn	40	2
6	Total (4+5)	987	44
7	No. of prosecution cases pending as on 31.3.2014	14837	1140

2014-2015

S.No.	Particulars	Section 85 of the ESI Act	Section 406/409 of I.P.C
1	No of cases pending at the beginning of the year 2014-15	14837	1140
2	No of Prosecution cases filed during the period	762	14
3	Total (1&2)	15599	1154
4	Total no of cases decided during the year 2014-15	1166	52
	(a) defaulters convicted with imprisonment	119	3
	(b) defaulters convicted with fine	631	29
	(c) Acquitted /Dismissed	57	7
	(d) Cases closed by the Courts	359	13
5	No. of cases withdrawn	850*	0
6	Total (4+5)	2016	52
7	No. of prosecution cases pending as on 31.3.2015	13583	1102

2015-2016

S.No	Particulars	Section 85 of the ESI Act	Section 406/409 of I.P.C
1	No of cases pending at the beginning of the year 2015-16	13583	1102
2	No of Prosecution cases filed during the period	648	1
3	Total (1&2)	14231	1103
4	Total no of cases decided during the year 2015-16	702	31
	(a) defaulters convicted with imprisonment	43	0
	(b) defaulters convicted with fine	407	8
	(c) Acquitted /Dismissed	66	1
	(d) Cases closed by the Courts	179	22
5	No. of cases withdrawn	283	0
6	Total (4+5)	985	31
7	No. of prosecution cases pending as on 31.3.2016	13246	1072

2016-2017

S.No	Particulars	Section 85 of the ESI Act	Section 406/409 of I.P.C
1	No of cases pending at the beginning of the year 2016-17	13246	1072
2	No of Prosecution cases filed during the period	502	2

** The no. of cases withdrawn as per the amnesty scheme launched by ESI Corporation as one time measure with undertaking to make compliance under the provision of the Act.*

3	Total (1&2)	13748	1074
4	Total no of cases decided during the year 2016-17	999	28
	(a) defaulters convicted with imprisonment	17	0
	(b) defaulters convicted with fine	356	0
	(c) Acquitted /Dismissed	48	18
	(d) Cases closed by the Courts	578	10
5	No. of cases withdrawn	211	9
6	Total (4+5)	1210	37
7	No. of prosecution cases pending as on 31.3.2017	12538	1037

** The no. of cases withdrawn as per the amnesty scheme launched by ESI Corporation as one time measure with undertaking to make compliance under the provision of the Act.*

STATE-WISE LIST OF ESIC/ESIS HOSPITALS

STATE	Sl. No.	LOCATION	ESIC/ESIS
ANDHRA PRADESH	1	Visakhapatnam	ESIS
	2	Vijayawada	ESIS
	3	Rajamundry	ESIS
	4	Adoni	ESIS
	5	Tirupati	ESIS
ASSAM	6	Beltola	ESIC
BIHAR	7	Phulwari sharif	ESIC
	8	Munger	ESIS
	9	Dalmia Nagar	ESIS
CHANDIGARH	10	Ram Darbar Chandigarh	ESIC
DELHI	11	Basaidarapur (ODC)	ESIC
	12	Rohini	ESIC
	13	Okhla	ESIC
	14	Jhilmil	ESIC
GOA	15	Margoa	ESIS
GUJARAT	16	Ankeleshwar	ESIC
	17	Bapu nagar	ESIC
	18	Vapi	ESIC
	19	Naroda (General Hospital)	ESIC
	20	Rajpur Hirpur	ESIS
	21	Kalol	ESIS
	22	Baroda	ESIS

	23	Surat	ESIS
	24	Rajkot	ESIS
	25	Bhavnagar	ESIS
	26	Jamnagar	ESIS
	27	Baroda (Chest)	ESIS
HARYANA	28	Faridabad (Medical College)	ESIC
	29	Gurgaon	ESIC
	30	Manesar	ESIC
	31	Jagadhari	ESIS
	32	Panipat	ESIS
	33	Ballabgarh	ESIS
	34	Bhiwani	ESIS
HIMACHAL PRADESH	35	Baddi	ESIC
	36	Parwanoo	ESIS
J & K	37	Bari Brahma, Jammu	ESIC
JHARKAND	38	Adityapur	ESIC
	39	Ranchi	ESIC
	40	Maithan	ESIS
KARNATAKA	41	Rajajinagar	ESIC
	42	Peenya	ESIC
	43	Gulbarga	ESIC
	44	Indiranagar	ESIS
	45	Dandeli	ESIS
	46	Devangare	ESIS
	47	Hubli	ESIS
	48	Mysore	ESIS
	49	Mangalore	ESIS

	50	Belgaum	ESIS
	51	Shahbad	ESIS
KERALA	52	Asramam	ESIC
	53	Ezhukone	ESIC
	54	Udyogmandal	ESIC
	55	Allepy	ESIS
	56	Ernakulam	ESIS
	57	Mulamkunnathukam	ESIS
	58	Olarikara	ESIS
	59	Palakkad	ESIS
	60	Perookada	ESIS
	61	Vadavathur	ESIS
	62	Feroke	ESIS
	63	Thottada	ESIS
MADHYA PRADESH	64	Nandanagar, Indore (ODC)	ESIC
	65	Indore (T.B.)	ESIS
	66	Ujjain	ESIS
	67	Gwalior	ESIS
	68	Bhopal	ESIS
	69	Dewas	ESIS
	70	Nagda	ESIS
ODISHA	71	Rourkela	ESIC
	72	Kansbahal	ESIS
	73	Choudwar	ESIS
	74	Jaykapur	ESIS
	75	Brajrajnagar	ESIS
	76	Bhubaneshwar	ESIS

PUDUCHERRY	77	Gorimedu	ESIS
MAHARASHTRA	78	Andheri (ODC)	ESIC
	79	Bibvewadi	ESIC
	80	Kolhapur	ESIC
	81	Ulhasnagar	ESIS
	82	Thane	ESIS
	83	Mulund	ESIS
	84	Washi	ESIS
	85	Worli	ESIS
	86	Kandivali	ESIS
	87	Sholapur	ESIS
	88	Nasik	ESIS
	89	Nagpur	ESIS
	90	Aurangabad	ESIS
	91	Chinchwad	ESIS
	92	MGM	ESIS
PUNJAB	93	Ludhiana	ESIC
	94	Amritsar	ESIS
	95	Jalandhar	ESIS
	96	Mohali	ESIS
	97	Phagwara	ESIS
	98	Hoshiarpur	ESIS
	99	Mandi Gobindgar	ESIS
	100	Rajpura	ESIS
RAJASTHAN	101	Jaipur	ESIC
	102	Bhiwadi	ESIC
	103	Alwar	ESIC

	104	Kota	ESIS
	105	Jodhpur	ESIS
	106	Bhilwara	ESIS
	107	Pali	ESIS
TAMIL NADU	108	K.K.Nagar, Chennai (ODC)	ESIC
	109	Tirunelveli	ESIC
	110	Coimbatore	ESIS
	111	Inavaram, Chennai	ESIS
	112	Madurai	ESIS
	113	Vellore	ESIS
	114	Sivakasi	ESIS
	115	Salem	ESIS
	116	Hosure	ESIS
	117	Tirucharapally	ESIS
TELANGANA	118	Sanathnagar	ESIC
	119	Sanathnagar (SS)	ESIC
	120	Ramchandrapuram	ESIS
	121	Warangal	ESIS
	122	Nacharam	ESIS
	123	Sirpurkagazanagar	ESIS
	124	Nizamabad	ESIS
UTTAR PRADESH	125	Noida	ESIC
	126	Kanpur	ESIS
	127	Kanpur(Chest)	ESIS
	128	Modinagar	ESIS
	129	Naini Allahabad	ESIS
	130	Kanpur (MAT)	ESIS

	131	Sarojini Nagar, Lucknow	ESIC
	132	Sahibabad	ESIC
	133	Agra	ESIS
	134	Saharanpur	ESIS
	135	Kidwai Nagar	ESIS
	136	Bareilly	ESIC
	137	Jajmau-Kanpur	ESIC
	138	Aligarh	ESIS
	139	Pipri	ESIS
	140	Varanasi	ESIC
WEST BENGAL	141	Joka, Thakurpur (ODC)	ESIC
	142	Asansol	ESIS
	143	Bellur Belly	ESIS
	144	Baltikuri	ESIS
	145	Gourhati	ESIS
	146	Budge-Budge	ESIS
	147	Kalyani	ESIS
	148	Manicktola	ESIS
	149	Kamarhati	ESIS
	150	Sealdah	ESIS
	151	Uluberia	ESIS
	152	Serampore	ESIS
	153	Bandel	ESIS
	154	Durgapur	ESIS

ESIC = ESI Hospitals run directly by ESI Corporation

ESIS = State run ESI Hospitals

Annexure-V**INFORMATION REGARDING EXEMPTED UNITS BY THE STATE/CENTRAL GOVERNMENT:-****1. Name of the Region - Tamilnadu**

S.No	RO/SRO	Exempted by Cent.Govt./ SG Govt.	Name of units exempted	Code No.	Sub Code No. (if any allotted)	No. of coded contractors	Compliance code Contract or (No. of IP)	No. of contractor's who have not been covered
1	Chennai	SG	Tamilnadu civil Supply Corp. Ltd.	51-00-036330-000-1002	Nil	1	Contractor is an exempted employer	Nil
2	Chennai	SG	Tamilnadu State Marketing Corp.Ltd.	51-00-076166-000-1002	Nil	1	Contractor is an exempted employer	Nil
3	Chennai	SG	Tamilnadu Handloom Weavers Cooperative Society Ltd.	51-00-015862-000-1002	Nil	2	7	Nil
4	Chennai	SG	Tamilnadu Fisheries & Development corporation Ltd.	51-00-019828-000-1002	Nil	1	Contractor is an exempted employer	Nil
5	Chennai	SG	Development Consultant Pvt. Ltd.	51-00-051641-000-1002	Nil	Nil	Nil	Nil
6	Chennai	SG	Poompuhar Shipping Corp. Ltd.	51-00-051607-000-1006	Nil	2	50	Nil
7	Chennai	SG	TN Industrial Investment Corporation Ltd.	51-00-051648-000-1099	Nil	3	47	Nil
8	Chennai	SG	TN Newsprint & Papers Ltd.	51-00-051649-000-0899	63510367390051001 & 63511036860010999	4	54	Nil
9	Chennai	SG	Texco (Tamilnadu Ex-Servicemen Corporation Ltd.)	51-00-051444-000-1018	Nil	Nil	Nil	Nil

10	Chennai	Matter is sub-judice – case No. EIOP No.27 of 2016	Blue Cross of India, Velachery, Chennai	Nil	Nil	1	3	Nil
11	Chennai	(Upto 2017 complied unto March 2014 (It was informed that there are no coverable employees	TAMPCOL (Tamilnadu Medicinal Farms & Herbal Medicine Corporation Ltd., Anna Hospital Campus, Arumbakkam, Chennai)	51-00-085905-000-0305	Nil	2	350	Nil
12	Chennai	SG	Christian Medical College	51-00-010670-000-1401	Nil	Nil	Nil	Nil
13	Chennai	SG	K Abdul Azeez Sons	51-00-023656-000-0999	Nil	Nil	Nil	Nil
14	Chennai	SG	Ninety Nine Beedi Factory	51-00-010845-000-0010	Nil	Nil	Nil	Nil
15	Chennai	SG	Aleem Beedi Works Vaniyambadi	51-00-023667-000-0010	Nil	Nil	Nil	Nil
16	Salem	SG	Karur Sarvodaya Sangh	Not registered	NA	NA	NA	Nil
17	Salem	SG	Thanjavur West Sarvodya Sangh	63-00-011818-000-1002	Nil	Nil	Nil	Nil
18	Salem	SG	TN Cements Corporation Ltd.	Not Registered	NA	NA	NA	Nil
19	Thirunelveli	SG	Arasan Beediu Co. Pvt. Ltd.	66-00-032435-000-0010	Nil	Nil	Nil	Nil
20	Tirunelveli	SG	Asal Malabar Beedi Depot Pvt. Ltd.	66-00-012488-001-0010	Nil	Nil	Nil	Nil
21	Tirunelveli	SG	Kajah Enterprises	66-00-012458-	Nil	Nil	Nil	Nil

			Pvt. Ltd.	000-0010				
22	Tirunelveli	SG	Kanyakumari Medical Mission	66-00-040864-000-1401	Nil	Nil	Nil	Nil
23	Tirunelveli	SG	MSP & Sons	66-00-012432-000-0010	66-66-012432-001-0010 , 66-66-012432-002-0010 & 66-66-012432-003-0010	Nil	Nil	Nil
24	Tirunelveli	SG	Muruga Home Industries	66-57-012438-001-0002	Nil	Nil	Nil	Nil
25	Tirunelveli	SG	N Kamaludeen Noor Sait Beedi Co.	66-00-032437-000-0010	Nil	Nil	Nil	Nil
26	Tirunelveli	SG	Seyad Home Industries Pvt. Ltd.	66-00-032639-000-0010	Nil	Nil	Nil	Nil
27	Tirunelveli	SG	Seydu Beedi Company	66-00-012240-000-0010	Nil	Nil	Nil	Nil
			South TN Beedi Mfg. Assam	-	Nil	Nil	Nil	Nil
			5 No. Beedi Factory	66-00-032441-000-0010	Nil	Nil	NIL	Nil
			Chandrika Beedi Co.	66-00-032475-002-1002	66310324750011002 & 66310324750001002	Nil	Nil	Nil
			A. Abdul Lathif & Co.	66-00-032471-000-0010	Nil	Nil	Nil	Nil
			J.P.Tobacco Ltd.	66-00-032179-000-0010	Nil	Nil	Nil	Nil
28	Tirunelveli	SG	Cee Jay Tobacco Ltd.	66-00-032440-000-0010	Nil	Nil	Nil	Nil
			S Abdul Rasheed	66-00-032471-000-0010	Nil	Nil	Nil	Nil

			Devendra Trading Co.	66-00-032476-000-0010	Nil	Nil	Nil	Nil
			A. Abdul kareem	66-00-032471-000-0010	Nil	Nil	Nil	Nil
			MRS Beedi Co.	66-00-032438-000-0010	Nil	Nil	Nil	Nil
			Jothimaan Beedi Co.	66-00-033203-000-0010	Nil	Nil	Nil	Nil
			King Beedi Co.	66-00-032473-000-0010	Nil	Nil	Nil	Nil
29	Tirunelveli	SG	Tirunelveli Dt. Co-op Milk Producers Union Ltd.	66-00-031367-000-0002	Nil	Nil	Nil	Nil
30	Tirunelveli	SG	TN Abdul kader Noor Sait Beedi	66-00-032436-000-0010	Nil	Nil	Nil	Nil
31	Tirunelveli	SG	TN Beedi Mrfrs Assn.	No such unit	Nil	Nil	Nil	Nil
32	Tirunelveli	SG	TN Kamaludeen Noor Sail Beedi Co.	66-00-032437-000-0010	Nil	Nil	Nil	Nil
33	Madurai	SG	Dindigul distt. Co-op Milk Producers Union Ltd.	57-00-010325-000-0002	Nil	Nil	Nil	Nil
34	Madurai	SG	Maduri Distt. Co-op Milk Producers Union Ltd.	-	Nil	Nil	Nil	Nil
35	Madurai	SG	Sivagangai Dt. Co-op Milk Producers Union Ltd.	57-50036	Nil	Nil	Nil	Nil
36	Madurai	SG	TN Asbestos	57-29805	Nil	Nil	Nil	Nil

• Name of the Region - Maharashtra

S.No	RO/SRO	Exempted by Cent.Govt./ SG Govt.	Name of units exempted	Code No.	Sub Code No. (if any allotted)	No. of coded contractors	Compliance code Contractor (No. of IP)	No. of contractor's who have not been covered
1	Mumbai	SG	M/s National Plasma Fractionation Center.	31-00-040111-000-1100	-	-	-	-
2	Mumbai	SG	M/s Apna Bhandar Maharashtra Ltd.	31-00-030308-000-1000	-	-	-	-
3	Mumbai	SG	M/s Maharashtra State Co-op. Consumers Federation Ltd.	31-00-018875-000-1000	-	-	-	-
4	Mumbai	SG	M/s Maharashtra State Road Transport Corporation	31-00-954200-000-0100	-	-	-	-
5	Mumbai	Central Govt.	Rashtriya Chemicals and Fertilizers	31-00-103561-000-1001	-	31-00-049471-000-1001	28	-
						31-00-046225-000-0699	22	-
						31-00-037759-000-1001	28	-
						31-00-037313-000-1002	21	-
						31-00-102100-000-1001	4	-
						31-00-043828-000-1001	47	-
						31-00-048895-000-1001	64	-
						31-00-037769-000-1001	715	-
						34-33-	5334	-

						011082-001-0999		
						35-00-017482-000-1002	495	-
						31-00-043670-000-1001	79	-
						31-00-029083-000-1002	58	-
						31-00-048718-000-1001	44	-
						35-00-017482-000-1002	495	-
						31-00-070088-000-0699	89	-
						31-00-037764-000-1001	52	-
						31-00-048527-000-1001	58	-
						31-00-039133-000-1002	9	-
						31-00-049130-000-1001	9	-
						31-00-043218-000-1002	73	-
						31-00-015572-000-1099	3	-
						31-00-037313-000-1002	21	-
						35-00-017482-000-1002	495	-
						35-00-001457-000-1099	33	-
						31-00-029802-000-1001	7110	-
						31-00-046870-000-1001	18	-
						35-00-022612-	24	-

						000-0699		
						31-00-046225-000-0699	22	-
						31-00-049596-000-0699	86	-
						31-00-037859-000-1001	32	-
						34-00-016760-000-1001	35	-
						31-00-049112-000-1001	504	-
						35-00-013711-000-1007	11	-
						34-00-000053-000-0606	12	-
						34-00-000689-000-1001	1	-
						31-00-037740-000-0599	19	-
						34-00-004813-000-1021	7	-
						33-00-033781-000-0999	1555	-
						31-00-033252-000-0607	23	-
						31-00-037775-000-1001	5	-
						34-00-016565-000-1001	747	-
						34-00-028421-000-1001	12	-
						34-00-011235-000-0506	71	-
						31-00-103724-000-1099	4	-
						31-00-043189-000-0299	12	-

						31-00-101594-000-0606	64	-
						34-00-027787-000-0699	102	-
						31-00-103561-000-1001	-	-
						31-00-027633-000-0699	4	-
						35-00-000748-000-0699	3	-
6	Mumbai	SG	Grocery Markestes & Shops board for Greater Bombay	31-00-031516-000-1002	-	-	-	-
7	Mumbai	SG	Maharashtra Tourism Development Corporation Ltd.	31-00-018649-000-1002	-	-	-	-
8	Mumbai	SG	Bombay Iron Steel Labour Board	31-00-031540-000-1010	-	-	-	-
9	Mumbai	SG	Goods Transport Labour Board for Creater Bombay	31-00-031539-000-1002	-	-	-	-
10	Mumbai	SG	Cotton Market Labour Board	31-00-031321-000-1019	-	-	-	-
11	Mumbai	Cent. Govt.	M/s Indian Farmers Fertilizers Co. Opt. Ltd. (IFFCO)	31-00-036309-000-1000	-	1. Dirt Busters India Pvt. Ltd.	Compliance for Jan 18 in r/o 2069 employees Rs.4,88,199/-	-
						2. Security Guard Board for Brihan Mumbai and thane Distt. 34-00-006068-000-1018	Compliance for feb 18 in r/o 36593 employees Rs.2,36,90,397	-
12	Mumbai	SG	M/s Maharashtra State	31-00-004872-000-	-	NA	-	-

			Electricity Distribution Co. Ltd.	1000				
13	Thane	SG	M/s Thane Parivahan Seva	34-00-006071-000-1000	Nil	1	97	Nil
14	Thane	SG	M/s Maharashtra State Road Transport Depot	34-00-006176-000-1006	Nil	Nil	Nil	Nil
15	Thane	SG	M/s MSEB Maharashtra State Electricity Board	34-00-0142060-000-0905	Nil	Nil	Nil	Nil
16	Thane	SG	M/s Kamal Asbestos Cement Products	34-00-014276-000-0408	Nil	Nil	Nil	Nil
17	Thane	SG	M/ Maharashtra State Electricity Board	34-00-010978-000-0999	NA	NA	NA	NA
18	Thane	SG	M/s Navi Mumbai Municipal Transport	34-00-01104-000-1006	NA	NA	NA	NA
19	Thane	SG	M/s CIDCO	34-00-011045-000-1099	NA	15	8273	36
20	Thane	SG	Maharashtra Jivan Pradhikaran	34-00-030500-000-0012	-	-	NA	NA
21	Aurangabad	SG	M/s Jawahar shetkari Sahakari Soot Girni	25-00-004375-000-1011	NA	NA	NA	NA
22	Pune	SG	MSRTC	3027	NA	NA	NA	NA
23	Pune	SG	M/s Maharashtra Mathadi & Other Manual Workers, Pimpri chwd.	30889	NA	NA	NA	NA
24	Pune	SG	M/s Maharashtra Mathadi & Other Manual Workers, Pune	30892	NA	NA	NA	NA
25	Pune	SG	M/s Maharashtra State Textile	3324	NA	NA	NA	NA

			Corporation Ltd.					
26	Pune	SG	M/s Pune Mahanagarपालिका Mudranalaya	3560	NA	NA	NA	NA
27	Pune	SG	M/s Vehicle Depot Pune	4257	NA	NA	NA	NA
28	Pune	SG	M/s Parvati Water Works, Pune	4246	NA	NA	NA	NA
29	Pune	SG	M/s Audyogik Tantra Shikshan Sanshtha Chinchwad	3381	NA	NA	NA	NA
30	Pune	SG	M/s Maharashtra Sate Warehousing Corporation	30131	NA	NA	NA	NA
31	Nagpur	SG	M/s Sunflag Iron & steel Industries, Nagpur	23-3037-102	-	-	-	-
32	Nagpur	SG	M/s Maharashtra Electros melt Ltd. Chandrapur	23-1789-56	-	-	-	-
33	Nagpur	SG	M/s Maharashtra State Road Transport Corporation, Nagpur	23-0694-74	-	-	-	-
34	Nagpur	SG	M/s MSRTC Nagpur	23-0694-106	-	-	-	-
35	Nagpur	SG	M/s MSRTC Nagpur, Nagpur	23-1223-90	-	-	-	-
36	Nagpur	SG	M/s MSRTC Nagpur, (R.O.)	23-1524-106	-	-	-	-
37	Nagpur	SG	M/s MSRTC Nagpur, Amravati	23-0887-74	-	-	-	-
38	Nagpur	SG	M/s MSRTC, Akola	23-1139-74	-	-	-	-
39	Nagpur	SG	M/s MSRTC, Nagpur, Akola	23-1244-74	-	-	-	-
40	Nagpur	SG	M/s MSRTC, nagpur, Amravati	23-1284-74	-	-	-	-
41	Nagpur	SG	M/s MSRTC,	23-	-	-	-	-

			Nagpur, Amravati	1357-74				
42	Nagpur	SG	M/s MSRTC, nagpur, Hinghanghat	23- 1643-74	-	-	-	-
43	Nagpur	SG	M/s MSRTC, Nagpur, Hinghanghat	23- 1643- 106	-	-	-	-
44	Nagpur	SG	M/s MSRTC, nagpur, Akola	23- 1914-74	-	-	-	-
45	Nagpur	SG	M/s Bhandewadi Sewerage Treatment Plant, Pardi, Nagpur	23- 2426-97	-	-	-	-
46	Nagpur	SG	M/s Maharashtra water supply & Severage, Board, Chandrapur	23- 1866-97	-	-	-	-
47	Nagpur	SG	M/s Maharashtra Water Supply & Severage Board, Chandrapur	23- 1951-97	-	-	-	-
48	Nagpur	SG	M/s Gorewada Pumping Station, Nagpur	23- 0398-97	-	-	-	-
49	Nagpur	SG	M/s Corporation Printing Press, nagpur	23- 0403-91	-	-	-	-
50	Nagpur	SG	M/s Kanhan Water Works, nagpur	-	-	-	-	-
51	Nagpur	SG	Maharashtra State Seed Corporation, Akola	23- 1906- 009	-	-	-	-
52	Nagpur	SG	M/s Dadasaheb kambhare, Bidi Utpadak Sahakari sangh	23- 2615-10	-	-	-	-
53	Marol	SG	-	-	Nil	-	-	-
54	Nasik	SG	-	-	Nil	-	-	-

• Name of the Region - Kerala

S.No	RO/SRO	Exempted by Cent.Govt./ SG Govt.	Name of units exempted	Code No.	Sub Code No. (if any allotted)	No. of coded contracts	Compliance code Contract or (No. of IP)	No. of contractor's who have not been covered
1	Thrissur	SG	M/s Kajah Company, Chavakkad, Thrissur	54-00-007805-000-0010	Nil	1	Usman And Company (Code 54-00-023709-000-1099) - 52 Ips	Nil
2	Thrissur	SG	M/s Seventh Day Adventist Hospital, Ottappalam	54-00-0167690-000-1401	Nil	Nil	Nil	Nil
3	Kollam	SG	M/s Amrita Vidyalaya Peroor, Kollam	48-00-030657-000-1302	Nil	Nil	Nil	Nil
4	Kollam	SG	M/s Amrita Sanskrit Higher Secondary School, Parippally	48-00-031284-000-1302	Nil	Nil	Nil	Nil
5	Kollam	SG	M/s Amrita Viswavidyapeetom,	48-00-033647-000-1302	Nil	Nil	Nil	Nil
6	Kollam	SG	M/s Amrita School of Ayurveda	48-00-033648-000-1302	Nil	Nil	Nil	Nil
7	Kollam	SG	M/s Amrita Vidyalayam, Puthiyakavu	48-00-033649-000-1302	Nil	Nil	Nil	Nil
8	Kollam	SG	M/s Amrita Vidyalayam, Harippad	48-00-033650-000-1302	Nil	Nil	Nil	Nil
9	Kollam	SG	The Kerala Mines & Metals Ltd., Chavara	48-00-02558-000-0501	Nil	Nil	Nil	Nil
10	Thiruvananthapuram	SG	M/s Travancore Titanium Products Ltd.	78-00-000358-000-0301	Nil	Nil	Nil	Nil

11	Thiruvananthapuram	SG	M/s Kerala Automobiles Ltd.	78-00-005067-000-0704	Nil	Nil	Nil	Nil
12	Ernakulam	SG	Amrita Institute of Medical Sciences	47-00-017050-000-1401	Nil	Nil	Nil	Nil
13	Ernakulam	SG	Karunabhavan Center	47-00-062289-000-0999	Nil	Nil	Nil	Nil
14	Ernakulam	Cent.Govt.	M/s Indian Rare Earth Ltd.	47-00-000397-000-0301	Nil	Nil	Nil	Nil
15	Ernakulam	Cent.Govt.	M/s Hindustan Newsprint Ltd., Kottayam	47-00-004722-000-0800	Nil	Nil	Nil	Nil
16	Kozhikode	SG	B Narayan Pai and Company	72-00-007392-000-0010	Nil	Nil	Nil	Nil
17	Kozhikode	SG	Badagara Beedi Workers Industrial Co-op, Society Ltd.	72-00-008137-000-0010	Nil	Nil	Nil	Nil
18	Kozhikode	SG	Cannanore Beedies Pvt. Ltd.	72-00-008160-000-0010	Nil	Nil	Nil	Nil
19	Kozhikode	SG	Cannanore Town Beedi Workers Co. op soc. Kannur	72-00-003022-000-0010	Nil	Nil	Nil	Nil
20	Kozhikode	SG	Chala Beedi Workers Central Co.Op Soc. Chala	72-00-003019-000-0010	Nil	Nil	Nil	Nil
21	Kozhikode	SG	Chala Beedi Workes Ind. Co. Op. Society	72-00-015662-000-0010	Nil	Nil	Nil	Nil
22	Kozhikode	SG	Chala Beedi Workers Ind. Co.OP. Soc. Kannur	72-00-015663-000-0010	Nil	Nil	Nil	Nil
23	Kozhikode	SG	Chalai Beedi Workers Central Co.OP. Society. Kannur	72-00-003025-000-0010	Nil	Nil	Nil	Nil
24	Kozhikode	SG	Dharamadom Beedi Workers Indl.Co.OP.Soc.	72-00-003028-000-	Nil	Nil	Nil	Nil

				0010				
25	Kozhikode	SG	Hosdurg Beedi Workers Industrial Co-op, Society, Ltd.	72-00-004721-000-1002	Nil	Nil	Nil	Nil
26	Kozhikode	SG	Kadiroor Beedi Workers Indl.Co.Op. Soc	72-00-003027-000-0010	Nil	Nil	Nil	Nil
27	Kozhikode	SG	Kakkod Beedi Workers Central Co. Op. Soc. Kannur	72-00-003024-000-0010	Nil	Nil	Nil	Nil
28	Kozhikode	SG	Kannur City Beedi Workers Central Co.Op.Kannur	72-00-003023-000-0010	Nil	Nil	Nil	Nil
29	Kozhikode	SG	Kerala Dinesh Beedi	72-00-015659-000-0010	Nil	Nil	Nil	Nil
30	Kozhikode	SG	Kerala Dinesh Beedi	72-00-015660-000-0010	Nil	Nil	Nil	Nil
31	Kozhikode	SG	Keral Dinesh Beedi	72-00-015661-000-0010	Nil	Nil	Nil	Nil
32	Kozhikode	SG	Keral Dinesh Beendi Payyanur Beedi Workers” Indl. (Service Type) Co-Op. Soceity Ltd.	72-00-031297-000-0999	Nil	Nil	Nil	Nil
33	Kozhikode	SG	Kerala dinesh Beedi workers” Central Co-op society Ltd.	72-00-003018-000-0010	Nil	Nil	Nil	Nil
34	Kozhikode	SG	Kottachery Beedi Workers Industrial Co-op society Ltd.	72-00-009386-000-0010	Nil	Nil	Nil	Nil
35	Kozhikode	SG	Pinarayi Beedi Workers Indl. Co. op. Society	72-00-003029-000-0010	Nil	Nil	Nil	Nil
36	Kozhikode	SG	Tellicherry Beedi Workers Indl. Co.op. Society	72-00-003026-000-0010	Nil	Nil	Nil	Nil
37	Kozhikode	SG	Thottoda Beedi Workers Central Co. Op. Society	72-00-003020-000-0010	Nil	Nil	Nil	Nil

			Thottada					
38	Kozhikode	SG	Veliyannor Beedi Workers Central Co.op. S. Veliyannur	72-00- 003021 -000- 0010	Nil	Nil	Nil	Nil

• **Name of the Region** - **Jharkhand**

S.No	RO/SRO	Exempted by Cent.Govt./ SG Govt.	Name of units exempted	Code No.	Sub Code No. (if any allotted)	No. of coded contractors	Compliance code Contractor (No. of IP)	No. of contractor's who have not been covered
1	Ranchi	SG	M/s ISWP Jamshedpur	60-00-00101 7-000-0503	No Sub code allotted	34	659	NA
2	Ranchi	SG	M/s RTF LTD	60-00-00113 1-000-0605	(1)33600156420010606 (2)33600156420020606	23	691	NA
3	Ranchi	SG	M/s Jusco Jamshedpur	60-00-01705 6-000-1001	(1)73600176560011001 (2)44600170560011001	162	4585	NA
4	Ranchi	SG	M/s Tata Commins	60-00-01564 2-000-0606	No Sub code allotted	25	682	NA
5	Ranchi	SG	M/s TML Drivelins	60-00-01564 3-000-0606	No Sub code allotted	40	1087	NA
6	Ranchi	SG	M/s Jemco	60-00-00101 3-000-0699	No Sub code allotted	17	139	NA
7	Ranchi	SG	Jawahar Vidya Mandir Ranchi	60-00-01333 7-000-1302	No Sub code allotted	No contractor Listed	-	NA
8	Ranchi	SG	M/s MN Dastoor & Company	60-00-00185 2-000-1019	No Sub Code allotted	2	54	NA
9	Ranchi	SG	*M/s Tayo Rolls Ltd.	60-11616 6	No Sub Code allotted	Data not received	-	NA
10	Ranchi	SG	M/s	60-00-	No Sub Code Allotted	65	1053	NA

			Tinplate Company of India ltd.	00109 0-000-0501				
11	Ranchi	SG	M/s Tata Pigments Jamshedpur	60-00-00010 7-100-0306	No Sub code Alloted	7	3715	NA
12	Ranchi	SG	*M/s Tata Steel	60-00-00104 7-000-0503	1) 60-60-001047-128-0503 2) 60-60-001047-124-0503 3) 60-60-001047-123-0503 4) 60-60-001047-127-0503	Data Not Received		

*** M/s Tayo Rolls Ltd. & M/s Tata Steel is also exempted by State government. The numbers of coded contractors list still not received.**

- **Name of the Region** - **Karnataka**

S.No	RO/SRO	Exempted by Cent.Govt./S G Govt.	Name of units exempted	Code No.	Sub Code No. (if any allotted)	No. of coded contractors	Compliance code Contractor (No. of IP)	No. of contractor's who have not been covered
1	Karnataka	Cent. Govt.	Central Silk Board, Bangalore	52-7148-19	-	1. 53-10967-101 2. 53-33835-1001	-	-
2	Karnataka	SG	Mangalore Ganesh Beedi Works, Mysore	53-5932-101	-	No Contractor	-	-
3	Karnataka	SG	Jyothi Home Industries, Mysore	53-8322	-	No Contractor	-	-
4	Karnataka	SG	Gadag Co-op Cotton Sale Society Ltd., Gadag	53-5758-101	-	No Contractor	-	-
5	Karnataka	Cent.Govt.	Bharat Earth Movers, Bangalore	53-1046	-	NA	-	-
6	Karnataka	SG	Ananad Tobacco Products, Mangalore	53-7701-101	-	NA	-	-
7	Karnataka	SG	KSRTC/BTS,	53-	-	1. 49-	-	-

			Bangalore	0297		14265-506 2. 53-39332-999 3. 53-16523-1001 4. 53-27099-1001 5.53-29482-1099		
8	Karnataka	SG	Karntaka State Co-op Marketing Federation, Bangalore	53-6253	-	No Contractor	-	-
9	Karnataka	SG	Karnataka State Ware Housing Corporation Ltd., Bangalore	53-8468	-	No Contractor	-	-
10	Karnataka	SG	Bharat Beedi Works Ltd., Mangalore	53-5623-101	-	NA	-	-
11	Karnataka	SG	Academy of Music, Chowdaiah Memorial Hall, Bangalore	53-7927-101	-	No Contractor	-	-
12	Karnataka	SG	Karnataka State Small Industries Development Corporation Ltd., Bangalore	53-6375-101	-	No Contractor	-	-
13	Karnataka	SG	Karnataka State Seeds Corporation, ltd., Bangalore	53-7585	-	No Contractor	-	-
14	Karnataka	SG	HOPCOMS Ltd.	53-6730	-	NA		-
15	Karnataka	SG	South Kanara Home Industries, mangalore	53-12898-90	-	NA	-	
16	Karnataka	SG	PVS Beedies Pvt. Ltd., Mangalore	53-5622-01	-	NA	-	
17	Karnataka	SG	P & J Tabacco Products, Mangalore	-	-	NA	-	
18	Karnataka	SG	Prakash	-	-	NA	-	-

			Beedies Ltd., Mangalore					
19	Karnataka	SG	The Nursery Man Co-op Society Ltd., bangalore	53- 4566	-	NA	-	
20	Karnataka	SG	Ceejay Tobacco Ltd., Ullal, Mangalore	-		NA	-	
21	Karnataka	SG	Desai Brothers Ltd., Mangalore	-	-	NA	-	-
22	Karnataka	SG	JP tobacco Products Ltd., Uppainangadi , Puttur Tq., Dakshina Kannada	-	-	NA	-	-
23	Karnataka	SG	Prabhudas Kishordas Tobacco Products Ltd., Mangalore	-	-	NA		-
24	Karnataka	SG	Southern India Beedi Works, puttur, Dakshina Kannada	-	-	NA	-	-
25	Karnataka	SG	Bellary Handloom Weavers Co- op Production & Sales Society, Ballary.	53- 8223	-	NA	-	-
26	Karnataka	SG	Deepak Enterprises, Manglore	-	-	NA	-	
27	Karnataka	SG	Gurukrupa Beedi Industries Pvt. Ltd., Bantwal, Mangalore	-	-	NA	-	-
28	Karnataka	SG	Venkatesha Educational society, bangalore.	53- 30097	-	NA	-	-

- **Name of the Region** - **Uttar Pradesh**

S.No	RO/SRO	Exempted by Cent.Govt./SG Govt.	Name of units exempted	Code No.	Sub Code No. (if any allotted)	No. of coded contractors	Compliance code Contractor (No. of IP)	No. of contractor's who have not been covered
1	Kanpur	SG	Kiya Krishi Karmshala Alig.	21-00-077640-000-0510	-	-	-	-
2	Kanpur	SG	EFFCO Foolpur, Allahabad	-	-	-	-	-
3	Noida	Cent.Govt.	Krishak Bharti Coop. Limited (KIRBHCO)	NA	NA	2	4	NA

- **Name of the Region** - **Chattisgarh**

S.No	RO/SRO	Exempted by Cent.Govt./SG Govt.	Name of units exempted	Code No.	Sub Code No. (if any allotted)	No. of coded contractors	Compliance code Contractor (No. of IP)	No. of contractor's who have not been covered
1	Raipur	Cent.Govt.	Bhilai Steel Plant	59-00-000427-000-0502	-	414	15506	-

- **Name of the Region** - **Gujarat**

S.No	RO/SRO	Exempted by Cent.Govt./SG Govt.	Name of units exempted	Code No.	Sub Code No. (if any allotted)	No. of coded contractors	Compliance code Contractor (No. of IP)	No. of contractor's who have not been covered
1	Ahmedabad	SG	Mehsana District Co-op	37-12388	NA	NA	NA	NA

			Milk Producers Union Ltd.					
2	Ahmedabad	SG	Gujarat State road Transport Corporation (3 units)	37-6232/5435/6089/6384/7923/6	NA	NA	NA	NA
3	Ahmedabad	SG	Gujarat Tubewell workshop (Div.8)	37-10815	NA	NA	NA	NA
4	Ahmedabad	SG	Corona Verified Tiles	37-00-050228-000-0405	NA	NA	NA	NA
5	Ahmedabad	SG	Magnum Ceramic Pvt. Ltd.	37-00-050192-000-0405	NA	NA	NA	NA
6	Ahmedabad	SG	Oscar Ceramics	37-00-050213-000-0405	NA	NA	NA	NA
7	Ahmedabad	SG	Boss Ceramics	37-00-050202-000-0405	NA	NA	NA	NA
8	Ahmedabad	SG	Ajanta TIP.	37-00-108498-000-0699	NA	NA	NA	NA
9	Vadodara	SG	Gujarat Uria Vikas Nigam Ltd.	37-1766/7985	NA	NA	NA	NA
10	Ahmedabad	SG	Jamnagar Municipal Corporation	37-1052	NA	NA	NA	NA
11	Ahmedabad	SG	Gujarat State Cotton Federation Ltd.	37-16696	NA	NA	NA	NA
12	Surat	Cent.Govt.	Krishank Bharti Co-operative Ltd. (KRIBHCO)	39-00-051513-000-0302	-	40*	954*	Nil*
13	Surat	Cent.Govt.	GAIL (India) Ltd.	39-00-053047-000-0999	-	27*	180*	NIL*

[*As per IR Dated 19.10.2015 & 30.06.2017]

• **Name of the Region** - **Bihar**

S.No	RO/SRO	Exempted by Cent.Govt./SG Govt.	Name of units exempted	Code No.	Sub Code No. (if any allotted)	No. of coded contractors	Compliance code Contractor (No. of IP)	No. of contractor's who have not been covered
1	Patna	SG	M/s Kurji Holy Family Hospital	42-00-012098-000-1401	NA	NA	NA	NA
2	Patna	SG	M/s Tripolia Social Service	42-00-012109-000-1401	NA	NA	NA	NA

• **Name of the Region** - **Madhya Pradesh**

S.No	RO/SRO	Exempted by Cent.Govt./SG Govt.	Name of units exempted	Code No.	Sub Code No. (if any allotted)	No. of coded contractors	Compliance code Contractor (No. of IP)	No. of contractor's who have not been covered
1	Bhopal	SG	M/s Calderys India Refractories Ltd., Katni	18-00-000263-000-0406	NA	NA	NA	NA
2	Bhopal	SG	M/s Indian Coffee Workers Co-operative Society, Ltd., Jabalpur	18-00-007828-000-1101	NA	NA	NA	NA
3	Bhopal	SG	M/s Jaiprakash Associated Rewa (J.P.Rewa)	18-00-015573-000-0406	NA	NA	NA	NA
4	Indore	SG	Ujjain Charitable Trust Hospital & Research Centre, Ujjain	18-00-016923-000-1401	NA	NA	NA	NA

• **Name of the Region** - **Rajasthan**

S.No	RO/SRO	Exempted by Cent.Govt./SG Govt.	Name of units exempted	Code No.	Sub Code No. (if any allotted)	No. of coded contractors	Compliance code Contractor (No. of IP)	No. of contractor's who have not been covered
1	Jaipur	SG	RSWM	15-00-152585-000-0105	-	-	-	-
2	Jaipur	SG	Shree Cement, Bangar Nagar,	15-00-017453-000-0406	-	-	-	-
3	Jaipur	SG	J.K.Cement, Ras Rabariawas	-	-	-	-	-
4	Jaipur	SG	Shree Cement, Ras Rabariawas	1500-046275-000-0406	-	-	-	-
5	Jaipur	SG	J.K.Cement, Kailash Nagar	-	-	-	-	-
6	Jaipur	SG	ACC Cement Ltd.	15-00-004039-000-0406	-	-	-	-
7	Jaipur	SG	RSWM (FABRIC)	16-00-052797-000-0107	-	-	-	-
8	Jaipur	SG	BMD Pvt. Ltd.	16-00-052798-000-0107	-	-	-	-
9	Jaipur	SG	RSWM (Power Plant)	16-00-052796-000-0905	-	-	-	-
10	Jaipur	SG	RSWM (Denim)	16-50-005280-400-00105	-	-	-	-
11	Jaipur	SG	Wonder Cement	-	-	-	-	-
12	Jaipur	SG	Shree Cement Ltd.	15-00-055936-000-0406	-	-	-	-

• Name of the Region - Orissa

S.No	RO/SRO	Exempted by Cent.Govt./SG Govt.	Name of units exempted	Code No.	Sub Code No. (if any allotted)	No. of coded contractors	Compliance code Contractor (No. of IP)	No. of contractor's who have not been covered
1	Odisha	Cent.Govt.	M/s Nalco (Smelter Plant), Angul	44-0000-3482-000-0095	-	105	4130	Nil
			M/s Nalco (CaptivePower Plant), Angul	44-0000-3488-000-0095	-	68	2051	Nil
			M/s Nalco (Corporate Office)	44-0000-3331-000-0101	-	16	351	Nil
2	Odisha	Cent.Govt.	M/s IFFCO	44-0000-6820-000-0301	-	67	3328	Nil
3	Odisha	Cent.Govt.	M/s Rourkela Steel Plant	44-0000-1302-000-0501	-	405	13543	Nil

• Name of the Region - Punjab

S.No	RO/SRO	Exempted by Cent.Govt./S G Govt.	Name of units exempted	Code No.	Sub Code No. (if any allotted)	No. of coded contractors	Compliance code Contractor (No. of IP)	No. of contractor's who have not been covered
1	Punjab	Cent.Govt.	M/s National Fertilizers Limited, Nangal	12-00-060143-000-3001	-	25	626	Nil
2	Punjab	Cent.Govt.	M/s National Fertilizers Limited, Bhatinda	12-00-0342015-000-0101	-	18	450	2
3	Punjab	Centl.Govt.	M/s	12-00-	-	5	53	1

			Hindustan Insecticide s Limited, Bhatinda	061001- 0000- 00999				
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• **Name of the Region** - **Haryana**

S.No	RO/SRO	Exempted by Cent.Govt./SG Govt.	Name of units exempted	Code No.	Sub Code No. (if any alloted)	No. of coded contractors	Compliance code Contractor (No. of IP)	No. of contractor's who have not been covered
1	Faridabad	SG	Haryana Roadways, Bhiwani	7877	-	-	-	-
2	Faridabad	SG	Haryana Roadways, Rohtak	6070	-	-	-	-
3	Faridabad	SG	Haryana Roadways, Hissar	5214	-	-	-	-
4	Faridabad	SG	Haryana Roadways, Charkhi, Dadri	7950	-	-	-	-

• **Name of the Region** - **Andhra Pradesh**

S.No	RO/SRO	Exempted by Cent.Govt./S G Govt.	Name of units exempted	Code No.	Sub Code No. (if any alloted)	No. of coded contractor s	Compliance code Contractor (No. of IP)	No. of contractor' s who have not been covered
1	A.P.	SG	Tobacco Units	Nil	Nil	Nil	Nil	Nil
2	A.P.	SG	M/s Guntur district Milk Products Mutually aided Co- op Union (Sangam Dairy)	Nil	Nil	Nil	Nil	Nil
3	Vishakhapatna m	SG	Navy School	70-00- 034649 -000- 1301	Nil	Nil	Nil	Nil

• **Name of the Region** - **Assam (including all North-East States)**

S.No	RO/SRO	Exempted by Cent.Govt./S G Govt.	Name of units exempted	Code No.	Sub Code No. (if any allotted)	No. of coded contractors	Compliance code Contractor (No. of IP)	No. of contractor's who have not been covered
1	Guwahati	Cent.Govt.	Hindustan Paper Corporation	43-00-002827-000-0801	Yes	52	1152	
2	Guwahati	SG	Shillong Hydro Electric	43-00-001136-000-0699	No	-	-	-
3	Guwahati	SG	Govt. Press	43-00-001228-000-1005	No	-	-	-
4	Guwahati	SG	MSTC (Central W/Shop)	43-00-001229-000-0999	No	-	-	-
5	Guwahati	SG	Assam Co-operative Jute Mills	43-00-001596-000-0102	No	-	-	-
6	Guwahati	SG	Govt. Fruits Preservation	43-00-001959-000-0003	No	-	-	-
7	Guwahati	SG	PWD Workshop	43-00-001979-000-0999	No	-	-	-
8	Guwahati	SG	Shillong Tourists Hotel	43-00-002920-000-1102	No	-	-	-

**** "NIL" position in respect of all other states.**

STANDING COMMITTEE ON LABOUR

(2014-15)

Minutes of the Fifteenth Sitting of the Committee

The Committee sat on 2nd February, 2015 from 1430 hrs. to 1600 hrs. in Committee Room 'E', Parliament House Annexe, New Delhi.

PRESENT

Dr. Virendra Kumar – Chairperson

MEMBERS

LOK SABHA

2. Shri Rajesh Kumar Diwakar
3. Shri Satish Chandra Dubey
4. Shri C.N. Jayadevan
5. Shri Bahadur Singh Koli
6. Shri Kaushalendra Kumar
7. Shri Hari Manjhi

RAJYA SABHA

8. Shri Aayanur Manjunatha
9. Shri G.N. Ratanpuri
10. Shri Tapan Kumar Sen
11. Shri Rajaram

SECRETARIAT

- | | | |
|---------------------------|---|----------------------|
| 1. Shri Devender Singh | - | Additional Secretary |
| 2. Shri Ashok Sajwan | - | Director |
| 3. Shri D.R. Mohanty | - | Deputy Secretary |
| 4. Smt. Archana Srivastva | - | Under Secretary |

Witnesses

REPRESENTATIVES OF THE MINISTRY OF LABOUR AND EMPLOYMENT

1.	Smt. Gauri Kumar	Secretary
2.	Shri Deepak Kumar	Additional Secretary
3.	Shri Manish Kumar Gupta	Joint Secretary
4.	Ms. Meenakshi Gupta	Joint Secretary/Financial Advisor
5.	Shri A.K. Agarwal	Director General (ESIC)
6.	Dr. S.R. Chauhan	Medical Commissioner
7.	Shri Jose Cherian	Insurance Commissioner
8.	Shri Arun Kumar	Additional Commissioner (Revenue)
9.	Shri S.K. Garg	Additional Commissioner (ICT)
10.	Shri Arun Kumar Sinha	Additional Commissioner (P&A)
11.	Dr. R.K. Kataria	DMC
12.	Shri Vivek Handa	DMC

2. At the outset, the Chairperson welcomed the Members and the representatives of the Ministry of Labour and Employment to the sitting of the Committee, convened to have a briefing by the Ministry on the subject 'The Employees' State Insurance Corporation—coverage of establishments, recovery of arrears and functioning of the hospitals and dispensaries under the Scheme'. Impressing upon the witnesses to keep the proceedings of the Committee 'Confidential', the Chairperson asked the Secretary, Ministry of Labour and Employment to give a brief account of the subject matter highlighting *inter-alia* the objective, scope, funding pattern, system for monitoring and control etc. of the Scheme.

3. The Secretary, Ministry of Labour and Employment accordingly gave a power-point presentation on the subject matter covering the following points:

- (i). Measures for expeditious issuance of I-cards to beneficiaries.
- (ii). Initiatives taken to resolve the grievances of ESI beneficiaries.
- (iii). Reasons for non-filling of vacant posts
- (iv). Streamlining the Recruitment Procedure
- (v). Shortage of medicines and medical equipments
- (vi). Computerization of ESIC.
- (vii). Digitisation of project `Panchdeep'-through e-Kranti to bring efficiency, transparency and accountability in different activities of ESIC.
- (viii). A special drive for extension of coverage under ESIC.
- (ix). Better coordination between General Medical System, Health System and ESIC as per MOU signed with the Union Ministry of Health and Family Welfare.
- (x). Establishment of a Central Analysis and Intelligence Unit for redressal of complaints.
- (xi). Streamlining of Super-Specialty Services.

4. The representatives of the Ministry also responded to various queries of the Members.

5. As some queries required detailed and statistical reply, the Chairperson asked the Secretary, Ministry of Labour and Employment to furnish written reply on them within a fortnight. The Secretary assured to comply.

6. The Chairperson thanked the representatives of the Ministry for appearing before the Committee as well as for furnishing the requisite information on the subject matter.

The witnesses then withdrew

[A copy of the verbatim proceedings was kept on record]

The Committee then adjourned.

STANDING COMMITTEE ON LABOUR

(2015-16)

Minutes of the Eighth Sitting of the Committee

The Committee sat on 15^h January, 2016 from 1130 hrs. to 1315 hrs. in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

Dr. Virendra Kumar – CHAIRPERSON

MEMBERS

LOK SABHA

2. Shri Rajesh Kumar Diwakar
3. Shri Satish Chandra Dubey
4. Shri Satish Kumar Gautam
5. Dr. Boora Narsaiah Goud
6. Shri C.N. Jayadevan
7. Shri Bahadur Singh Koli
8. Dr. Arun Kumar
9. Shri Kaushalendra Kumar
10. Shri Hari Manjhi
11. Shri R. Parthipan
12. Shri Hariom Singh Rathore
13. Shri Dayakar Pasunoori

RAJYA SABHA

14. Shri P.L. Punia
15. Shri Rajaram
16. Ms. Dola Sen
17. Shri Ravi Prakash Verma

SECRETARIAT

1. Shri K. Vijaykrishnan - Addl. Secretary
2. Shri Ashok Sajwan - Director
3. Shri D.R. Mohanty - Addl. Director
4. Smt. Archana Srivastva - Under Secretary

Witnesses

Representatives of the Ministry of Labour and Employment and ESIC

1. Shri Shankar Aggarwal, Secretary (L&E)
2. Shri Deepak Kumar, DG, ESIC
3. Smt. Meenakshi Gupta, JS&FA
4. Shri G. Venugopal Reddy, Joint Secretary

2. At the outset, the Chairperson welcomed the Members and the representatives of the Ministry of Labour and Employment and ESIC to the sitting of the Committee, convened to take evidence of the representatives of the Ministry on the subject 'The Employees' State Insurance Corporation – coverage of establishments, recovery of arrears and functioning of the hospitals and dispensaries under the Scheme'. Impressing upon the witnesses to keep the proceedings of the Committee 'Confidential', the Chairperson asked the Secretary of Ministry of Labour and Employment to give an overview of the subject matter.

3. The Secretary, MOLE, accordingly, briefed the Committee on the subject highlighting *inter-alia* the role, functioning and funding pattern of ESIC. The DG, ESIC, gave a power-point presentation highlighting different aspects of ESIC like coverage of area, issuance of Universal Access Number (UAN), digitisation of records, medical colleges, coverage of construction workers and some sections of the un-organised sectors like Auto Rickshaw drivers, etc. The Secretary, MOLE; DG, ESIC; and other representatives of the Ministry also responded to various queries raised by the Members regarding problems in the coverage of ESIC; mismanagement in ESI hospitals like shortage of staff, inadequate number of beds for patients, improper maintenance of buildings, inadequate supply of medicines, unhygienic conditions, etc.

4. The Chairperson thanked the representatives of the Ministry for appearing before the Committee and briefing them on several aspects of the subject matter. The Chairperson also asked the Secretary, MoLE and DG, ESIC to furnish written replies within 15 days to the questionnaire given to them and also to those queries, which remained un-answered during the meeting.

The witnesses then withdrew.

[A copy of the verbatim proceedings was kept on record]

The Committee then adjourned.

STANDING COMMITTEE ON LABOUR
(2016-17)

Minutes of the Fifth Sitting of the Committee

The Committee sat on Thursday, the 10th November, 2016 from 1130 hrs. to 1345 hrs. in Committee Room No. '53', Parliament House, New Delhi.

PRESENT

Dr. Kirit Somaiya - CHAIRPERSON

MEMBERS

LOK SABHA

2. Shri Rajesh Kumar Diwakar
3. Shri Satish Chandra Dubey
4. Shri Devajibhai Govindbhai Fatepara
5. Shri Satish Kumar Gautam
6. Shri C.N. Jayadevan
7. Shri Bahadur Singh Koli
8. Dr. Arun Kumar
9. Shri Kaushalendra Kumar
10. Shri Hari Manjhi
11. Shri Hariom Singh Rathore
12. Shri Naba Kumar Sarania
13. Shri Dayakar Pasunoori

RAJYA SABHA

14. Shri Ram Narain Dudi
15. Shri P.L. Punia
16. Shri Rajaram
17. Haji Abdul Salam
18. Ms. Dola Sen

SECRETARIAT

1. Shri N.C. Gupta - Joint Secretary
2. Shri Ashok Sajwan - Director
3. Shri D.R. Mohanty - Additional Director
4. Smt. Archana Srivastva- Under Secretary

Witnesses

Representatives of the Ministry of Labour & Employment (MoLE) and Employees' State Insurance Corporation (ESIC)

1. Shri Rajeev Arora Joint Secretary, MoLE
2. Shri Deepak Kumar Director General, ESIC

2. At the outset, the Chairperson welcomed the Members of the Committee and the representatives of the Ministry of Labour & Employment and Employees' State Insurance Corporation (ESIC) to the sitting, convened to have a briefing on the subject 'The Employees' State Insurance Corporation - Coverage of Establishments, Recovery of Arrears and Functioning of the Hospitals and Dispensaries under the Schemes'. He then drew the attention of the representatives to Direction 58 of the 'Directions by the Speaker' regarding confidentiality of proceedings of the Committee during deposition before the Parliamentary Committees.

3. Thereafter, the representative of MoLE, briefed the Committee on various aspects of the subject. The DG, ESIC gave a power-point presentation highlighting *inter-alia* the ESI Act, 1948, funding of the ESI Scheme, second generation reform initiative named as ESIC 2.0, increase in the threshold limit of wages upto ₹21,001/- per month, expansion targets, issues in expansion, health reforms, pendency of arrears for recovery, etc. Thereafter Members raised queries on various issues which, *inter-alia*, included overall performance and functioning of ESIC, details of medical expenditure, coverage of construction site workers,

monitoring mechanism, unsatisfactory performance of ESIC dispensaries and hospitals in West Bengal, Delhi, Noida, IT solutions for maintenance of data etc. The representatives then responded to various queries raised by the Members.

4. The Chairperson thanked the witnesses for appearing before the Committee and briefing them on the subject. The Chairperson also directed the Joint Secretary, MoLE to furnish written replies within 10 days in respect of those queries, for which information was not readily available with them during the meeting as well as which required detailed and statistical information.

The witnesses then withdrew.

[A copy of the verbatim proceedings was kept on record]

The Committee then adjourned.

STANDING COMMITTEE ON LABOUR
(2016-17)

Minutes of the Eighth Sitting of the Committee

The Committee sat on Thursday, the 27th December, 2016 from 1130 hrs. to 1315 hrs. in Committee Room No. '53', Parliament House, New Delhi.

PRESENT

Dr. Kirit Somaiya - CHAIRPERSON

MEMBERS

LOK SABHA

2. Shri Rajesh Kumar Diwakar
3. Shri Ashok Kumar Dohrey
4. Shri Satish Chandra Dubey
5. Shri Devajibhai Govindbhai Fatepara
6. Shri Satish Kumar Gautam
7. Shri C.N. Jayadevan
8. Shri Kaushalendra Kumar
9. Shri Hari Manjhi
10. Shri Hariom Singh Rathore
11. Shri Kodikunnil Suresh
12. Shri Dayakar Pasunoori

RAJYA SABHA

13. Shri Rajaram
14. Shri Tapan Kumar Sen
15. Shri Ravi Prakash Verma
16. Shri N. Gokulakrishnan

SECRETARIAT

1. Shri N.C. Gupta - Joint Secretary
2. Shri Anita B. Panda - Director

Witnesses

Representatives of the Ministry of Labour & Employment (MoLE); Employees' State Insurance Corporation (ESIC) and State Governments of Maharashtra, Rajasthan, Tamil Nadu and West Bengal

- | | | |
|----|--------------------------|--|
| 1. | Shri Heera Lal Samariya | Additional Secretary, MoLE |
| 2. | Shri Deepak Kumar | Director General, ESIC |
| 3. | Tmt. P. Amudha | Secretary, Labour & Employment Department, Govt. of Tamil Nadu |
| 4. | Dr. Vijay Satbir Singh | Additional Chief Secretary, Public Health, Govt. of Maharashtra |
| 5. | Shri S.K. Sinha | Regional Director, ESIC, Maharashtra |
| 6. | Shri Ramesh Devkar | Commissioner, ESI Scheme, Maharashtra |
| 7. | Shri M.P. Budania | Director cum Ex-Officio Deputy Secretary, ESI Scheme, Govt. of Rajasthan |
| 8. | Shri Mriganka Sekhar Kar | Director, ESI(IMB) Scheme, West Bengal |

2. At the outset, the Chairperson welcomed the Members of the Committee and the representatives of the Ministry of Labour & Employment, Employees' State Insurance Corporation (ESIC) and the State Governments of Maharashtra, Rajasthan, Tamil Nadu and West Bengal to the sitting, convened to have a briefing on the subject 'The Employees' State Insurance Corporation - Coverage of Establishments, Recovery of Arrears and Functioning of the Hospitals and Dispensaries under the Scheme'. The Chairperson then drew attention of the

representatives to Direction 58 of the 'Directions by the Speaker' regarding confidentiality of the proceedings of the Committee during deposition before the Parliamentary Committees. He then asked the representatives of the State Governments to give an overview of the Subject matter with special focus on the status, targets and achievements of the ESI Scheme.

3. The representatives of the State Governments of West Bengal, Maharashtra, Rajasthan and Tamil Nadu accordingly briefed the Committee on various aspects of the subject and functioning of ESI Scheme in the respective States. Thereafter, the Members raised queries on various issues which, *inter-alia*, included the amount collected from the IPs in the State of West Bengal *vis-a-vis* amount spent/utilised; the coverage of workers under the ESI Scheme; the mechanism put in place to persuade the Employers to register with ESIC; condition of the ESI hospitals, the reasons behind low occupancy in the hospitals; under-coverage of workers, specially in the State of West Bengal; data on the actual expenditure made on administration and medical benefits; the allocation made by the Centre for the last three years; enforcement of the ESI Act for ensuring 100% coverage; extension of the coverage of ESI to the whole country by 2017; basis of projection of per capita expenditure to 78% as compared to the previous years; feasibility of the enhancement of ceiling of Rs. 2000 - 2100/- to 1.5 times; status of handing over of the ESIS hospitals to ESIC in the State of Maharashtra; coverage of Bhiwandi Powerloom workers under ESI; preventive health check up scheme; low coverage of workers in the State of Tamil Nadu; etc. The representatives of the Ministry of Labour & Employment and the State Governments responded to the queries.

4. The Chairperson thanked the witnesses for appearing before the Committee and briefing them on the subject as well as responding to the

queries raised. The Chairperson directed the Additional Secretary, MoLE and the representatives of the State Governments to furnish written replies within 10 days in respect of those queries, for which information was not readily available with them during the meeting as well as which required detailed and statistical information.

The witnesses then withdrew.

[A copy of the verbatim proceedings was kept on record]

The Committee then adjourned.

STANDING COMMITTEE ON LABOUR
(2017-18)

Minutes of the Fifteenth Sitting of the Committee

The Committee sat on Friday, the 17th April, 2018 from 1200 hrs. to 1320 hrs. in Committee Room No. 2, Parliament House Annexe - Extension Building, New Delhi.

PRESENT

Dr. Kirit Somaiya, MP – Chairperson

MEMBERS

LOK SABHA

2. Shri Rajesh Kumar Diwakar, MP
3. Shri Ashok Dohare, MP
4. Shri Devajibhai Govindbhai Fatepara, MP
5. Shri Satish Kumar Gautam, MP
6. Dr. Boora Narsaiah Goud, MP
7. Shri C.N. Jayadevan, MP
8. Shri Bahadur Singh Koli, MP
9. Shri Kaushalendra Kumar, MP
10. Shri Hari Manjhi, MP
11. Shri R. Parthipan, MP
12. Shri Hariom Singh Rathore, MP
13. Shri Naba Kumar Sarania, MP
14. Shri Kodikunnil Suresh, MP
15. Shri Dayakar Pasunoori, MP

RAJYA SABHA

16. Shri P.L. Punia, MP
17. Shri Rajaram, MP
18. Shri Amar Shankar Sable, MP
19. Shri N. Gokulakrishnan, MP
20. Ms. Dola Sen, MP

SECRETARIAT

1. Smt. Anita B Panda - Director
2. Shri C. Vanlalruata - Additional Director
3. Shri Kulvinder Singh - Under Secretary

WITNESSES

REPRESENTATIVES OF MINISTRY OF LABOUR AND EMPLOYMENT AND ESIC

Sl. No.	Name	Designation
1.	Shri U.P. Singh	Secretary, MOLE
2.	Shri Heera Lal Samariya	Additional Secretary
3.	Shri Raj Kumar	DG, ESIC
4.	Shri Manish Kumar Gupta	Joint Secretary

2. At the outset, the Chairperson welcomed the representatives of the Ministry of Labour & Employment and ESIC to the sitting of the Committee convened to take evidence on 'The Employees' State Insurance Corporation – Coverage of Establishments, Recovery of Arrears and Functioning of the Hospitals and Dispensaries under the Scheme'. The Chairperson then drew attention of the representatives to Direction 58 of the 'Directions by the Speaker' regarding confidentiality of the proceedings of the Committee during deposition before the Parliamentary Committees.

3. Thereafter, the Chairperson drew the attention of the representatives on the issues being raised constantly by the Committee and desired to be provided proper and unambiguous answers to all such issues. While insisting on the fact that the purpose for which contribution is collected by ESIC is not being fulfilled in the desired

manner, the Committee were of the view that expenditure of crores of rupees out of the contribution upon construction of hospitals does not necessarily mean delivery of adequate benefits to the IPs. The Committee further enquired about the contribution ESIC received from IPs and Employers and whether it was being expended for the purpose for which it is being collected. The Committee also pointed out that a particular area is declared as covered under the ESI Scheme and ESIC starts collecting money even if there is no ESI Dispensary in that area. ESIC creating a corpus fund from the insurance premium it collected was also discussed. The Committee also desired to know if ESIC has basic norms for incurring expenditure for providing medical benefits to the beneficiaries under the Scheme. The challenges faced in the facilities run by the State Governments were also deliberated upon. The recent C&AG report on ESIC and action taken by the Ministry on the observations was also mentioned. The Chairperson further directed the Ministry to send details of performance of ESIC in two States viz. Gujarat and Maharashtra in the last few years to the Committee.

4. The Chairperson thanked the witnesses for appearing before the Committee. The Chairperson directed the representatives of Ministry of Labour & Employment and ESIC to furnish written replies in respect of those queries, for which information was not readily available as well as which required detailed and statistical information.

The witnesses then withdrew.

[A copy of the verbatim proceedings was kept on record]

The Committee then adjourned.

STANDING COMMITTEE ON LABOUR

(2017-18)

Minutes of the Eighteenth Sitting of the Committee

The Committee sat on Friday, the 17th May, 2018 from 1500 hrs. to 1630 hrs. in Committee Room No. 2, Parliament House Annexe - Extension Building, New Delhi.

PRESENT

Dr. Kirit Somaiya, MP – Chairperson

MEMBERS

LOK SABHA

1. Shri Rajesh Kumar Diwakar, MP
2. Shri Ashok Dohare, MP
3. Shri Satish Chandra Dubey, MP
4. Shri Devajibhai Govindbhai Fatepara, MP
5. Shri Satish Kumar Gautam, MP
6. Dr. Boora Narsaiah Goud, MP
7. Shri Bahadur Singh Koli, MP
8. Shri Kaushalendra Kumar, MP
9. Shri Hari Manjhi, MP
10. Shri Hariom Singh Rathore, MP
11. Shri Naba Kumar Sarania, MP

RAJYA SABHA

12. Shri Ram Narayan Dudi, MP
13. Shri Nazir Ahmed Laway, MP
14. Shri Rajaram, MP
15. Shri N. Gokulakrishnan, MP
16. Ms. Dola Sen, MP

SECRETARIAT

1. Ms. Rimjhim Prasad - Joint Secretary
2. Smt. Anita B Panda - Director
3. Shri C. Vanlalruata - Additional Director
4. Shri Kulvinder Singh - Under Secretary

WITNESSES

REPRESENTATIVES OF MINISTRY OF LABOUR AND EMPLOYMENT AND ESIC

Sl. No.	Name	Designation
1.	Shri U.P. Singh	Secretary, (M/o Water Resources), Addl. Charge MoLE
2.	Shri Heera Lal Samariya	Additional Secretary
3.	Shri Raj Kumar	DG, ESIC
4.	Shri Manish Kumar Gupta	Joint Secretary
5.	Shri R.K. Gupta	Joint Secretary
6.	Shri H.L. Meena	Economic Advisor
7.	Smt. Sandhya Shukla	Finance Commissioner
8.	Shri S.K. Garg	Insurance Commissioner
9.	Shri Arun Kumar	Insurance Commissioner
10.	Shri A.K. Sinha	Insurance Commissioner
11.	Dr. R.K. Kataria	Medical Commissioner
12.	Dr. P.L. choudhary	Medical Commissioner
13.	Dr. S.L. Vig	Medical Commissioner

2. At the outset, the Chairperson welcomed the representatives of the Ministry of Labour & Employment and ESIC to the Sitting of the Committee convened to take evidence on 'The Employees' State Insurance Corporation – Coverage of Establishments, Recovery of Arrears and Functioning of the Hospitals and Dispensaries under the Scheme'. The Chairperson then drew attention of the representatives to Direction 58 of the 'Directions by the Speaker' regarding confidentiality of the proceedings of the Committee during deposition before the Parliamentary Committees.

3. The representatives of the Ministry informed the Committee that they have prepared replies to the queries raised by the Committee during their previous meetings and sought permission for a PowerPoint

Presentation to which the Committee agreed. The PowerPoint Presentation covered issues like coverage of ESIC, objectives of granting exemptions under Act, Ayushman Bharat Vs. ESIC, ESIC Vs. General/Life Insurance Companies, steps to improve delivery of ESI benefits e.g. unbundling to bring in a competitive environment, breakup of medical expenditure for last 3 years, reserve funds of ESIC, etc. The Committee directed the Ministry that more information and views/opinion of the ESIC on the points raised by them may be furnished by 24.05.2018.

4. The Committee then desired to know about the poor functioning of ESI Hospitals and dispensaries and steps taken to improve their functioning. In reply the representatives of the Ministry informed about three new provisions in the current year's Budget like provision of Rs. 500 crore for extending the primary care services because it has the maximum deficiencies, empanelment of clinics/doctors in the areas having more IP concentration, and appointment of Insurance Medical Practitioners, through which medical facilities would be provided.

5. The Committee further desired to be apprised about (i) the action taken by the ESIC on revisiting the ESI Scheme as announced by the Finance Minister in the Budget Speech of 2015 as despite a huge corpus of surplus funds, the ESIC could not provide satisfactory services; (ii) views of the Ministry of Labour & Employment on Ayushman Bharat Programme as the Ministry had not submitted the same and also for clarity of the ESIC on Ayushman Bharat; (iii) basic purpose of the ESIC Act; and (iv) reasons for treating the Provident Fund of ESIC employees at par with that of Provident Fund of Government employees. The Committee impressed upon the ESIC to provide more choices to the IPs through insurance route and advised them to make use of latest IT tools

and the social media to familiarize themselves with the genuine grievances of the beneficiaries.

6. The Chairperson thanked the witnesses for appearing before the Committee and briefing them on the Subject as well as responding to the queries raised. The Chairperson directed the representatives of Ministry of Labour & Employment and ESIC to furnish written replies in respect of those queries, for which information was not readily available as well as which required detailed and statistical information.

The witnesses then withdrew.

[A copy of the verbatim proceedings was kept on record]

The Committee then adjourned.

STANDING COMMITTEE ON LABOUR

(2017-18)

Minutes of the Twenty-first Sitting of the Committee

The Committee sat on Wednesday, the 6th June, 2018 from 1200 hrs. to 1345 hrs. in Committee Room No. 2, Parliament House Annexe - Extension Building, New Delhi.

PRESENT

Dr. Kirit Somaiya, MP – Chairperson

MEMBERS

LOK SABHA

2. Shri Rajesh Kumar Diwakar, MP
3. Shri Ashok Kumar dohrey, MP
4. Shri Satish Chandra Dubey, MP
5. Shri Devajibhai Govindbhai Fatepara, MP
6. Shri Satish Kumar Gautam, MP
7. Dr. Boora Narsaiah Goud, MP
8. Shri C.N. Jayadevan, MP
9. Shri Bahadur Singh Koli, MP
10. Shri Kaushalendra Kumar, MP
11. Shri Hari Manjhi, MP
12. Shri R. Parthipan, MP
13. Shri Hariom Singh Rathore, MP
14. Shri Naba Kumar Sarania, MP
15. Shri Kodikunnil Suresh, MP

RAJYA SABHA

16. Shri Ram Narain Dudi, MP
17. Shri Rajaram, MP
18. Shri N. Gokulakrishnan, MP
19. Ms. Dola Sen, MP

SECRETARIAT

1. Ms. Rimjhim Prasad - Joint Secretary (RP)
2. Smt. Anita B. Panda - Director
3. Shri C. Vanlalruata - Additional Director
4. Shri Kulvinder Singh - Under Secretary

WITNESSES

**REPRESENTATIVES OF MINISTRY OF SKILL DEVELOPMENT &
ENTREPRENEURSHIP**

Sl. No.	Name	Designation
1.	Shri K.P. Krishnan	Secretary, MSDE
2.	Shri Rajesh Agrawal	Joint Secretary, MSDE
3.	Shri Asheesh Sharma	Joint Secretary, MSDE
4.	Shri Manish Kumar	MD & CEO, NSDC

2. The Committee first took up draft Report on the Subject 'The Employees' State Insurance Corporation – Coverage of Establishments, Recovery of Arrears and Functioning of the Hospitals and Dispensaries under the Scheme'. After some deliberation, Hon'ble Chairperson requested the Members to go through the draft Report and forward their written suggestions/comments to the Committee Secretariat by 8th June, 2018.

3. XX XX XX

4. XX XX XX

5. XX XX XX

The witnesses then withdrew.

[A copy of the verbatim proceedings was kept on record]

The Committee then adjourned.

XX DOES NOT PERTAIN TO THIS REPORT.

STANDING COMMITTEE ON LABOUR

(2017-18)

Minutes of the Twenty-Second Sitting of the Committee

The Committee sat on Tuesday, the 12th June, 2018 from 1230 hrs. to 1410 hrs. in Committee Room No. 2, Parliament House Annexe - Extension Building, New Delhi.

PRESENT

Dr. Kirit Somaiya, MP – Chairperson

MEMBERS

LOK SABHA

2. Shri Rajesh Kumar Diwakar, MP
3. Shri Ashok Kumar dohrey, MP
4. Shri Satish Kumar Gautam, MP
5. Dr. Arun Kumar, MP
6. Shri Bahadur Singh Koli, MP
7. Shri Hari Manjhi, MP
8. Shri Hariom Singh Rathore, MP
9. Shri Dayakar Pasunoori, MP

RAJYA SABHA

10. Shri Ram Narain Dudi, MP
11. Shri Nazir Ahmed Laway, MP
12. Shri Rajaram, MP
13. Shri N. Gokulakrishnan, MP
14. Ms. Dola Sen, MP
15. Dr. Banda Prakash, MP

SECRETARIAT

1. Ms. Rimjhim Prasad - Joint Secretary (RP)
2. Shri C. Vanlalruata - Additional Director
3. Shri Kulvinder Singh - Under Secretary

WITNESSES
REPRESENTATIVES OF MINISTRY OF TEXTILES

Sl. No.	Name	Designation
1.	Shri Anant Kumar Singh	Secretary (Textiles)
2.	Shri Sanjay Sharan	Joint Secretary, MoT
3.	Shri Puneet Agarwal	Joint Secretary, MoT
4.	Smt. Babni Lal	Economic Advisor, MoT
5.	Ms. Aditi Das Rout	Trade Advisor, MoT
6.	Shri Sanjay Rastogi	DC (Handlooms)
7.	Shri Shantumano	DC (Handicrafts)

2. At the outset, the Chairperson welcomed the Members of the Committee and informed about the nomination of three new Rajya Sabha Members to the Committee namely (i) Shri Madanlal Saini (ii) Shri Akhilesh Prasad Singh and (iii) Dr. Banda Prakash, from the State of Rajasthan, Bihar and Telangana respectively. Thereafter, the Chairperson warmly welcomed the newly nominated member Dr. Banda Prakash, MP from Telangana present in the sitting, the Committee then took up the draft Report on the Subject 'The Employees' State Insurance Corporation - Coverage of Establishments, Recovery of Arrears and Functioning of the Hospitals and Dispensaries under the Scheme' and after some deliberation, the Hon'ble Chairperson noted that in the last sitting of the Committee held on 06.06.2018, the Hon'ble Members were given time up to 08.06.2018 for furnishing their comments on the draft Report, however, suggestions from two Members only were received. The Hon'ble Chairperson therefore requested the Members to go through the draft Report once again and forward their written suggestions/ comments to the Committee Secretariat by 14th June, 2018. Thereafter, the Committee agreed to the Report in principle and authorised the Chairperson to finalise the Report in the light of consequential changes that might arise out of suggestions received from the Members of the Committee and factual verification of the draft Report and to present the same to the both Houses in the ensuing Monsoon Session.

3. XX XX XX
4. XX XX XX
5. XX XX XX
6. XX XX XX

The witnesses then withdrew.

[A copy of the verbatim proceedings was kept on record]

The Committee then adjourned.

XX DOES NOT PERTAIN TO THIS REPORT.

APPENDIX - IX

দোলা সেন
DOLA SEN
दोला सेन
دولا سين



Member of Parliament, Rajya Sabha
Member of Parliamentary Standing Committee on Labour
Member of Consultative Committee of Textile Ministry

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Dr. B. D. Marg
New Delhi-110001

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To
Hon'ble Chairman
Parliamentary Standing Committee on Labour
Parliament House
New Delhi - 110001

Date: 18/07/2018

Dear Kirit Somaiya Ji,

I have sent to your good office my opinion regarding draft report of ESIC. According to me, only point number 2 & 8 have been incorporated in the final draft. But I think that the other 17 points along with my general view points written in the last 2 pages are also very relevant and important.

So, my humble appeal to you Sir that please provide my view points as an annexure with the final draft report, if possible. You know that I am serious about this and I have deep concern regarding ESI draft report.

Hope you consider my appeal and do the needful.

Regards,

18/7/18
DOLA SEN
18/7/18

DOLA SEN
18/7/18

My Opinion regarding Draft Report of ESIC

1) Ref. Page-1---- Para-1:

① "The ESI Act was of 1948 and the act was amended in May 2010."

And, the financial agreement between ESIC and State ESI was on 1969. It should also be updated accordingly.

2) Ref. Page-1 ---- Para-2 :

✓ "The scheme provides reasonable medical care to the IPs and their families"

The word 'reasonable' is against law of the land. As per law, the medical care should be necessary. That means the medical care the IPs and their families need according to their illness should be given in total by ESIC and the scheme as well.

3) Ref. Page-2 ---- Para-2 :

"...sickness benefit... this is extended up to 2 years in the case of chronic illness..."

① At least 1 or 2 reference must be given over there that which specific disease has been declared as chronic and entitled sickness benefit for up to 2 years ?

(Because we don't have any reference of this for the last 25 years)

4) Ref. Page-3 ---- Para-2:

"...maternity benefit...insured women can claim 8 weeks of maternity benefit..."

① What is the explanation behind it ? There is already 'maternity benefit act' unanimously decided in parliament and accordingly there is specific Govt. of India Rule.

So it should be "insured women can claim maternity benefit according to latest act taken in parliament."

5) Ref. Page-4 ---- Para-3 :

"...disablement benefit... if there is any residuary permanent disablement, a medical board decides the loss of earning capacity. ... temporary disablement benefits... total number of PDB beneficiaries on 31.3.2017 is 257653."

① This should not be dependable only on medical board decision. There should be some norms and criteria and accordingly scheduled medical benefit must be extended.

There should be some preventive measure to resist permanent or temporary disablement.

The total number of PDB beneficiaries is so huge, it should be undergone through medical audit.

6) Ref. Page-5 ---- Para-3 :

Regarding funeral expenses there is not much awareness. So firstly, some measures should be taken for awareness.

Why the funeral expenses should not be given to the deceased families directly through hospital medical superintendent immediately after the death? This will give the actual relief financially and psychologically also. The medical super of the hospitals should have this power to give the funeral expenses and the payment done by the MS may be reimbursed in regular basis.

7) Ref. Page-6 ---- Para-2 :

"The act contains..... other class of establishments, industrial, commercial, agricultural or otherwise."

Whether any references is there regarding agricultural workers? Please give reference specifically in this respect.

(Because we don't have any reference for the last 25 years.)

8) Ref. Page-9 ---- Para-2 :

"Those units which are registered in EPFO and Labor Department...."

As per law, ESI entitlement is for those units who have at least 10 workers and EPF entitlement is for those units who have at least 20 workers. There should be parity.

9) Ref. Page-11 ---- Para-1 :

Clause-8 : "...lack of strong regional set up...."

There should be initiative to overcome this problem, that is necessary initiative should be taken to build up strong regional set up.

There should be necessary coordination in between ESIC and State Governments in this respect.

10) Ref. Page-12 ---- Para-1 :

Clause-10 : Extension of ESI facilities towards unorganized workers -

ESI facilities or Service extension towards unorganized workers is very good.

But, there is no data -- this is not true. Every State Govt. has specific data in this respect according to registration of unorganized workers under State Govt. Labor Department.

The provision Aadhar number is not feasible because it will take very long time to achieve Aadhar card for this downtrodden people of our country that is unorganized workers in up-to-date manner. But like UAN Number of EPF there should be unique card or unique number for ESI also separately. There should be specific policy in this respect.

There should be necessary coordination in between ESIC and State Governments in this respect.

11) Ref. Page-12 ---- Para-2 :

Clause-11 : ".....the onus of registration of unit and its employees lies with the employer."

Whether the onus of employer is up to the mark or not, that should be monitored by ESIC or Labor Department.

12) Ref. Page-16 ---- Para-1 :

Clause-19 : On an average there is an allotment of Rs. 16,000/- per in-patient IP in ESIC run hospital, but there is an allotment of Rs. 1,200/- to Rs. 2,100/- only per in-patient IP in ESIS run hospital.

There should be parity in this respect. Otherwise it is outright inhuman and unethical & illegal as well.

13) Ref. Page-17 ---- Para-1 :

Clause-20 : ".....the coverage of ESIC has remained limited due to.... lack of survey.... lack of strong regional set up....."

We all know that ESIC has 73,000 crores of corpus fund of its own. Then why all these lame excuses? ESIC should take policy decision in this regard and should take necessary steps to overcome the problem and should be well aware to cater ESI

service to the uncovered areas spending a little bit of fund from their huge amount of corpus funds.

14) Ref. Page-27 ---- Para-1 :

Clause- VI/38 : "...reasonable medical care..."

✓ Already mentioned in Opinion-2.

15) Ref. Page-27 ---- Para-1 :

Clause - VI/38 : "The range of medical services provided to the IPs covers preventive, promotive, curative and rehabilitative services."

○ What preventive measures has been taken yet? Please give reference.

We know that no preventive services has been taken by ESIC till date.

16) Ref. Page-30 ---- Para-3 :

"Tie-up arrangements for all super speciality treatment has been made with more than 1000 public / private hospital across India."

Long days have been passed. Self sufficiency should be developed within ESI hospitals for secondary and tertiary medical services for the IPs and their families.

○ (For reference, there is ample scope in a few super speciality ESIS run hospital in Bengal, but not up to the mark assistance is given by ESIC in this respect.)

What will be the policy and the mechanism as well of the reimbursement and the disbursement of the fund for superspeciality treatment? That is how or in how many days should be specified. It will help the IPs from unnecessary harrassment.

17) Ref. Page-31 ---- Para-1 :

Immunization and family welfare services ----

○ Sorry to say, but no policy is there by ESIC in practice.

Whether ESIC can give any reference to combat hemophilia or pneumonia?

18) Ref. Page-32 :

"Sharing of expenditure between ESIC and various State Govt. up to a ceiling."

We all know that State Governments are supposed to give 1/8th share as per law. But we want to know that what is the contribution of Central Government towards ESIC? We think, it is nil till date. Whether it is ethical?

We also know that in respect of catering ESI services, the performance of West Bengal is very good, if not best in India. But why West Bengal State Government has to give much more than 1/8th share?

To be specific, on an average ESIC takes from West Bengal (from employees' and employers' contributions) Rs. 700 crores per year. But reimburse only Rs. 200 crores. The actual cost towards IPs is Rs. 350 crores on an average. So, West Bengal State Government has to give almost Rs. 150 crores per year. Where as ESIC is forming corpus fund of Rs. 73,000 crores with the rest Rs. 500 crores of West Bengal contribution per year. This is not done. ESIC should give another 100 crores per year, so that West Bengal Government should not have to give that money unnecessarily, which is over and above 1/8th share. We mean to say that ESIC should give the actual cost to run the show, because it is IP's money after all.

The ceiling of Rs. 3,000 per IP per annum on medical expenditure includes Rs.1,250/- per IP per annum for administration expenditure and Rs.1,750/- per IP per annum for medical purpose. But, in reality, only Rs.900/- per IP per annum is being given by ESIC to the State. The rest amount of Rs. 850/- per IP per annum is under the discretion of the medical board of ESIC. They may give, they may not. In reality, generally we may get Rs.50/- to Rs. 100/- only per IP per annum from this head or we may not get any single pies. But again I want to repeat, it is IP's money. So ESIC should give Rs.1,750/- per IP per annum in total to the State for medical purpose without any option unconditionally and may undergo medical audit every year for this expenditure of Rs.1,750/- per IP per annum. Because less amount of Rs. 850/- per IP per annum is too high and effect badly the medical services to the IPs and their families.

19) Page-45 ---- Para-1

Clause - 61

West Bengal State Government has been paying from 2014-2015 financial year for AMC for post graduate courses and 2 post graduate seats in Manicktala ESI Hospital is Rs.40 to Rs. 50 crores on an average. So why this 2 post graduate seats along with some infrastructural facility should be transferred from ESIS run hospital Manicktala to ESIC run hospital Joka? It is not done. This will be unethical and illegal as well.

20) Some more very important salient points regarding the draft report overall.

- The ESI hospitals have huge unused lands in general. There should be policy taken by ESIC to form pathological and other medical examinational units over there on the basis of PPP model (Public Private Partnership), so that the IPs may get these facilities in fair price. This will help the IPs most.
- Delay is the general phenomenon in the case reimbursement of supply of medicines and equipments. Instead, ESIC may give medicines and equipments to the service dispensaries and hospitals in fair price by their own directly. This will be much more helpful and reduce the harassment of IPs.
- There should be maintenance norms to run the ESI hospitals. ESIC should take the initiative after talking with State Governments and formulate maintenance norms centrally. In practice, the regional directors intervene one-sidedly. This is not done.
- ESIC has recently taken another important decision that the entire hospital repairing and maintenance has to be done by CPWD. But earlier, the Superintendent of the ESI hospital was entitled to handle the matter. Now again, with due respect I would like to submit that the process and involvement of CPWD is long time taking. So, if at least the Superintendent of the ESI hospital has a power and to handle the emergency or urgent repair and maintenance job to a certain amount by their own, say like Rs. 1crore, it would be better of certainly. ESIC may take initiative for medical audit also for this certain amount. For an example, if the supply of power and water has been suddenly cut off in an ESI hospital on any unavoidable or accidental circumstances, then the Super's discretion to bring the power back at earliest is mandatory for the sake of the patients, i.e., IPs. So again our humble appeal is that this decision should be rethought and reviewed, so that the transparent policy of ESIC become practical or feasible as well.
- With due respect I would like to bring to the kind notice of all that ESIC has recently taken a decision that there will no SSMC post. But the very crucial and most sensitive work, which was monitored by SSMC earlier, cannot be managed by Regional Director (RD) being a non-technical person. Our observation is that the abolition of the post of SSMC, who was normally a senior medical person will badly effect the common IPs i.e. the general workmen of our country. Our humble appeal is that the above mentioned

decision also should be re-thought and reviewed for the sake of the workers, so that they do not become victim.

- The occupational hazard and the occupational disease is a very serious problem nowadays. There is super speciality tuberculosis hospital under ESI facilities to overcome occupational disease like silicosis, fibrosis or tuberculosis of the workers generally engaged in jute mills or stone crusher units, etc. But in jute mills and other manufacturing units, there is a common phenomenon of occupational disease like backache or back pain of the workers. To combat or overcome this specific occupational disease, there is a pain management clinic in Sealdah ESI hospital (an ESIS run hospital). Incidentally, the erstwhile Hon'ble Labor Secretary, Govt. of India, Madam Satyabati Devi Ji was also impressed with and appreciated the effort of running pain management clinic in Sealdah ESI hospital. So, our humble appeal is that ESIC should take positive follow up initiative to develop the above mentioned pain management clinic, so that the IPs i.e. the workers should get help to be fit and up to the mark.