



MECHANISMS OF ESIC IN INDIA: RECENT DEVELOPMENTS AND ACHIEVEMENTS

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Abstract:

The Employees' State Insurance Corporation (ESIC) in India plays a vital role in providing social security and healthcare benefits to workers across various sectors. This research paper aims to delve into the mechanisms of ESIC, exploring recent developments and achievements. Through a comprehensive review of literature, policy analysis, and empirical data, this paper seeks to elucidate the functioning, challenges, and outcomes of ESIC in India. It examines the evolution of ESIC, its organizational structure, funding mechanisms, coverage, and benefits provided to insured persons. Additionally, it assesses recent reforms, technological advancements, and innovations introduced to enhance the efficiency and effectiveness of ESIC. The paper also highlights key achievements and success stories, along with the persisting challenges and areas needing improvement. Overall, this paper contributes to a better understanding of ESIC's role in social protection and healthcare delivery in India.

Keywords: Employees' State Insurance Corporation, social security, healthcare benefits, mechanisms, recent developments, achievements.

Introduction:

India has made significant strides in fortifying its social security measures, aimed at safeguarding the rights and welfare of its workforce in recent years. Among these initiatives, the Employees' State Insurance Corporation (ESIC) stands out as a pivotal institution, extending crucial healthcare and social security benefits to millions of workers nationwide. Established under the Employees' State Insurance Act, 1948, ESIC has evolved dynamically to meet the changing needs of India's workforce amidst industrialization, economic reforms, and societal shifts.

At its essence, ESIC serves as a crucial shield against the inherent vulnerabilities of the labor force, offering a safety net that goes beyond mere employment to encompass holistic well-being. Its significance within the Indian context cannot be overstated, given the vast number of workers it covers and the pivotal role it plays in fostering social cohesion and economic stability. Operating as a social security scheme, ESIC operates on the principle of collective responsibility, pooling resources from both employers and employees to establish a robust framework of protection. Through contributions from both parties, ESIC ensures access to essential healthcare services, including medical treatment, maternity benefits, disability support,

and even funeral expenses, thereby alleviating the financial burdens associated with unforeseen circumstances. Significantly, ESIC primarily caters to employees in the organized sector, serving as a lifeline for those engaged in formal employment arrangements. By providing a comprehensive suite of benefits, ESIC not only promotes the physical and mental well-being of workers but also fosters a sense of security and dignity within the workplace.

In essence, ESIC exemplifies the government's unwavering commitment to social justice and inclusive growth, advocating for labor rights and equitable access to healthcare services. As we delve deeper into ESIC's mechanisms and achievements in India, it becomes evident that its impact extends far beyond individual beneficiaries, resonating across communities and contributing to the nation's socio-economic development.

In the subsequent sections of this article, we embark on a journey to unravel the intricacies of ESIC, exploring its historical evolution, organizational framework, operational dynamics, recent developments, and achievements. By shedding light on these aspects, our aim is to provide a comprehensive understanding of ESIC's pivotal role in shaping India's social security landscape and advancing the well-being of its workforce.

Historical backgrounds of ESIC:

The launch of the ESIC scheme in 1952 marked a significant milestone in India's social security landscape. Inaugurated on 24th February, known as ESIC Day, by then Prime Minister Pandit Jawahar Lal Nehru, the event drew a crowd of 70,000 in Kanpur. Notable dignitaries present included Pt. Gobind Ballabh Pant, Babu Jagjivan Ram, Raj Kumari Amrit Kaur, Sh. Chandrabhan Gupt, and Dr. C.L. Katial, the first Director General of ESIC. Simultaneously launched in Delhi, the scheme initially covered 25,000 employees across both centers. The first Prime Minister became the first honorary insured person under the scheme, a testament to its national significance. ESIC traces its roots to 1944, emerging as a pioneering social security scheme amidst British India. The "Report on Health Insurance" submitted to the Tripartite Labour Conference by Prof. B.P. Adarkar laid the groundwork. Endorsed as the precursor to India's social security framework, the report led to its acceptance, with Dr. C.L. Katial assuming the role of the first Director General in 1948. Since then, ESIC has remained committed to its mission, symbolized by its logo - a lighted lamp, offering solace to worker families in times of adversity.

Review of Literature:

Deepa and Thangeswari (2022) in their research aimed to evaluate the demographic characteristics of respondents, their familiarity with ESI schemes, and their contentment with ESI services. Findings indicated overall satisfaction with ESI services among beneficiaries; however, there existed a dearth of awareness regarding ESI benefits and procedures. This highlights the necessity for heightened awareness initiatives and enhanced service provision by ESIC to amplify employee satisfaction and bolster workplace productivity.

Sai Sowmiya S and Dr. N. Kumar (2021) investigated the awareness and effective utilization of Employee State Insurance (ESI) and underscore the importance of employee awareness and utilization of ESI policies for fostering a healthy working environment. The study advocates for enhanced awareness initiatives by employers and emphasizes the role of ESI in providing stability and support amidst modern life's challenges.

Prakash and Ragavi (2020) conducted a study on "Employees' awareness and effective utilization towards ESI benefits" and the study revealed high awareness and utilization rates among respondents, with a majority in the age group of 20-30 years, predominantly male, and married. The study emphasized the importance of ESI benefits for employee welfare and organizational health, advocating for increased awareness among employees to maximize scheme utilization and benefits top of form

Krishnamurthi and Sasikala (2017) conducted a study titled "An Assessment of the Awareness of Employee State Insurance Corporation and Its Benefits among the Beneficiaries in Coimbatore" and study indicated a significant relationship between gender and awareness of formalities to avail ESI benefits, with males being more aware than females. However, no significant relationships were found between awareness and demographic variables such as age, educational status, marital status, monthly income, and nature of employment. The study concluded that satisfaction levels of beneficiaries are directly associated with their awareness of the scheme and formalities required to avail benefits, suggesting the need for increased awareness efforts by ESIC through information dissemination at dispensaries and hospitals.

Nayana (2017) conducted a study titled "Employees' Satisfaction and ESI Benefits among Public Sector Textile Workers in Kerala," the focus was on various social security schemes, particularly the Employees' State Insurance (ESI) scheme. The study highlighted the objectives of social security schemes, which aim to provide support during times of death, illness, or disability. It emphasized the role of ESI schemes in safeguarding manpower and enhancing productivity, thereby contributing to improved outcomes. The study underscored the significance of the ESI scheme in promoting the welfare state concept in India and enhancing the living and working conditions of the workforce. Additionally, the authors emphasized that investing in the ESI scheme is prudent as it yields returns for the country in the foreseeable future.

Significance of the study:

The significance of studying ESIC mechanisms lies in its pivotal role in safeguarding the economic security and dignity of laborers across various industries. By unravelling the intricacies of ESIC's operational framework, funding mechanisms, and regulatory provisions, we gain invaluable insights into how social security systems function and evolve in a dynamic socio-economic landscape like India's. Moreover, understanding the nuances of ESIC is crucial for policymakers, stakeholders, and researchers alike, as it empowers them to identify areas for improvement, devise effective strategies, and foster inclusive growth.

Objectives of the Study:

1. To study the functions and operational mechanisms of the Employees' State Insurance Corporation.
2. To assess the recent developments and reforms within ESIC and their implications for the Indian workforce.
3. To evaluate the effective utilization of benefits by beneficiaries of the ESI scheme.

Research Methodology

The data used for the study is secondary in nature. The required data were collected from ESIC's annual reports, while additional relevant information was gathered from journals, articles, and reputable websites. The study covers spans of eight years, from 2015-16 to 2022-23, allowing for a comprehensive analysis of trends and developments. Subsequently, the collected data underwent rigorous analysis to derive meaningful insights and draw conclusions.

Mechanisms of ESIC:

The ESIC was established under the ESI Act of 1948 and is a statutory body governed by the Ministry of Labour and Employment, Government of India. It manages the implementation of the ESI Scheme across the country. The Employee's State Insurance (ESI) Scheme is a pioneering social security and health insurance scheme in India. Introduced under the ESI Act of 1948, it is aimed at providing comprehensive medical and cash benefits to employees and their dependents in the organized sector.

Coverage:

The ESI Act of 1948 applies to factories with 10 or more employees. Its provisions are gradually implemented district-wise. The Act allows the government to extend coverage to various types of establishments. State governments have extended coverage to shops, hotels, restaurants, cinemas, road transport undertakings, newspaper establishments, private medical institutions, educational institutions, and contract/casual employees of municipal corporations/municipal bodies. The central government has extended coverage to similar establishments, including insurance businesses, non-banking financial companies, port trusts, airport authorities, and warehousing establishments with 20 or more employees. Additionally, 33 state governments have reduced the coverage threshold for shops and establishments to 10 or more individuals. Employees earning wages up to Rs. 21,000 per month (Rs. 25,000 for Persons with Disability) are covered under the Act.

The status of coverage under ESI Act, 1948 as on 01-01- 2023 is as under:

Sl. No	Particulars	Details
1.	No. of Districts in which ESI Scheme has been notified.	606
2.	No. of Districts fully notified under ESI Act, 1948	468
3.	No. of Districts partially notified under ESI Act, 1948	138
4.	No. of employers registered under ESI Act, 1948*	15.94 Lakh
5.	No. of employees registered under ESI Act, 1948*	2.79 Crore
6.	No. of Insured Persons covered*	3.10 Crore
7.	No. of beneficiaries*	12.04 Crore

***Details as on 31.03.2022. Source: ESIC Annual Report**

Social Security Provision for Organized Sector Workers:

The Employees' State Insurance (ESI) Act provides social security to workers in the organized sector. As of March 31, 2022, it covers 2.79 crores employees, accounting for 3.10 crores insured persons and a total of 12.04 crores beneficiaries. However, certain workers in the organized sector remain outside the social security net due to various reasons:

- a. Employees of Central and State Governments receive social protection under respective government rules.
- b. Workers in factories/establishments with fewer than 10 employees are not covered.
- c. Employees in non-notified areas/districts where the ESI Scheme is yet to be implemented are excluded.
- d. Seasonal factory workers are not covered.
- e. Workers earning wages exceeding Rs. 21,000 per month are excluded.
- f. Employees of establishments not notified by the appropriate government under Section 1(5) of the ESI Act, 1948, are not covered.

To include more workers, the threshold limit for coverage under the ESI Act can be reduced for smaller factories and establishments. Additionally, the wage ceiling can be raised to cover employees earning above Rs. 21,000 per month. Moreover, more categories of establishments can be notified by the appropriate government to expand the coverage of the ESI Act, 1948.

Benefits provided under ESI Scheme:

Section 46 of the ESI Act, 1948 outlines the following six social security benefits

- a. Medical benefit
- b. Sickness benefit
- c. Maternity benefit
- d. Disablement benefit

- e. Dependants benefit
- f. Funeral Expenses

a. Medical Benefit:

The Employees' State Insurance Scheme provides extensive medical care encompassing medical attendance, treatment, medication, specialist consultations, and hospitalization for Insured Persons (IPs) and their families. IPs and their family members become eligible for medical benefits from the commencement of insurable employment. Additionally, provisions are made for medical care for IPs who cease to be in insurable employment due to permanent disablement, retirement on superannuation, or voluntary retirement. Medical benefits are extended to permanently disabled IPs and their spouses, as well as retired IPs and their spouses, upon the payment of prescribed contributions.

b. Sickness Benefit:

Sickness Benefit entails periodical payments to insured persons during certified sickness, provided they meet specific contribution criteria. The maximum duration of Sickness Benefit is 91 days in two consecutive benefit periods. Notably, the benefit is extended to insured women who, due to maternity benefits, may have a shorter contribution period. Additionally, insured persons suffering from specified long-term diseases are entitled to Extended Sickness Benefit. Enhanced Sickness Benefit is also available for insured persons undergoing sterilization operations for family planning.

c. Maternity Benefit:

Maternity Benefit involves periodical payments to insured women during confinement, miscarriage, or sickness related to pregnancy. Eligibility requires the insured woman to have contributed for a specified period preceding the expected date of confinement. The benefit is payable for a maximum of 26 weeks for up to two surviving children. Further provisions are made for miscarriage, sickness arising from pregnancy, premature birth, or medical termination of pregnancy. Maternity Benefit is also extended to commissioning and adopting mothers under defined conditions.

d. Disablement Benefit:

Disablement Benefit provides financial support to insured persons experiencing temporary or permanent disability due to employment injury. Temporary disablement benefit is paid for the entire certified period, while permanent disablement benefit is based on the loss of earning capacity as certified by a Medical Board. Commutation of periodical payment is permissible under certain conditions.

e. Dependants' Benefit:

Dependants' Benefit entails periodical payments to dependants of insured persons who die due to employment injury. Widows, widowed mothers, and dependent children receive monthly

pension, with specific provisions for sons, daughters, and other dependants. Periodical increases in the pension amount are linked to the cost of living index.

f. Funeral Expenses:

Funeral Expenses reimbursement covers the expenditure on the funeral of a deceased insured person, up to a specified limit. The amount is disbursed to the eldest surviving member of the family or the individual who incurred the funeral expenses.

g. Other Need-Based Benefits/Reliefs:

The scheme also includes provisions for various other benefits and reliefs, such as Confinement Expenses, Rehabilitation Allowance, Conveyance Allowance to PDB Beneficiaries, Rajiv Gandhi Shramik Kalyan Yojana (RGSKY), and Atal Beemit Vyakti Kalyan Yojana (ABVKY), aiming to provide additional support to insured persons and their families in times of need.

h. Confinement Expenses:

Confinement Expenses cover the costs associated with childbirth. Under this provision, insured women and insured persons in respect of their wives receive a medical bonus for confinement expenses if the confinement occurs where necessary medical facilities under the Employees State Insurance Scheme are not available. This benefit is typically paid for up to two confinements.

i. Rehabilitation Allowance:

Rehabilitation Allowance is provided to insured persons for each day they remain admitted to an Artificial Limb Center. The allowance is paid at double the Standard Benefit rate, aiming to support insured persons in their rehabilitation process after suffering from disabilities or injuries.

j. Conveyance Allowance to PDB Beneficiaries:

This provision offers a conveyance allowance of Rs. 100 to Permanent Disablement Benefit (PDB) beneficiaries. The allowance is provided to cover the expenses incurred when beneficiaries visit the Branch Office to submit their life certificates once a year.

k. Rajiv Gandhi Shramik Kalyan Yojana (RGSKY):

RGSKY is a scheme introduced under the ESI Corporation to provide unemployment allowance to insured persons who become involuntarily unemployed due to factors such as closure of a factory/establishment or retrenchment. The scheme also provides medical care to the insured person and their family during the period of unemployment. The unemployment allowance is paid for a maximum period of twenty-four months, subject to certain eligibility criteria.

l. Atal Beemit Vyakti Kalyan Yojana (ABVKY):

ABVKY is another welfare scheme aimed at providing cash relief to unemployed insured persons. The scheme offers financial assistance for a maximum period of 90 days to insured persons who become unemployed. The relief amount is initially set at 25% of the average daily earning of the claimant but has been enhanced to 50% of the average daily earning of the insured person. To be eligible for relief under this scheme, the insured person must have been in

insurable employment for a minimum period and should have contributed for a specified number of days in the preceding contribution period.

Administration:

The ESI Corporation's headquarters is situated in New Delhi, overseeing 24 Regional Offices and 40 Sub-Regional Offices across the nation. Additionally, there are 599 Branch Offices dedicated to administering cash benefits to Insured Persons, along with 89 Dispensary Cum Branch Offices (DCBO) responsible for both cash benefits and primary medical care for Insured Persons as of January 1, 2023. As of the same date, the total sanctioned personnel strength within the Corporation, encompassing officers such as the Director General, Finance Commissioner, and Chief Vigilance Officer, stands at 21,748. It's important to note that this figure excludes medical, para-medical, nursing staff, and employees under the direct jurisdiction of State Governments.

Finance:

The ESI Scheme is funded through contributions from both employers and employees. A decision was made during the 175th Meeting of the ESI Corporation on September 18, 2018, where the Chairman, ESIC, approved a proposal to rationalize contribution income. This involved reducing the combined contribution rate to 4 percent of wages payable to an employee, with 3.25 percent allocated to employers' share and 0.75 percent to employees' share, replacing the previous rates of 4.75 percent and 1.75 percent, respectively. Following this decision, Rule 51 of the ESI (Central) Rules, 1950 was amended via a notification issued by the Ministry of Labour and Employment. These amendments came into effect from July 1, 2019.

Investment of ESIC Fund through Portfolio Managers:

Before April 2019, ESIC utilized its surplus funds by depositing them in Fixed Deposits of Public Sector Banks under Rule 27 of ESI (Central) Rules, 1950. However, to diversify its investment portfolio and achieve better returns, ESIC has enlisted the services of Portfolio Managers. These Portfolio Managers are responsible for investing ESIC's surplus funds in Government Securities, AAA-rated PSU bonds, etc., adhering to the approved investment policy effective from April 1st, 2019 (last revised on February 22, 2021). Additionally, ESIC has also appointed a Custodian and an External Concurrent Auditor (ECA). In the Financial Year 2021-22, ESIC managed to achieve an interest rate of 7.00 percent.

Organizational Structure of ESIC:

The Employees' State Insurance Corporation (ESIC) is structured to efficiently administer and deliver social security and healthcare services to workers and their dependents across India. At the top of the hierarchy is the Governing Body, comprising representatives from the central and state governments, employers, employees, and medical professionals. This body formulates policies, approves budgets, and provides strategic direction to ESIC. Assisting the Governing Body is the Executive Committee, responsible for executing decisions and policies. The Director General, appointed as the administrative head, oversees the day-to-day operations of ESIC at the national level. Regional Directors lead ESIC's

regional offices spread across different states and union territories, ensuring effective coordination and supervision of activities within their respective regions.

Within ESIC, Medical Commissioners oversee medical aspects, Financial Commissioners manage financial affairs, and Administrative Officers handle administrative functions such as human resources and facilities management. Medical Officers provide healthcare services at ESIC hospitals, dispensaries, and clinics, while paramedical staff support them in delivering patient care. Inspectors and Enforcement Officers ensure compliance with ESIC regulations among employers, employees, and other stakeholders. This structured organizational setup ensures the smooth functioning of ESIC's operations, facilitating the provision of essential social security benefits and healthcare services to millions of insured persons and their families nationwide.

Key Accomplishments and Milestones:

In order to comprehensively assess the performance of the Employees' State Insurance Corporation (ESIC) and its impact on social security provisions in India, a multifaceted approach is indispensable. Following are the major achievements accomplished by ESIC during the period of 2015-16 to 2022-23.

1. During 2022-23 the ESI Scheme has been fully implemented in 492 districts and partially implemented in 118 districts and 3.43 crore insured persons with 13.30 crore beneficiaries are covered under the scheme.
2. A total contribution from employer and employee is reached to Rs. 17,403.05 crore in the year 2022-23 and it was Rs. 11,455.57 crore during the year 2015-16.
3. During the year 2022-23 number of employers registered under the scheme has gone up to 20,83,340 from 7,83,786 in the year 2015-16.
4. During 2022-23, ESI has disbursed Rs. 2,808.64 crore as Cash Benefits through 40,42,289 payments and it was Rs. 703.98 crores with 31.6 lakhs payments in the year 2015-16.
5. Expenditure incurred on Medical Benefit is reached to Rs. 11,600.34 Crore during the year 2022-23 and it was Rs. 6,112.97 Crore during the year 2015-16.
6. The Government of India reduced the rate of contribution under the ESI Act from 6.5% to 4% (employers' contribution reduced from 4.75% to 3.25% and employees' contribution reduced from 1.75% to 0.75%) w.e.f. 01.07.2019.
7. The wage ceiling for coverage of employees under the ESI Act has been enhanced from Rs. 15,000/- to Rs. 21,000/- w.e.f. 1 January, 2017.
8. Digital India – e-initiatives of ESIC: e-Biz Platform: ESIC is the first organization of Central Government, to integrate its services (Registration of Employers via e-Biz portal of Department of Industrial Policy and Promotion of DIPP) to promote ease of business and curb transaction costs.
9. ESIC has launched independent Public Grievance Module 2.0 from 15.08.2015 for lodging ESIC related Grievance online through ESIC website 'www.esic.in' or 'www.esic.nic.in'.
10. ESIC has won International Award for 'Administrative and Operational Efficiency' at the International Forum of International Social Security Association (ISSA) in the 'ISSA Good Practice

Award for Asia and the Pacific' held at Muscat, Oman from 2nd November, 2015 to 4th November, 2015. This regional competition is held every three years and had attracted 48 entries from 16 countries.

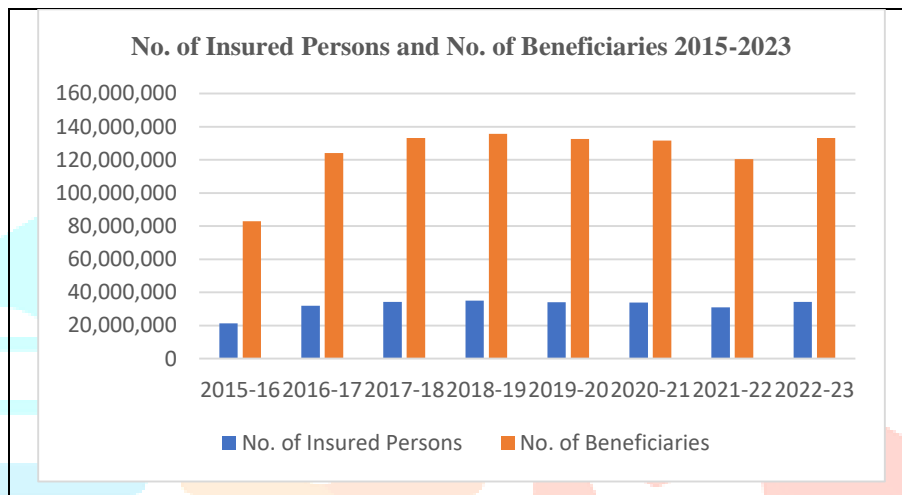
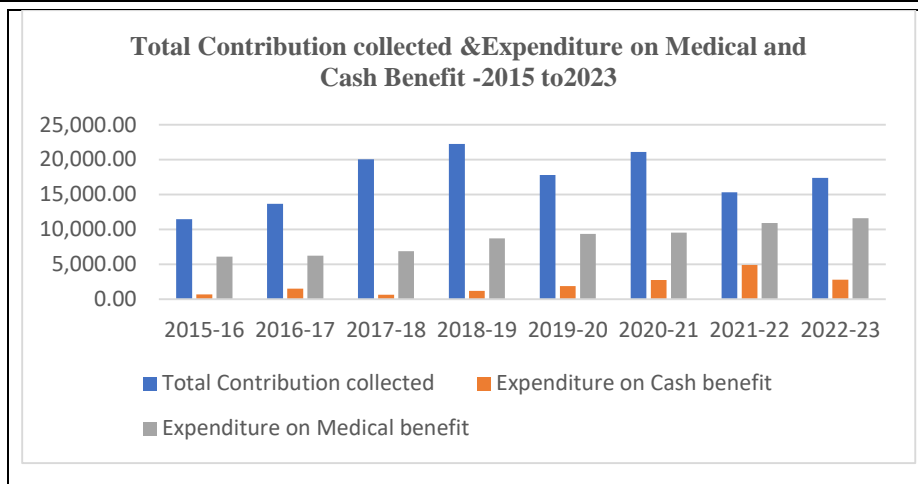
11. The pilot scheme for self –employed workers like auto rickshaw drivers and domestic workers was introduced for one-year w.e.f. 1.04.2016 & 30.09.2016 respectively in Delhi & Hyderabad.
12. The e-Pehchan system (identity of the beneficiaries) has been started from 1 May, 2016. For this, all Insured Persons are being linked with their Aadhaar Number.
13. The ESI Corporation received the 'India Pride Award' for the best autonomous body category. This award has been bestowed upon ESIC in recognition to its new initiatives of health reforms agenda ESIC- 2.0, which has improved the medical and health services of ESIC and expanded its social security net since it is launch in July, 2015 by Hon'ble Prime Minister of India. ESIC has taken numerous initiatives for furthering the goal of social security to the Indian working class.
14. “ESIC-Chinta se Mukti” Mobile App has been made available on ‘UMANG’ platform. With this app, the Insured Persons can view their contribution history, personal profile, claim status and also their entitlement to benefits.

ESIC Beneficiary Trends and Financial Support:

In the following table, the growth trajectory of ESIC services from the fiscal year 2015-16 to 2022-23 is presented. This data offers valuable insights into the evolution of ESIC's reach and impact over the past eight years. As it delves into the numbers, a deeper understanding of the organization's efforts in extending social security benefits to a growing number of individuals and the financial resources allocated to sustain these services can be gained."

Table presenting the growth of ESIC services in terms of no. beneficiaries, Contribution Collected, Expenditure on Cash Benefit and Expenditure on Medical benefit during the period from 2015-16 to 2022-23.								
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
No. of Insured Persons	2,13,61,880	3,19,62,910	3,43,31,300	3,49,67,080	3,41,44,140	3,39,19,370	3,10,20,570	3,42,97,410
No. of Beneficiaries	8,28,84,094	12,40,16,091	13,32,05,444	13,56,72,270	13,24,79,263	13,16,07,156	12,03,59,812	13,30,73,951
Total Contribution collected	11,455.57	13,662.44	20,077.18	22,279.14	17813.19	21,091.12	15,308.98	17,403.05
Expenditure on Cash benefit	703.98	1,517.93	642.84	1,171.00	1,867.21	2,761.88	4,924.17	2,804.68
Expenditure on Medical benefit	6,112.97	6,256.57	6,867.73	8,721.39	9,368.30	9,530.63	10,932.44	11,600.34
Note: The values in the “No. Insured Persons” and “No. Beneficiaries” column represent numerical counts, while the figures in the 'Contribution Collected,' 'Expenditure on Cash Benefit,' and 'Expenditure on Medical Benefit' columns are in Indian rupees (INR) in Crores.								

Sources: Compiled from Employees' State Insurance Corporation (ESIC) Annual Reports, Ministry of Labour and Employment publications, and official government statistical reports.



The table above illustrates the growth of ESIC services from the fiscal year 2015-16 to 2022-23, focusing on key metrics such as the number of insured persons, the number of beneficiaries, total contributions collected, expenditure on cash benefits, and expenditure on medical benefits. The following are the observations made by analysing the above data. They are;

1. The number of insured persons has exhibited a fluctuating trend over the years, experiencing a notable increase from 2015-16 to 2018-19. However, there was a slight decline in subsequent years attributed to the Covid-19 pandemic, which led to a slowdown in industrial growth and the creation of new jobs. In spite of that, it's important to highlight that the overall trend remains upward, signifying an expanding coverage under ESIC.
2. Similarly, the number of beneficiaries has demonstrated a growing trend, albeit with some fluctuations. This indicates that more individuals are accessing ESIC benefits over time, contributing to an augmented social security net.
3. The total contribution collected has generally increased over the years, indicating a growing pool of funds available for providing benefits to insured persons and their dependents. However, fluctuations in the contribution collected are evident, primarily due to the reduction of the contribution rate from 6.5% to 4% with effect from July 1, 2019. It's important to note that the contribution income also includes the amounts recovered from defaulting employers by the Recovery Officers.

4. Expenditure on cash benefits has shown an increasing trend, with substantial fluctuations in certain years. This expenditure category includes payments made to insured persons during periods of certified sickness or disability, indicating a growing demand for such benefits. The notable increase in expenditure from 2020-21 to 2021-22 could be attributed to factors such as the COVID-19 pandemic, which might have led to a higher number of claims for sickness benefits.
5. Expenditure on medical benefits has also exhibited a rising trend over the years, indicating an increased utilization of healthcare services by insured persons and their families. The steady growth in medical expenditure underscores the importance of healthcare coverage provided by ESIC in meeting the medical needs of workers and promoting their well-being.

Overall, the data reflects the evolving landscape of social security and healthcare provision under ESIC, with notable growth in coverage, contributions, and expenditures. The fluctuations observed in certain metrics underscore the dynamic nature of the scheme, influenced by various external factors. However, the overall trajectory suggests a positive impact in terms of extending social protection and enhancing access to healthcare services for workers across India.

Suggestions:

Since the Employees State Insurance Scheme is governed by ESIC, the following suggestions are provided for the better performance of the Corporation. Over time, many initiatives have been taken to reach the needy people. However, despite these efforts, insured persons often seek treatment at private clinics due to a lack of awareness about the scheme and the services provided in ESIC hospitals. Therefore, the Corporation should conduct a rigorous awareness campaign in industrial areas to convey its objectives and showcase the benefits available under the scheme. Additionally, most of the insured persons covered under the scheme are blue-collar employees or industrial labourers with limited education. Hence, the procedures under the scheme should be kept to a minimum, with less paperwork and shorter processing times. Furthermore, the number of beneficiaries has been consistently increasing year by year. ESIC should proactively prepare to expand infrastructure facilities and ensure an adequate workforce to handle the anticipated surge in the near future. This proactive approach will help in effectively managing the growing demand for services and maintaining the quality of care provided to beneficiaries.

Conclusion:

The vision of ESIC is to significantly enhance the quality of life for patients afflicted with diseases, utilizing technology and human expertise efficiently, within a compassionate and nurturing environment that upholds human dignity and respects life. To realize this vision, the corporation has established an extensive infrastructure, including 108 ESIS Hospitals, 53 ESIC Hospitals, 1574 dispensaries, 96 DCBO's (Dispensary Cum Branch Office), 20 EUDs (Employer Utilization Dispensary), and 927 IMPs (Insured Medical Practitioner) clinics across the country. Moreover, ESIC has forged tie-up arrangements with various institutions nationwide. Additionally, in a bid to enhance service quality and bolster the availability of qualified medical personnel, ESIC has set up medical education institutions across the country.

ESIC's governance structure, comprising regional, sub-regional offices, branch offices, and dispensary-cum-branch offices, operates with standardized operating procedures in place, setting a benchmark for organizational efficiency. The corporation's proactive approach to manpower recruitment, robust contribution collection mechanisms from employers and employees, digital connectivity with insured persons and service providers, and comprehensive awareness campaigns have solidified its position as a model institution.

Through its meticulous administration and commitment to providing quality services when needed, ESIC has emerged as a trailblazer in social security provision, catering to one of the largest beneficiary bases globally. The corporation's dedication to its mission underscores its pivotal role in safeguarding the welfare of millions of workers across the nation.

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