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DECLARATION

I, Bidyut Bikash Baishya, bearing Registration Number Ph.D./1462/2011, dated-18.04.2011 hereby declare that the subject matter of the thesis entitled, “*An Assessment of the Workings of Employees’ State Insurance Corporation (ESIC) with special Reference to Assam Region*” is the record of the work done by me for the Degree of Doctor of Philosophy in Commerce. I further declare that this thesis has not been previously submitted elsewhere for any other degree or diploma. Due acknowledgements have been made wherever anything has been referred to or cited in the proposal.

Place: **Diphu**

(BIDYUT BIKASH BAISHYA)

Date:

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DATE:

(BIDYUT BIKASH BAISHYA)

PREFACE

Every human being of a society needs some sort of protection against providential mishaps over which common masses has no control. This protection is provided through proper organization. In western countries, the State and employers both generally provide it to the individual workers and such the term 'Social security' has come to be associated with them. Thus, social security is the security, which the society especially the state and the employers furnish through appropriate organizations to the individual members of the society who are exposed to certain risk. Among this risk the most important is the risk of medical emergencies. But the social security for medical emergencies is not so prominent to the Indian ethos till date. In India, only 3% of population is covered by some form of health insurance, either social or private. This indicates inequalities in healthcare industry. These groups of people necessitate the provision of health insurance, although their capacities to pay insurance premiums are very low. The Indian health insurance scenario is a mix of mandatory Social health Insurance (**SHI**), Voluntary **Private Health Insurance** and Community-Based Health Insurance (**CBHI**). The Social Health Insurance (SHI) is based on income-determined contributions from mandatory memberships. The existing mandatory health insurance scheme in India is – Employees' State insurance Scheme (ESIS) and Central Government Health Scheme (CGHS). Employees' State Insurance Scheme of India is a multidimensional social system tailored to provide socio-economic protection to worker population and their dependents covered under the scheme. The ESI Scheme, engineered to suit health insurance requirements of employees, provides full medical care to insured persons and their dependents, as well as, cash benefits to compensate for loss of wages or of earning capacity in different contingencies. The administration of the ESI Scheme as per the ESI Act has been entrusted to the Employees' State Insurance (ESI) Corporation. However, the Corporation has not given so much of regard for the quality of services and benefits provided to the insured persons and their dependents under the scheme. The study attempt to assess the perceptions of the insured persons and employers both in factory and establishments as well as some formal aspects of the working of the ESI Corporation and offer some suggestions for the proper and

suitable implementation of the scheme on the basis of the findings of the study. However, the focus of the study is on the insured persons. The study is primarily a descriptive and analytical. The study is undertaken on the functioning of ESIC in Assam Region. In Assam there are altogether **85102** insured persons (as on 31-03-2013) under ESIC. Of these, a sample of **382** has been selected randomly consist of factory organisation and other establishments. The study covers a period of 10 years i.e., from 2001-2002 to 2009-2010, because it was during this period that substantial amendments is being made in the ESI Act. This study consists of seven chapters. The first chapter highlights the introduction, concept of HDI, health indicators, social security, health services, health economics, health insurance scheme, need for the study, statement of the problem and objectives of the study. The second chapter consists of reviews of the related literature on earlier studies in abroad, India and Assam. The third chapter addresses the methodology and design used in the study. It deals with sampling frames, the hypothesis, data collection, procedure and method of data analysis. The fourth chapter is concerned with assessing the workings of various types of machinery of the Corporation for the administration of the ESI scheme. The fifth chapter analyses the effectiveness of the benefits provided by the ESI Corporation under the ESI Scheme. The sixth chapter deals with the various sources and application of funds of the Corporation during reference period. The last chapter sums up the findings of the study and offers necessary suggestions for the improvement in the working of the ESI Corporation.

It is hoped that the present study will emerge to inculcate and promote the services (more specifically, the health insurance services) of the corporation within the state of Assam. This will be useful to address the different aspects relating to administration, effectiveness, finance, machinery etc. of the corporation. Besides, academics, consultants, and government agencies may use the findings for conducting further research. The findings may also be considered as important additions to enrich the existing knowledge and literature in the arena of ESIC.

Date:

(BIDYUT BIKASH BAISHYA)

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LIST OF ABBREVIATIONS

A.D:	Anno Domini
BO:	Branch Office
CAGR:	Compound Annual Growth Rate
CBHI:	Community-Based Health Insurance
CCRF:	Contribution to Capital Construction Reserve Fund
DB:	Disablement Benefits
df:	Degree of Freedom
D &M:	Depreciation and Maintenance
EI Court:	Employees' Insurance Court
ESIC:	Employees' State Insurance Corporation
ESIF:	Employees State Insurance Fund
ESIS:	Employees' State Insurance Scheme
GDI:	Gender Development Index
GDP:	Gross Domestic Product
GOI:	Government of India
GRC:	Grievances Redress Cell
HDI:	Human Development Index
HDR:	Human Development Report
i.e:	That is;
ILO:	International Labor Organisation
IO:	Inspection office
IPs:	Insured Persons
IMR:	Infant Mortality Rate

MB:	Maternity Benefit
MDGs:	Millennium Development Goals
NER:	North Eastern Region
NHP:	National Health Policy
No:	Number
NRHM:	National Rural Health Mission
NSDP:	Net State Domestic Product
OB:	Other Benefits
PO:	Pay Office
ROI:	Return on Investment
RRM:	Revenue Recovery Machinery
SB:	Sickness Benefits
SHDR:	State Human Development Report
SHI:	Social Health Insurance
SL:	Serial number
TPA:	Third Party Administrations
UNDP:	United Nations Development Programme
UT:	Union Territories
VAT:	Value Added Tax
VPHI:	Voluntary Private Health Insurance
WDI:	World Development Indicators
WHO:	World Health Organizations